

Our Ref CL-12 NOD

Contact Jeff Forbes



10 November 2010

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Dear Sir/Madam,

AMENDED PRESENTATION

Please note that there was an error on page 15 of the presentation to the Wilson HTM Mining Services Conference which was released to the market earlier today. Under the section header "Cardno's Business Segments" the subheading reference to Proforma 2011FY should read Proforma FY10. A copy of the amended presentation is attached.

Yours faithfully

A handwritten signature in black ink, appearing to read 'J Forbes', written in a cursive style.

Jeffrey I Forbes
Company Secretary
for Cardno Limited



Cardno Limited

Wilson HTM - Focus on Mining Services Conference Presentation

10th November 2010

Presented by:

Andrew Buckley – Managing Director and Jeff Forbes – Chief Financial Officer



Cardno Limited



-  2010 Highlights and Outlook
-  Core Business and Services
-  Competitive Advantage
-  Strategy and Outlook

“Cardno’s vision is to be a world leader in the provision of professional services to improve the physical and social environment”



Cardno

Shaping the Future


“Strong cash flow, low debt and an even stronger balance sheet”

2010 Highlights and Outlook

Earnings - 2010FY Highlights

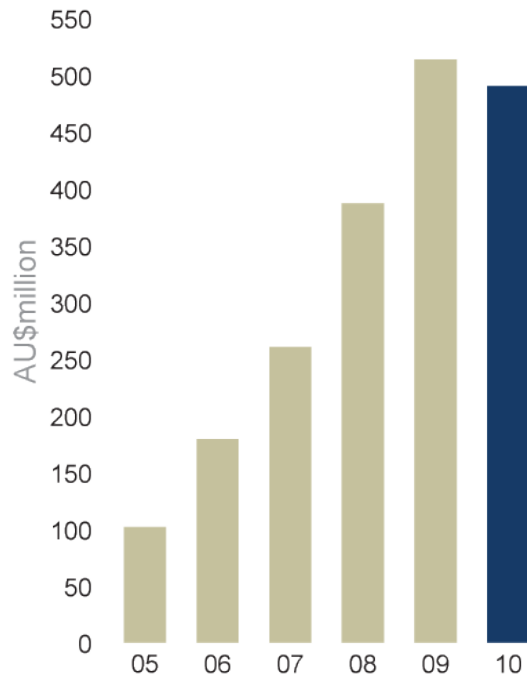
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- Record profit up 10% despite GFC
 - Dividends up to record 29 cents
 - Strong operating cash flow \$46m up 21%
 - \$49m capital raising reduced debt
 - Strong balance sheet net debt / equity – currently < 20%
 - Stronger second half 2010FY reflective of underlying organic growth and sustainable into 2011FY
 - US acquisitions bolster strengths in high-demand global environmental services and US oil and gas sector
 - Australian acquisitions strengthen building and specialist underground services sectors
 - All acquisitions supplement and broaden existing core strengths

Earnings - 2011FY Update

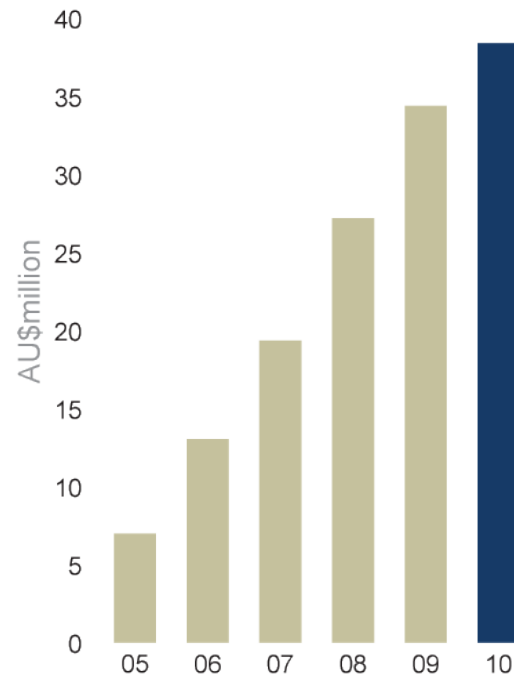
- 
- Upgrade first half profit to \$29 m - \$31 m
 - More than 81% increase over PCP (\$16 m)
 - New acquisitions performing strongly
 - Generally improving market conditions across most sectors
 - Second half performance is expected to be robust although oil spill contribution will be less than first half
 - Acquisition pipeline remains healthy
 - Organic growth aided by cross selling expected to continue

6th Consecutive Growth Year

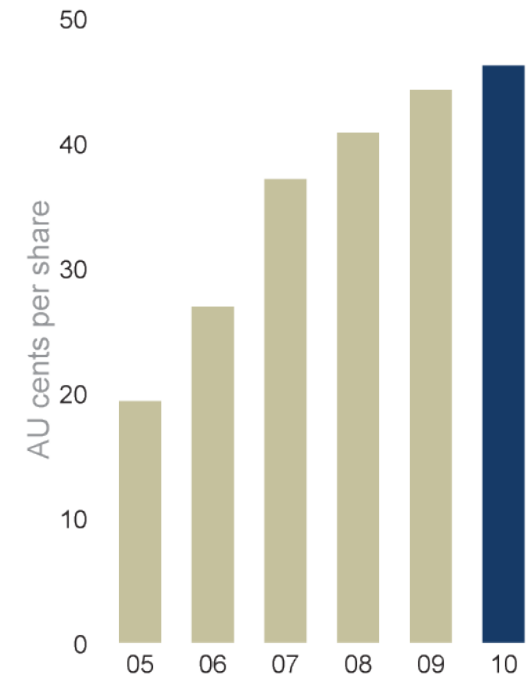
Revenue 39.5% CAGR



NPAT 42.6% CAGR

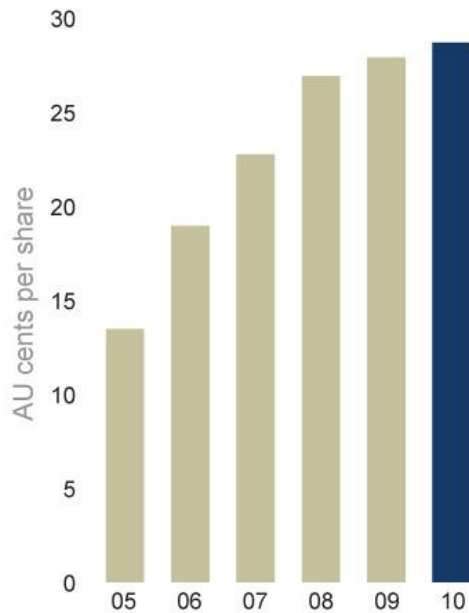


EPS 20.8% CAGR

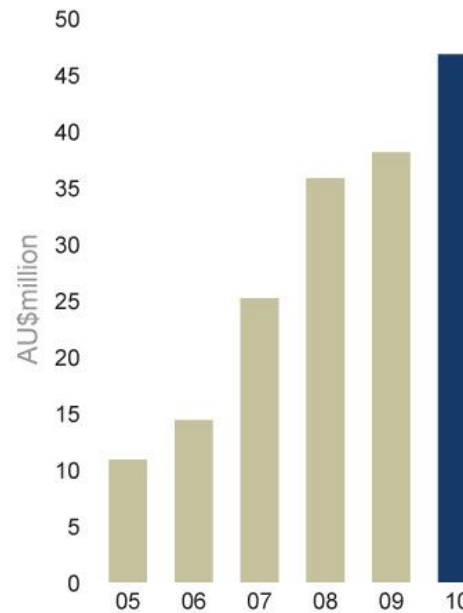


6th Consecutive Growth Year

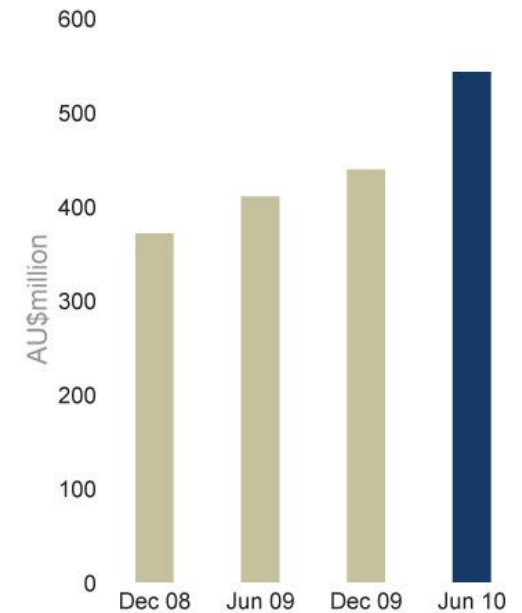
Dividends 18.4% CAGR



Operating cash flow 29.8% CAGR

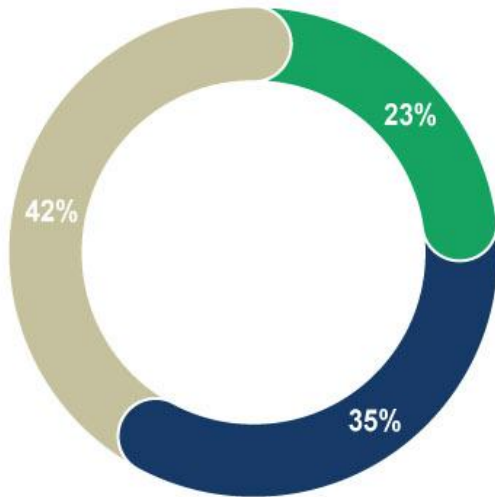


Work in Hand



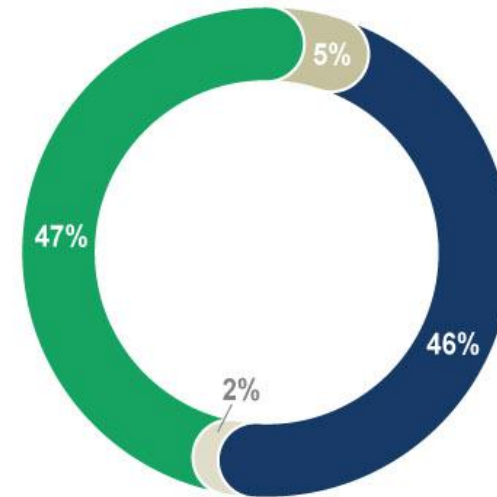
Diversified Revenue Streams

Revenue by Operating Segment
FY2010 (Proforma)



- Professional Services Australian & NZ
- Professional Services America's & Software
- International Development Assistance

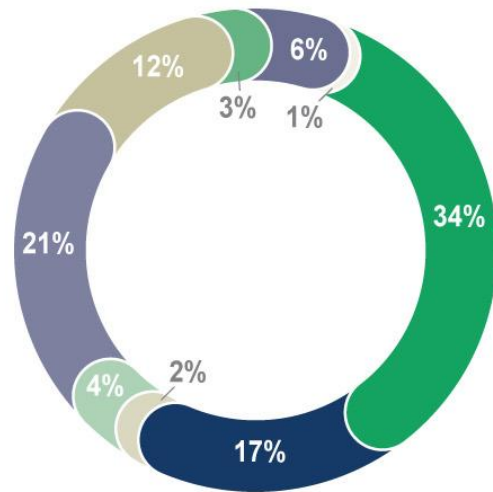
Revenue by Geographic Region
FY2010 (Proforma)



- Australia & NZ
- Asia Pacific
- America's
- UK & Africa

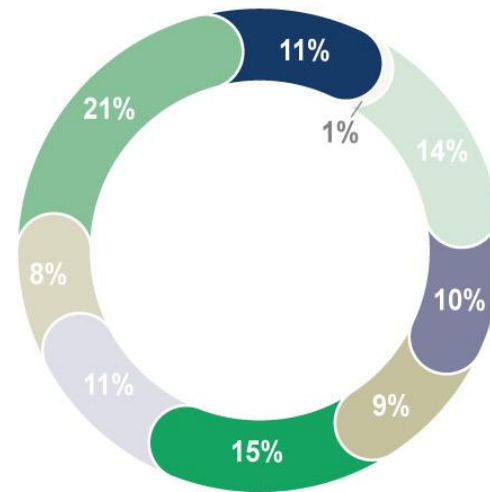
Diversified Revenue Streams

**Fee Revenue by Discipline
FY2010 (Proforma)**



- Building & Property
- Coastal & Ocean
- Environment Climate Change & Water Quality
- International Development Assistance
- Management Services
- Mining, Resources & Energy
- Transport & Bridges
- Urban & Residential Development
- Water & Waste Water

**Revenue by Client Type
FY2010 (Proforma)**



- Developer
- Government Owned Corporation
- Government – Federal
- Government – Local
- Government – State
- Contractor/service Provider
- Other Clients
- Aid Agency
- Mining, Resources & Energy


Creating Shareholder Value



- Strong dividend streams
- 29 cents fully franked for year
- EPS growth past 6 years is 20.8% CAGR
- Dividend growth past 6 years is 18.4% CAGR
- Total shareholder return since 2004 + 400% (at June 30th)
- Expanding through strong balance sheet and low net debt
- Low risk and proven growth strategy
- Acquisitions negotiated at low PE's and immediately EPS accretive

International P/E ratio comparatives*



	P/E Ratio	Market Cap USDM
 Tetra Tech Inc	18.2	1,338
 RPS Group Plc	14.5	783
 Stantec Inc	13.8	1,263
 Aecom Technology Corp	13.7	3,232
 URS Corporation	11.3	3,480
 Cardno	9.4	510
 Hyder Consulting Plc	9.2	225

* Based on FY11 consensus forecasts



Cardno

Shaping the Future

“Broad range of specialist services delivering value to our Clients”

Core Business and Services

Cardno Services to the Mining & Energy Sectors



-  Civil Engineering
-  Structural Engineering
-  Survey
-  Environmental Services
-  Geotechnical Engineering
-  Construction Materials Testing (CMT)
-  Socio-Economic Impact Studies
-  Mine Closure Plans
-  Emergency Response

Mining & Energy Clients 21% Revenue FY10 (proforma)

Core Businesses



- Globally integrated professional services business with more than 3,800 people in 150 offices
- Approximately 85% of staff professionals and fee earning personnel
- Primary disciplines of diverse engineering and management services, environmental sciences, CMT, social infrastructure delivery
- Focus on developing / improving physical and social infrastructure for private and public sectors
- FY10 acquisitions contribute strongly to FY11 upgraded performance

Cardno's Business Segments

Australia/NZ Revenue: \$220m (Proforma FY10 \$230m)

- Building & Property
- Coastal, Ocean & Marine
- Environmental
- Management Services
- Mining, Resources & Energy
- Transportation
- Urban Development
- Water & Wastewater

Americas & Software Revenue: \$115m (Proforma FY10 \$264m)

- Building & Property
- Coastal, Ocean & Marine
- Environmental
- Management Services
- Mining, Resources & Energy
- Transportation
- Urban Development
- Water & Wastewater

International Development Assistance Revenue: \$141m (Proforma FY10 \$141m)

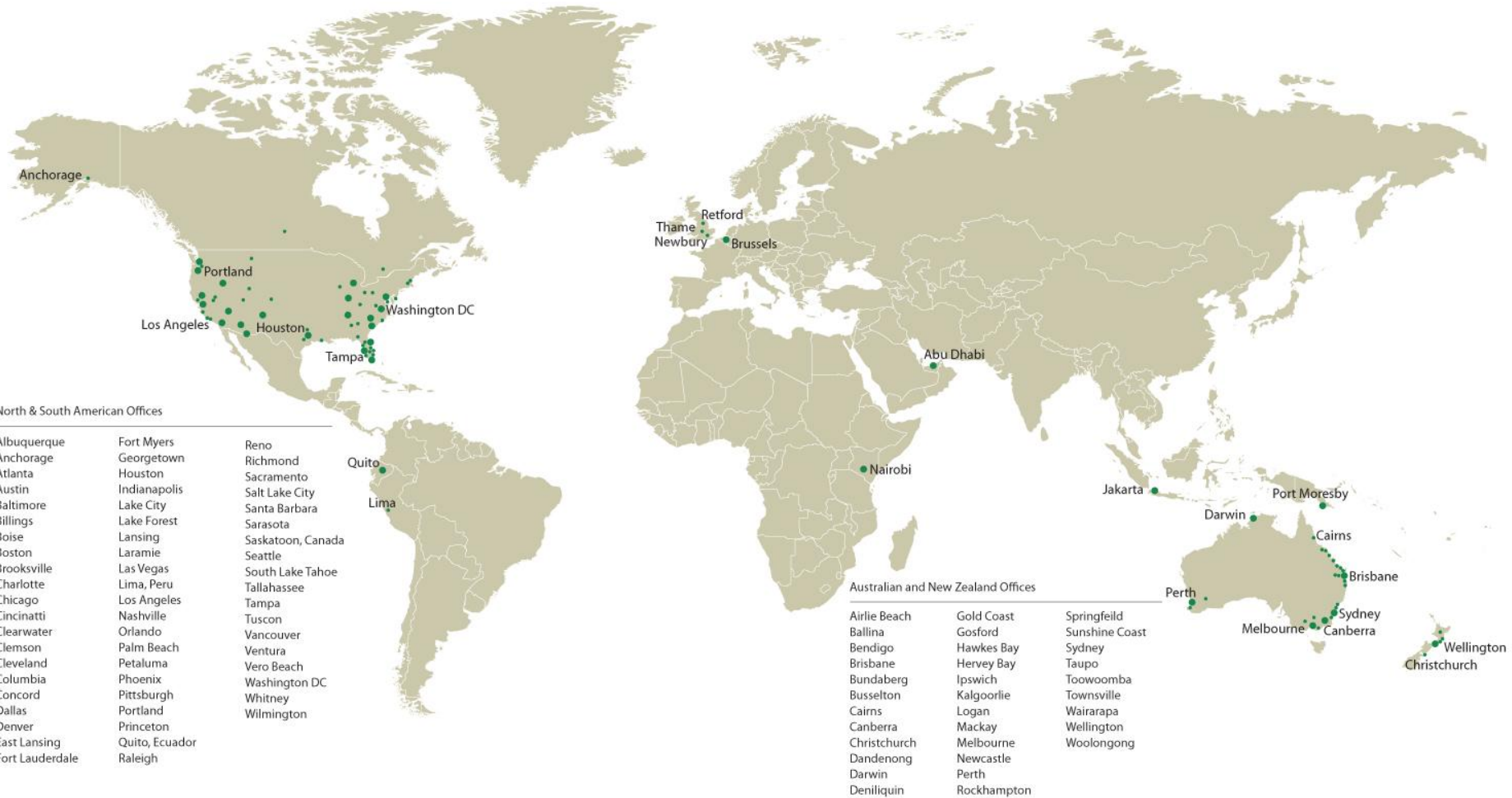
- **Emerging Market Services**
- Health & HIV/Aids
- Law and Justice
- Education
- Natural Resource Management
- Financial Sector
- Tourism Sector

Operations Review



- Winning strategy of diversification both geographically and by disciplines passed GFC stress test in FY10
- Diversification and core competencies strengthened in FY10 via 4 strategic acquisitions
- Strengthened presence in high-growth US environment sector (Cardno ENTRIX and Cardno ERI)
- Strengthened market offering in Australia to building services (Cardno ITC) and underground utility sectors (Cardno AUS)
- Return to stronger trading conditions in 2HFY indicative of forward momentum into FY11
- FY11 return to organic growth – as indicated by first half profit guidance

Expanding Globally



FY 2010 Acquisitions



- **Cardno ITC** was acquired by Cardno on 1 January 2010.
- Cardno ITC is a 100 person electrical, mechanical and specialist engineering group providing services for the building sector.
- **Cardno AUS** was acquired by Cardno on 14 May 2010.
- Cardno AUS is a 30 person utility detection and mapping services firm in Victoria.
- **Cardno ENTRIX** was acquired by Cardno on 10 June 2010.
- The company specialises in water resources management, environmental risk management, facility permitting and compliance and natural resource economics.
- Cardno ENTRIX is a leader in the assessment of environmental and economic impacts of oil spills and the restoration of impacted sites.
- **Cardno ERI** was acquired by Cardno in unison with Cardno ENTRIX on 10 June 2010.
- Cardno ERI is an environmental soil and groundwater remediation firm focused on the petro-chemical market in the US.



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Shaping the Future



Competitive Advantage
What do we offer that is different?

Cardno's Competitive Strengths



- Acquisition model delivers high retention of acquisition principals drives sustainable growth
- Business unit and division structure underpins business model and is attractive to merger partners
- Successful track record of cross selling services to drive organic growth
- Diversity of earnings across business sectors, clients and geographic locations mitigates risk and optimises growth opportunities
- Focus on maintaining balanced mix between short-term smaller projects and larger long-term projects
- Strong balance sheet to fund growth
- Significant strengthened presence in high growth global environmental services



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Shaping the Future



“Growth horizon strong – both organically and through value adding acquisitions”

Strategy & Outlook

Growth Strategy



- Harness organic growth and M & A's to become world leader in infrastructure
- Leverage recurring revenue streams through cross selling
- Focus on strengthening core disciplines through strategic acquisitions and organic growth
- Sustain historically high retention of principals
- Foster / encourage high employee shareholding ($\approx 55\%$) to incentivise performance
- Maintain risk-adverse balance between major and smaller projects

M & A Strategy



- Historically pay low multiples
- Tried and tested acquisition process with robust due diligence
- Acquisitions must be immediately earnings accretive
- Target businesses which complement and strengthen core competencies
- Integrate and implement systems improvements to drive efficiencies
- Cross-sell services and leverage organic growth

2011 Growth Drivers



- US environmental services market estimated to grow 9% p.a. 2010 – 2015 (*Ibis World*)
- Australian consulting engineering market forecast to grow 7% FY11 (*Consult Australia*)
- Public sector infrastructure spending strong globally
- Private sector infrastructure spending rebounding after GFC recovery
- Development Assistance expenditure growing globally
- M & A pipeline remains strong and competitively priced

2011FY Outlook



- Global market conditions strengthening with additional uptake from both public and private sectors
- Project pipeline of \$544m in early FY11
- Growing via organic expansion and acquisitions which further strengthen core competencies
- Strongly positioned with strong cash and low gearing
- Strong pipeline of potential M & A opportunities in North America and Australia
- Returns from US environmental acquisitions to be bolstered by Gulf of Mexico events and cross selling
- Strong profit and dividend growth to be maintained
- Guidance for FY11 first half shows record profit of \$29 m - \$31 m up over 81%