

ASX STATEMENT AND MEDIA RELEASE

19 October 2010

CARDNO FORECASTS RECORD FIRST HALF PROFIT OF \$29M - \$31M UP OVER 81%

Cardno Limited expects to report a Net Profit After Tax for the half year ending December 2010 of between \$29 million and \$31 million, an increase of 81% to 93% on the previous corresponding period of \$16.051m. The current profit estimate is based on unaudited management results and current forecasts.

Cardno Managing Director, Mr Andrew Buckley noted that the significant increase in profit in the first half is indicative of the success of Cardno's growth strategy which has positioned the company to take advantage of the improving market sectors across its businesses. "This forecast builds on the strong results Cardno delivered throughout the last two years of challenging global economic conditions" he added.

Mr Buckley said that the increase in earnings is a result of a strong contribution from FY10 acquisitions and a return to organic growth generated through successful integration of new partners and a focus on cross selling across the business.

He noted that while the second half performance will continue to be robust it is not expected to be as strong as the first half due to the Gulf of Mexico oil spill not continuing at the same level of activity as the first quarter, and the stronger Australian dollar. "The Gulf of Mexico oil spill is now moving from an emergency response phase to an ongoing assessment operation", Mr Buckley added "However, market conditions across the rest of the business continue to improve".

Mr Buckley also noted that Cardno's low gearing and strong balance sheet provide the company with the perfect base for launching future acquisitions in both Australia and North America.

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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 includes leading professionals 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