

NEWS RELEASE



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Dynatronics Announces Fourth Quarter and Year-end Results

Salt Lake City, Utah (September 28, 2011) – Dynatronics Corporation (NASDAQ: DYNT) today announced results for its fiscal fourth quarter and year ended June 30, 2011.

Sales for the quarter ended June 30, 2011 increased 3 percent to \$8,190,382, compared to \$7,943,432 for the quarter ended June 30, 2010. Sales for the year ended June 30, 2011, were \$32,692,859, down less than 1 percent from \$32,962,392 for the prior year.

Net income for the quarter ended June 30, 2011 was \$68,776 (\$.01 per common share), compared to \$70,955 (\$.01 per common share) for the same quarter in the prior fiscal year. Net income for the year ended June 30, 2011 was \$270,888 (\$.02 per common share), compared to \$423,977 (\$.03 per common share) for the prior fiscal year. Approximately \$469,000 in increased research and development expenses primarily accounts for the lower profitability in fiscal year 2011.

“Despite the fact R&D expenditures diminished our comparative profitability, such expenditures are important to enhancing future sales and maintaining our position as an innovator in the market,” stated Kelvyn H. Cullimore Jr., chairman and president of Dynatronics. “In addition to our R&D initiative, we also made significant progress cultivating new sales opportunities with Group Purchasing Organizations (GPOs) and national accounts. During the year, we announced the signing of contracts with four GPOs: Premier, Amerinet, First Choice and Champs Group Purchasing. These contracts became effective in the latter part of the fiscal year and we have begun the process of introducing GPO member facilities to Dynatronics’ brand of products.”

“The contracts with the GPOs represent a license to solicit business directly from the members of the respective GPOs,” explained Cullimore. “While initial indications of interest from these new GPO customers have been encouraging, we recognize that the process of converting business to our brand is more of a marathon than a sprint and it will take several quarters to show significant progress.”

“Cultivating business through these GPO contracts and seeking additional contracts with other GPOs and national accounts is a major focus for us,” stated Larry K. Beardall, executive vice-president of sales and marketing. “We have hired additional sales staff and continue to court several GPOs and national accounts throughout the country. It is gratifying to see GPO member clinics open accounts and place orders for our products and services.”

The Company also experienced progress during fiscal year 2011 in the development of several new therapy devices which are targeted for introduction in the spring of 2012. “New products are an important element of our strategy to attract both new customers, including GPOs, as well as business from our existing customer base,” added Cullimore. “We believe this new line of products will be attractive and provide a boost to our marketing and sales efforts immediately upon release.”

“With potential new sales from GPO customers and national accounts as well as the expected impact from new products under development, we are optimistic about the potential for growth in sales and profits during the coming year,” Cullimore concluded.

Dynatronics has scheduled a conference call for investors on Wednesday, September 28, 2011, at 1:00 p.m. ET. Those wishing to participate should call 888-227-5826 and use access code 5687000.

Following is a summary of the financial results as of June 30, 2011, and June 30, 2010, and for the three and twelve-month periods ended June 30, 2011 and 2010:

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

	Three Months Ended June 30,		Twelve Months Ended June 30,	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Net sales	\$ 8,190,382	\$ 7,943,432	\$ 32,692,859	\$ 32,962,392
Cost of sales	<u>5,051,224</u>	<u>4,919,839</u>	<u>20,208,035</u>	<u>20,316,818</u>
Gross profit	3,139,158	3,023,593	12,484,824	12,645,574
SG&A expenses	2,656,615	2,582,652	10,431,463	10,641,795
R&D expenses	338,139	270,021	1,383,712	914,932
Other expenses, net	<u>63,155</u>	<u>83,756</u>	<u>250,785</u>	<u>388,802</u>
Net income before income tax provision	81,249	87,164	418,864	700,045
Income tax provision	<u>(12,473)</u>	<u>(16,209)</u>	<u>(147,976)</u>	<u>(276,068)</u>
Net income	<u>\$ 68,776</u>	<u>\$ 70,955</u>	<u>\$ 270,888</u>	<u>\$ 423,977</u>
Diluted net income per common share	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ 0.02</u>	<u>\$ 0.03</u>

Balance Sheet Highlights

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Cash	\$ 384,904	\$ 383,756
Accounts receivable	3,672,128	3,735,251
Inventories	5,647,815	5,766,800
Total current assets	10,432,811	10,609,813
Total assets	14,819,181	15,090,329
Accounts payable	2,127,163	1,404,022
Accrued expenses	379,336	462,641
Line of credit	2,583,937	2,768,492
Total current liabilities	5,880,080	5,686,280
Total liabilities	8,204,022	8,291,052
Total liabilities and equity	14,819,181	15,090,329

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 new product line introductions and growth from GPO contracts. Forward-looking statements in this press release include, among others, the statement that the new line of products currently under development "will be attractive and provide a boost to our marketing and sales efforts immediately upon release" as well as the statement that the company is "optimistic about the potential for growth in sales and profits during the coming year" due to "potential new sales from GPO customers and national accounts as well as the expected impact from new products under development". 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, 2011.