

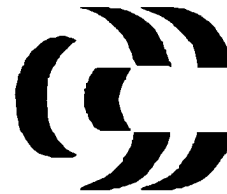


COMMERCE COMMISSION

Facsimile

TO: ASX Announcements **DATE:** 29 September 2005
From: Kate Camp, Communications **Reference:**
Manager **Number of pages:** 3
(including this page)
Number:
Subject: Commission declines application by New Zealand Diagnostic Group and
Sonic Healthcare (New Zealand)

The information contained in this facsimile message may be legally privileged and confidential. If the reader of this message is not the intended recipient, you are hereby notified that any use, dissemination, distribution or reproduction of this message is prohibited. If you have received this message in error, please notify us immediately. Thank you.



COMMERCE COMMISSION

Media Release

Issued 29 September 2005 / no 034

Commission declines application by New Zealand Diagnostic Group and Sonic Healthcare (New Zealand)

The Commerce Commission has declined to grant clearance for the merger of the diagnostic laboratory (pathology) services businesses of New Zealand Diagnostic Group Limited and Sonic Healthcare (New Zealand) Limited or their subsidiaries in six District Health Board districts through the establishment of three joint venture companies. The relevant DHB districts are Hawke's Bay, Canterbury, South Canterbury, the West Coast, Otago and Southland.

Chair Paula Rebstock said that the Commission was not satisfied that the proposed acquisition would not have, or would not be likely to have, the effect of substantially lessening competition in the relevant markets.

Background

NZDG is a privately owned group of companies providing pathology services throughout New Zealand.

Sonic Healthcare (New Zealand) is a subsidiary of Sonic Healthcare Limited, a medical diagnostics company providing pathology and radiology services to medical practitioners, hospitals, community medical services and their patients. Sonic Healthcare is listed on the Australian Stock Exchange.

A public version of the Commission's decision will shortly be available on the Commission's website under Adjudication: <http://www.comcom.govt.nz/adjudication/s6667.cfm>.

Media contact: Kate Camp, Communications Manager Phone work (04) 924 3708, mobile 0275 24 3708

Commission media releases can be viewed on its web site www.comcom.govt.nz