

**CARDNO ACQUISITION OF LEADING BUILDING SERVICES COMPANY**

International infrastructure services group, Cardno Limited (ASX: CDD) today announced that it has acquired ITC Group, an Australian based building services consulting engineering firm with offices in five Australian States and Territories and around 100 staff.

ITC is expected to contribute fee revenue of around AU\$20 million to Cardno annually. Cardno will pay AU\$18.4m for ITC on an enterprise value basis plus a working capital adjustment of around \$2m. The effective date for the transaction will be 1 January 2010 and it will be immediately earnings per share accretive.

ITC brings to Cardno a broad range of new engineering disciplines including electrical; mechanical; fire; hydraulic; sustainability; facility solutions; audio/visual; asset auditing; security; vertical transportation; lighting; acoustic; telecommunications and environmental auditing.

“Electrical and mechanical engineering for the building sector is an area that Cardno has been targeting for expansion for some time,” said Cardno Managing Director, Andrew Buckley. “The complementary nature of ITC’s electrical, mechanical and specialist engineering services with Cardno’s existing capability provides an excellent opportunity for further growth through cross selling,” he said.

The acquisition fits well with Cardno’s existing physical infrastructure services particularly in the areas of civil and structural engineering for buildings.

“We see ITC as the perfect partner to grow Cardno’s capabilities in this area of the engineering market,” said Mr Buckley.

“ITC also offers significant experience in environmental auditing and has green building rating credentials. Combining ITC’s experience in sustainability with Cardno’s existing capabilities in environmental management will place Cardno in a strong position to meet the anticipated increased demand for environmental auditing services, said Mr Buckley”

In its 12 year history, ITC has developed a solid client base, working with major clients who include Commonwealth Bank, Bovis Lend Lease, AMP and Telstra. The firm also works extensively with government organisations such as the Australian Tax Office, Department of Treasury & Finance and Australian Customs.

“With strong cross-selling opportunities, the ITC acquisition makes a lot of commercial and strategic sense for Cardno,” said Mr Buckley.

ITC’s key management will become Cardno shareholders and remain active in the company. The business will be co-branded as Cardno ITC.

Jason Varker-Miles, Managing Director and founder of ITC, said that the acquisition by Cardno would enable ITC to grow and expand at an increased rate.

“We see significant opportunities for the ITC team to work with existing Cardno businesses, and I also envisage increased career opportunities for our staff,” said Mr Varker-Miles.

The acquisition will be funded with an approximate mix of 70% cash and 30% shares. Around 1,394,000 shares will be issued at a price of \$4.1618. The cash component will be funded from available cash reserves.

Mr Buckley said that Cardno's balance sheet remains strong following the acquisition and the company continues to focus its strategy to grow organically and by acquisition.

"We see further strategic opportunities for Cardno through our M&A pipeline this year," he said.

Cardno plans to announce its half year results on Tuesday, 16 February and expects to report performance in line with previous guidance.

**– ENDS –**

**For further information please contact:**

Mr Andrew Buckley  
Managing Director  
Ph: +61 (0)7 3369 9822  
Mobile: +61 (0)412 059 526

Mr Jeff Forbes  
Chief Financial Officer  
Ph: +61 (0)7 3369 9822  
Mobile: +61 (0)408 756 790

**About Cardno:** Cardno is an integrated professional services provider, locally delivering the specialist advice necessary to create or improve the physical and social infrastructure that underpins communities around the world. Card no's team comprises leading advisers who plan, design, manage and deliver sustainable projects or community programs. Cardno is an international company, listed on the Australian Securities Exchange [ASX: CDD]. [www.cardno.com](http://www.cardno.com)

**About ITC:** Established in 1998, ITC is a dynamic, client focused organization dedicated to providing professional engineering, sustainability and facility services with the view to delivering complete and innovative solutions that encompass all Building, Tenancy, Infrastructure and Technology Environments. ITC has offices in Sydney, Brisbane, Melbourne, Canberra and Perth.