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Profit up: dentists all smiles

TOWNSVILLE-based listed dental group 1300SMILES has posted a record net profit for the 2009-10 financial year of \$4.3 million, up 13.6 per cent on the previous year and 98 per cent on its result two years ago.

The group, which has 20 dental facilities in Queensland and northern New South Wales, yesterday announced record results in all key measures of its business, including earnings per share of 21c and a fully-franked final dividend of 7.2c.

The final dividend was up 20 per cent on the previous year while the group's before-tax profit leapt 19 per cent to \$6.2 million.

Managing director Dr Daryl Holmes said an old-fashioned approach to business and financial management was reaping rewards for shareholders.

"We finished the 2010 financial year with our biggest profit ever, and we are starting the 2011 year with the largest established business we have ever had," he said.

"Our old-fashioned approach to

business – careful growth, low debt levels, controlling shares on issue, and great attention to detail – has delivered good dividend returns along with strong earnings per share."

Dr Holmes said that since the 2008 year, the company's net profit after tax had come within a whisker of doubling, up 98 per cent.

"Since the 2008 year, we have also seen total revenue rise by 54 per cent, earnings per share lift by 88 per cent, and earnings before interest and tax jump by 97 per cent," he said.

"The 2010 results show we have successfully adapted to our increased scale, delivering more moderate but strongly positive progress on the key measures of interest to shareholders."

1300SMILES has expanded a number of practices during the past year and opened two new facilities in Brisbane.

This month the group will sup-

plement its thriving Bundaberg practice with a new six-chair operation, and another one in Brisbane.

"In addition to the new facilities opening shortly, we are well advanced on a number of greenfield sites and acquisitions where we expect to begin operations in the current financial year," Dr Holmes said.

Since listing on the ASX in March 2005, the company's share price has increased fourfold from 80c to \$3.20, outperforming the All Ordinaries Index which has risen 4 per cent.

1300SMILES has facilities in Cairns, Townsville, Mackay, Rockhampton, Gladstone, Bundaberg, Caloundra, Brisbane, Tweed Heads, and Toowoomba.

Through agreements, the company provides surgeries, management and other services to dentists, enabling them to focus on the delivery of dentistry rather than administration and management.