SONIC HEALTHCARE LIMITED

2011 ANNUAL GENERAL MEETING

ADDITIONAL INFORMATION IN RELATION TO RESOLUTIONS 4, 6 AND 7

Calculation of Return on Invested Capital ("ROIC") for Performance Condition 1 for Long Term Incentives

ROIC will be calculated as follows:

ROIC = (EBIT[1] less minority interests[2] less cash taxes paid in year[3]) / Average[4] invested capital[5]

[1] EBIT is statutory EBIT per the Annual Report.

[2] Minority interests are as disclosed in the Income Statement of the Annual Report.

[3] Cash taxes paid are as per the Cash Flow Statement disclosure in the Annual Report adjusted for the tax impact of interest (using the Australian Corporate Tax Rate, currently 30% i.e. 30% of Net Interest Expense).

[4] The average is taken from the opening and closing invested capital position for each financial year.

[5] Invested capital is measured as shareholders' equity plus net interest bearing debt less deferred taxes (these figures are as per the Balance Sheet of the Annual Report).

Whilst the general intent is to use statutory reported numbers for transparency, given we are looking into the future up to 5 years, should the statutory numbers cause an anomalous result, adjustments to the statutory numbers could be made. Possible examples of this might include:

- A change to an accounting standard such as the proposal to capitalise operating leases onto the balance sheet as debt.
- A significant (value accretive) business acquisition occurring shortly before the end of a measurement period such that the statutory numbers include all the required capital but only a part period of the EBIT.
- A major change to the timing of corporate tax payments in one of Sonic's main countries of operation.

Using this calculation, ROIC for FY2011 (the base year) was 8.9%. Therefore, for example, to achieve 100% vesting for the portion of options and rights which have a performance condition measurement period of 3 years, the ROIC for FY2014 would need to be at least 11.5%.