

CARDNO ACQUIRES ENVIRONMENTAL & GEOTECHNICAL CONSULTING COMPANY

International infrastructure services group, Cardno Limited (ASX: CDD) today announced the acquisition of Lane Piper, a 40 person environmental and geotechnical engineering firm based in Melbourne, Australia.

Lane Piper services the south-eastern Australian region with projects in New South Wales, ACT, South Australia and Victoria. Cardno's strategy in acquiring Lane Piper is to focus on the fast growing environmental consulting market and to facilitate further growth and cross selling with the Company's strong North American environmental skills base.

The acquisition is expected to contribute approximately \$6.5 million in revenue and \$1.2 million in EBIT in FY12. Cardno will pay \$4.2 million, including a \$1 million earn out to acquire Lane Piper. The acquisition is earnings per share accretive in FY12.

The Managing Director of Cardno, Andrew Buckley said, "Lane Piper is a highly strategic partner for the continuing growth of our environmental and geotechnical engineering business around Australia and internationally".

"Lane Piper brings further exposure to the environmental market in this region and increases Cardno's geotechnical capability complementing our geotechnical and construction materials testing (CMT) division, Cardno Bowler". he added.

Lane Piper is undertaking project work for a diverse range of both public and private sector clients delivering services in contaminated land and groundwater, environmental assessment and audits, and geotechnical services including a CMT laboratory.

Anthony Lane, Managing Director of Lane Piper, said the acquisition by Cardno will enable Lane Piper to gain leverage from the US based Cardno ENTRIX and Cardno ERI environmental skills. John Piper, Lane Piper Director, also noted that the company's geotechnical engineering skills would constitute a strong cross selling opportunity with other Cardno businesses.

The acquisition will be funded by an approximate mix of 70% cash and 30% shares. Around 209,000 shares will be issued at a price of \$5.15. 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 on its strategy to grow organically and by further acquisitions.

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