

ASX Announcement and Media Release

17 August, 2010

CARDNO POSTS RECORD PROFIT, INCREASES DIVIDEND

Global infrastructure services consultancy Cardno Limited (ASX: CDD), today announced a record net profit after tax of \$37.60 million for the year ended 30 June 2010, a 10.1% increase over the 2009 financial year. Basic earnings per share increased to 43.86 cents.

Cardno had strong operating cash flow of \$46.75 million in 2010, an increase of 21% over 2009, and had cash of \$56.28 million at 30 June 2010.

The company's balance sheet remains strong with low net debt. In August, the company completed a successful Rights issue raising \$49 million.

The Board has declared a fully franked final dividend of 15 cents per share to be paid on 15 October 2010 to all shareholders registered on 17 September 2010. With the interim dividend of 14 cents per share in March 2010, this will result in a full year dividend of 29 cents, which is also a record for Cardno.

Revenue was \$477.24 million, which was slightly down from 2009, with most of this reduction resulting from the strengthening Australian dollar in 2010.

"I am pleased to announce Cardno has delivered another record profit for our shareholders during a period of significant adverse economic conditions. This is the sixth consecutive year of record profit and earnings per share growth since listing in 2004 with total shareholder return in this period of over 400%" said Cardno Chairman, Mr Massey.

"Cardno has performed strongly through the global financial crisis. The company's strategy of diversifying its operations through acquisitions and growth across multiple geographic regions and disciplines has proven successful. The company now employs over 3,700 staff worldwide, operating out of 150 offices."

During the financial year Cardno made four acquisitions. The 615-person Cardno ENTRIX and the 155-person Cardno ERI have increased Cardno's exposure to the highly strategic and growing environmental consulting market, as well as the oil and gas sector in the US and internationally. In Australia, Cardno acquired two specialist businesses: Cardno ITC a 100-person Australia wide electrical, mechanical and specialist engineering group providing services to the building sector; and Cardno AUS a utility detection and mapping services business based in Victoria.

Managing Director, Mr Andrew Buckley noted that the company's second half performance was stronger than the first half as expected, reflecting the impact of improving market conditions and the benefit of acquisitions undertaken in recent months.

"Our markets continue to improve," Mr Buckley said. "Cardno traditionally achieved organic growth of 7% to 9% before the global financial crisis. With the strong performance of recent major acquisitions and a return to organic growth, the company is well positioned for 2011", he added.

Summary performance for the year ended June 2010:

	2010	2009	Change
Revenue	\$477.24 m	\$515.84 m	-7.5%
EBIT	\$ 46.48 m	\$ 46.50 m	-.01%
NPAT	\$ 37.60 m	\$ 34.15 m	+10.1%
EPS – basic	43.86 cents	43.82 cents	+0.1%
Dividend per share	29.00 cents	28.00 cents	+3.6%

* All figures quoted are in Australian dollars.

Acquisitions during the 2010 financial year:

ITC Group (Cardno ITC) – February 2010: Cardno acquired a 100 plus person electrical, mechanical and specialist engineering group providing services to the building sector.

Australian Underground Services (Cardno AUS) – April 2010: Cardno acquired a 30 person utility detection and mapping services business which will allow the transfer of our professional subsurface utility engineering global expertise from Cardno TBE (based in the USA) to Australia.

ENTRIX (Cardno Entrix) – June 2010: Cardno purchased a 615-person, US-based environmental and natural resources consulting services business which specialises in water resources management, environmental risk management facility permitting, and compliance and natural resource economics. ENTRIX has 30 offices throughout the US and international branches in Canada, Ecuador and Peru.

Environmental Resolutions Inc (Cardno ERI) – June 2010: Cardno purchased a 155-person, US based environmental soil and groundwater remediation firm, which primarily undertakes work for leading oil and gas companies on sites contaminated with hydrocarbon residues, such as service stations, refineries and bulk oil storage facilities.

ENDS

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About Cardno: Cardno is an integrated professional services provider, delivering the specialist expertise necessary to create and improve the physical and social infrastructure that underpins communities around the world. Cardno's team comprises of 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.