

NEWS RELEASE



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Dynatronics Announces Third Quarter Results

Salt Lake City, Utah (May 17, 2010) – Dynatronics Corporation (NASDAQ: DYNT) today announced results for its fiscal third quarter ended March 31, 2010.

Sales for the quarter increased 7.9 percent to \$8,235,060, compared to \$7,633,419 for the third quarter of the prior fiscal year. For the nine-month period ended March 31, 2010, sales increased 2.8 percent to \$25,018,960, compared to \$24,348,461 for the same period in the prior fiscal year.

“Sales of both rehabilitation capital equipment and medical supplies increased over last year’s results for the quarter and nine-month periods,” stated Kelvyn H. Cullimore Jr., chairman and president of Dynatronics. “This is the most significant positive indicator we have seen since recessionary pressures began affecting the economy in the United States in 2008. We attribute these positive trends to our aggressive marketing efforts and, hopefully, a slight easing of recessionary pressures.”

Pre-tax income for the quarter ended March 31, 2010, totaled \$160,905, compared to \$213,304 for the quarter ended March 31, 2009. Pre-tax income for the nine months ended March 31, 2010, increased to \$612,881 compared to \$112,393 for the nine months ended March 31, 2009.

“The 445% increase in pre-tax profits for the nine-month period is reflective of our enhanced marketing efforts and strategic reductions in expenses, and continues a string of six consecutive profitable quarters,” Cullimore explained. Pre-tax profits for the current quarter were lower in comparison to the same quarter last year due to the benefit in the prior year of the reversal of an approximately \$472,000 accrual for retirement benefits upon cancellation of employment agreements for Cullimore and the company’s executive vice president of sales and marketing, Larry Beardall.

Net income for the quarter ended March 31, 2010, was \$96,099, or \$.01 per share, compared to \$141,576, or \$.01 per share, for the quarter ended March 31, 2009. Net income increased to \$353,022, or \$.03 per share, for the nine months ended March 31, 2010, compared to \$57,223, or \$.00 per share, for the nine months ended March 31, 2009.

“Our efforts to reduce expenses have been complemented by specific marketing strategies that resulted in the increase in sales reported for the quarter ended March 31, 2010,” said Beardall. “With the broad line of products we now offer and a strong sales force that we expect will only grow stronger in the coming year, we believe we are well positioned to develop relationships with large chains of clinics and hospitals, national accounts and group purchasing organizations (GPOs) that buy primarily through negotiated contracts,” Beardall added.

Dynatronics has scheduled a conference call for investors on Monday, May 17, 2010, at 1:30 p.m. ET. Those wishing to participate should call 800-861-4084 and use passcode 9921511.

A summary of the financial results as of March 31, 2010 and June 30, 2009 and for the three and nine months ended March 31, 2010 and 2009, follows:

**Summary Selected Financial Data
Statement of Operations Highlights**

	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Net sales	\$8,235,060	\$7,633,419	\$25,018,960	\$24,348,461
Cost of sales	<u>5,119,797</u>	<u>4,788,993</u>	<u>15,396,978</u>	<u>14,994,838</u>
Gross profit	3,115,263	2,844,426	9,621,982	9,353,623
SG&A expenses	2,647,417	2,256,795	8,059,143	8,060,869
R&D expenses	222,062	247,293	644,912	775,040
Other expenses, net	<u>84,879</u>	<u>127,034</u>	<u>305,046</u>	<u>405,321</u>
Net income before income taxes	160,905	213,304	612,881	112,393
Income tax provision	<u>64,806</u>	<u>71,728</u>	<u>259,859</u>	<u>55,170</u>
Net income	\$ <u>96,099</u>	\$ <u>141,576</u>	\$ <u>353,022</u>	\$ <u>57,223</u>
Diluted income per common share	\$ <u>.01</u>	\$ <u>0.01</u>	\$ <u>.03</u>	\$ <u>.00</u>

Balance Sheet Highlights

	<u>March 31,</u>	<u>June 30,</u>
	<u>2010</u>	<u>2009</u>
Cash	\$ 266,812	\$ 141,714
Accounts receivable	4,608,431	4,739,727
Inventories	5,734,580	6,199,251
Total current assets	11,608,314	12,003,068
Total assets	16,600,142	17,087,289
Accounts payable	1,772,708	1,795,520
Accrued expenses	384,012	446,327
Line of credit	3,889,565	4,602,651
Total current liabilities	7,172,421	7,785,881
Total liabilities	9,886,202	10,667,540
Total liabilities and equity	\$ 16,600,142	\$ 17,087,289

Dynatronics manufactures, markets and distributes advanced-technology medical devices, orthopedic soft goods and supplies, treatment tables and rehabilitation equipment for the physical therapy, sports medicine, chiropractic, podiatry, plastic surgery, dermatology and other related medical, cosmetic and aesthetic markets. More information regarding Dynatronics is available at www.dynatronics.com.

This press release contains forward-looking statements. Those statements include references to the company's expectations and similar statements such as the statement regarding expectations for future growth in the company's business and market share gains. Actual results may vary from the views expressed in the forward-looking statements contained in this release. The development and sale of the company's products are subject to a number of risks and uncertainties, including, but not limited to, changes in the regulatory environment, competitive factors, inventory risks due to shifts in market demand, market demand for the company's products, availability of financing at cost effective rates, and the risk factors listed from time to time in the company's SEC reports including, but not limited to, the report on Form 10-K for the year ended June 30, 2009.