

**ASX Announcement and Media Release**

**15 February 2011**

**RECORD HALF-YEAR PROFIT - \$31.7 MILLION, UP 98%**

Global infrastructure services consultancy Cardno Limited (ASX: CDD), today announced a record net profit after tax of \$31.7 million for the December 2010 half year, an increase of 98% over the previous corresponding period (pcp). Basic earnings per share was 31 cents, a 63% increase on the pcp. EBITDA rose 122% to \$55.7 million.

The record profit for this period follows the six consecutive record annual profits and earnings per share growth since listing in 2004.

Revenue was \$436 million, which was 91% higher than the pcp. Operating cash flow was \$39.8 million, up 134% on the pcp.

The Company's balance sheet remains strong with a low debt to equity ratio of 35% and cash of \$80 million at December 31.

The Board has declared an increased interim dividend of 17 cents per share (up from 14 cents pcp) franked to 70% to be paid on 25 March 2011 to all shareholders registered on 11 March 2011. Cardno has increased dividends every year since listing and the Company will target a payout ratio of 60% of future profits.

Cardno's Managing Director, Andrew Buckley, said the record profit for the period is due to the Company's successful strategy of geographical and discipline diversification. Performance by Cardno ENTRIX and Cardno ERI in the Americas region was particularly strong, endorsing the Company's focus on high growth market sectors and integration of strategic acquisitions.

Mr Buckley commented that he expected second half profit performance will be robust although slightly weaker than the first half. He expects that the impact of lower workload on the Gulf of Mexico oil spill will be offset by improving conditions across the business and recent project wins.

Mr Buckley added that the impact of the recent floods and wet weather on the East Coast of Australia is expected to be neutral in the half with any loss of revenue in the first quarter offset by increased work in the second quarter.

On 31 December 2010 Cardno acquired JFNew, an environmental consulting firm with 150 staff located in six offices around the USA. This acquisition extends Cardno's exposure to the environmental and natural resources management market in the Americas. It also has strong potential to cross-sell its capabilities with the Company's existing businesses.

Mr Buckley said that the acquisition is earnings per share accretive in 2011 and is expected to contribute approximately USD18 million in revenue and USD2.7 million in EBITDA for the 2012 financial year.

The company continues to perform strongly and remains well positioned for further expansion through organic growth and strategic acquisitions.

**Summary performance for the half-year ended 31 December 2010:**

	<b>HY2011</b>	<b>HY2010</b>	<b>Change</b>
Revenue	\$436.4 m	\$228.6 m	+90.9%
EBITDA	\$ 55.7 m	\$ 25.0 m	+122.4%
NPAT	\$ 31.7 m	\$ 16.1 m	+97.6%
EPS – basic	31.00 cents	18.97 cents	+63.0%
Dividend per share	17.00 cents	14.00 cents	+21.4%

*\* All figures quoted are in Australian dollars.*

The Dividend Reinvestment Scheme will be available for shareholders recorded on 11 March 2011 and full details of the scheme can be found on Cardno's website.

**ENDS**

**For further information:**

Andrew Buckley, Managing Director, +617 3369 9822 or +61 412 059 526

Jeff Forbes, Chief Financial Officer, +617 3369 9822 or 0408 756 790

**About Cardno:** Cardno is a global infrastructure services consultancy, 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](http://www.cardno.com).