

CARDNO RECORD PROFIT UP 49% AND RECORD DIVIDEND

International infrastructure services consultancy Cardno Limited (ASX: CDD), today announced a record net profit after tax of \$27.45 million for the year ended 30 June 2008, a 48.6% increase over the 2007 financial year.

Cardno recorded a 50.4% increase in revenue to \$399.0 million from \$265.3 million last year, and earnings per share (diluted) increased 13.9% to 41.34 cents.

The Board has declared a fully franked final dividend of 14.0 cents per share, increasing the full year dividend to 27.0 cents, a 20% increase over the previous year. The dividend will be paid on 10th October 2008 to all shareholders registered on 12th September 2008.

“Our financial performance validates our successful business model. We have put considerable effort into the integration of acquisitions and building the business via cross selling,” Cardno Chairman, John Massey said.

“The success of our integration process can be measured by our record profit and healthy operating cash flow of \$32 million,” confirmed Mr Massey.

He also noted that the company’s balance sheet had strengthened considerably during the period and that gearing levels could support further growth.

During the year Cardno made three acquisitions, further consolidating its position as a global provider of physical and social infrastructure services.

All acquisitions were EPS positive, and continue to operate successfully and profitably.

The acquisition of Cardno Bowler (one of Australia’s largest construction materials testing and geotechnical engineering firms) in February 2008 helped position Cardno as a leader in the geotechnical field. The acquisition of Cardno Buckland in September 2007 consolidated Cardno’s presence in Western Australia and provided greater access to the resources sector. Cardno’s acquisition of UK-based Micro Drainage in March 2008 complemented operations of its already its successful Australian and US based software division.

Managing Director Andrew Buckley said the three acquisitions added more than \$14 million of EBIT on an annualised basis.

Mr Buckley noted Cardno intends to continue its successful growth strategy and continues to consider strategic opportunities within Australia and internationally while ensuring that existing acquisitions are well integrated. He stated that the company had also enjoyed strong organic growth averaging between 7% and 9 % over the last five years.

“Cardno’s Queensland and corporate operations have grown considerably in recent years and this has necessitated a move to a new 5-star green rated headquarters in Fortitude Valley in Brisbane. The move allows us to consolidate several Cardno businesses under one roof, with room for further expansion organically and through further acquisition,” said Mr Buckley.

As a business with a growing international footprint Cardno’s Australian operations will shortly welcome eight staff from WRG Design, who are relocating to Australia with the introduction of the company’s Global Mobility Program.

“The Global Mobility Program promotes cross selling and provides additional career opportunities for our staff,” said Mr Buckley.

Mr Buckley noted that the company intended to continue its successful acquisition strategy of identifying profitable well managed businesses with complementary coverage both geographically and by professional discipline within Australia and internationally.

Acquisitions during the period included:

Buckland Engineers Australia (to form Cardno Buckland) – September 2007: Cardno acquired Perth based mining and resources structural engineering specialists.

Bowler Geotechnical (to form Cardno Bowler) – February 2008: Cardno acquired one of Australia’s largest construction materials testing and geotechnical groups consolidating its position in this market.

Micro Drainage – March 2008: Cardno purchased UK-based water engineering software specialists Micro Drainage adding additional capabilities to its established XP Software products portfolio.

Summary performance for the year ended June:

	2008	2007	Change
Revenue	\$399.0 m	\$265.3 m	+ 50.4%
Profit before tax	\$38.69 m	\$25.04 m	+ 54.5%
NPAT*	\$27.45 m	\$18.47 m	+ 48.6%
EPS – diluted	41.34 cents	36.29 cents	+ 13.9%
Dividend per share	27.0 cents	22.5 cents	+ 20.0%

*2007 NPAT included a \$0.97 million one-off tax benefit.

ENDS

For further information:

Andrew Buckley, Managing Director, (07) 3369 9822 or 0412 059 526

Jeff Forbes, Chief Financial Officer, (07) 3369 9822 or 0408 756 790

About Cardno: Cardno is an integrated professional services provider, locally delivering the specialist advice necessary to create or improve the physical and social infrastructure that underpins communities around the world. Our team comprises leading advisers who plan, design and deliver sustainable projects or community programs. We are an international company, listed on the Australian Securities Exchange [ASX: CDD]. www.cardno.com