

Codan detects profit jump

CAMERON ENGLAND



STRONG PICK-UP: Codan chief executive Donald McGurk with one of its gold detectors.

CODAN has more than doubled full-year net profit and declared a special dividend, as it enters the new financial year with "a strong balance sheet".

The South Australian communications technology company said it had a net cash balance of \$21.4 million and had a strong year, including its radio communications division producing its best result in eight years.

The company posted an underlying net profit of \$44.7 million, up 112 per cent, on 33 per cent higher sales.

The metal detection division posted its second-best result and the relatively new Minetec division posted a small profit.

Chief executive Donald McGurk said the company had "spent more than ever on new product development this year, and this will increase again in FY18 as we continue to invest in order to diversify and grow our sustainable revenue base.

"We remain focused on developing leading-edge solutions that solve our customers' safety, security and productivity problems.

"For example, this year we completed first release of our new Cascade Land Mobile Radio product platform . . . expanded our high-frequency military offering with the release of two new handheld, tactical radios for the global military market, and acquisition of the Stealth antenna range, and continued to fasttrack development of the nextgeneration dual-sensing countermine detector, targeted for completion in FY19.

Codan said that it was still looking to sell its vacant Newton site.

Codan will pay a 7c dividend and a 3c special dividend, both fully franked, on October

3. The company's shares closed steady on \$2.25.