



Media Release

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Solid growth - dividend up 20%

LISTED dental group 1300SMILES (ONT) has consolidated and built on last year's stellar results.

It has announced a 15.5 percent increase in net profit before tax to \$3.1 million, and an 8.6 percent increase in net profit after tax to \$2.3 million, from a five percent growth in revenue, compared with the previous corresponding period.

"This is a very exciting and positive result indeed. Our net profit after tax for this half year is nearly equal to that of our full year result for 2008," according to 1300SMILES Managing Director Dr Daryl Holmes.

"The big gains of the previous year have been well and truly incorporated into our business. It is evident that our new, larger scale is a secure base for further growth."

"The 58 percent revenue growth over the previous year's first half created a very high base figure against which the current half year is measured. Over the two years which have elapsed since the first half of the 2008 year, our revenue has grown by 66%."

Dr Holmes was "pleased to advise that the interim dividend has increased by 20% to 6.5 cents per share."

"Our aim is to deliver constantly increasing dividends, reflecting the core growth of our business."

The company also reduced core debt by 26 percent during the period, to \$3.8 million.

In August 2009 it announced a 47 percent leap in revenue and a 74 percent jump in full-year profit in the 2009 financial year.

1300SMILES Ltd owns and operates 18 multi-dentist facilities in Queensland and NSW.

Dr Holmes also commented on the impact of the global financial crisis, saying that "our business model has now been thoroughly tested in quite different economic circumstances, and I believe that shareholders should take confidence from our company's consistent performance in good economic times and bad."

The objectives for the group going forward are the same as they have been for some years, being "to deliver increased revenue, profit, earnings per share, and dividends by doing what we do best," which he said included organic growth, acquisitions, greenfield developments, and also management of facilities not owned by 1300SMILES.

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