



12 February 2009

**HEALTHSCOPE'S AUCKLAND COMMUNITY PATHOLOGY CONTRACT
CONFIRMED BY NZ SUPREME COURT**

Healthscope Limited today welcomed the Supreme Court's decision to deny leave for a further appeal to Sonic Healthcare's NZ subsidiary, DML, which failed to win the contract in 2006 after the region's three District Health Boards (DHB's) put the contract out to tender.

In September 2008, the Court of Appeal found in favour of Healthscope owned Labtests on all counts reinstating Labtests eight-year contract with the DHB's and ruling that Labtests should take over as the region's community pathology service "as soon as can reasonably be achieved."

Healthscope's Managing Director, Bruce Dixon said Sonic Healthcare had now exhausted all avenues to regain the contract through the Courts.

"The Labtests implementation team has been working closely with the DHB's since the Court of Appeal decision and is well advanced in the establishment of a world class community pathology service for the Auckland region". Mr Dixon said "Labtests is now looking forward to working co-operatively with both DML and the DHB's in the smooth transition of the service. Labtests will be in a position to take up the contract in August 2009.

Mr Dixon said that the Labtests recruitment programme is also well advanced. "The decision of the Supreme Court now provides DML staff certainty as to the future of the DHB's community pathology contract. Our recruitment programme is primarily designed to retain their skills within our Labtests Auckland service."

The Labtests service will be based at its completed Mt Wellington laboratory designed by Healthscope's expert pathology project team. The facility will feature the most advanced pathology testing equipment available.

The 8-year contract has annual revenues of approximately NZ\$70 million.

- ENDS

Contact:

For all enquiries in Australia please contact:

Joe Czyzewski on 03 99267521/ mobile 0417114208.

About Healthscope:

Healthscope is the 100% owner of Labtests. Healthscope is New Zealand's second largest private pathology provider. The Group's 11 Southern Community Laboratories around the country have long-term contracts to provide community and hospital pathology to the Otago-Southland, Canterbury, Hawke's Bay and Lakes District Health Boards. Healthscope also runs Northland Pathology Laboratory Limited providing community pathology services to the Northland region.

Healthscope, headquartered in Melbourne, was formed in 1985 and listed on the Australian Stock Exchange in 1994. It is Australia's second largest private hospital operator. Healthscope's pathology business was originally established in 1936. It has grown to become Australia's third largest pathology provider. The company has market leading community pathology operations in Malaysia and Singapore. Healthscope's global operations employ 18,000 staff.