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Media Release

Smiles all-round as dental group posts record profit

LISTED Queensland dental group 1300SMILES has posted a record profit of \$2.35 million, up 30 per cent on the previous financial year.

The profit came on the back of an 81 per cent leap in revenue to \$15.2 million after the company ramped up its expansion and operations during 2007/08.

Shareholders can expect a bonus after the company announced its full year dividend would be 8.5c a share, up 25 per cent from last year.

1300SMILES operates multi-dental facilities in Cairns, Townsville, Mackay, Rockhampton, Gladstone, Bundaberg, Caloundra, Brisbane, Toowoomba and Gold Coast.

Managing director Dr Daryl Holmes said the group had made several large acquisitions through the year, all of which had made big contributions to the record profit.

“At this time last year we advised shareholders that 06/07 year would be a time of consolidation, leading in to significant progress in the following financial year,” Dr Holmes said.

“The results delivered for the past financial year more than justify our position.”

Dr Holmes said the company’s operations in Caloundra, Rockhampton and Toowoomba had performed particularly well.

“There was also continued growth at our long-established facilities as more dentists moved their practices to the facilities,” he said.

“We also settled the acquisition of a large practice in Bundaberg on June 30 this year, and it is already performing in line with our high expectations.”

He said the company was looking to acquire more practices.

“We will be looking at practises not just within other regional areas, but also in areas where we have existing practices as well as looking for expansion opportunities interstate,” he said.

“In order to boost profits and shareholder returns we will aim to increase the number of dentists who use the company’s facilities and assist them to increase their turnover,” he said.

1300SMILES principally provides the use of dental surgeries, practice management and other services to self-employed dentists who operate their own practices.

The company's structure allows dentists to focus on the delivery of dental services rather than the administrative and management operations. The dentists pay fees to the company for the provision of these services under a Dental Service Agreement with the company.

The fast-growing company owns 17 facilities in 10 major regional Queensland centres. The administration office is located in Townsville.

1300SMILES listed on the Australian Securities Exchange on March 11, 2005 at an issue price of 80c.

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