



ASX & MEDIA RELEASE

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Increased Profit Forecast

Cardno Limited expects to report a record Net Profit After Tax within the range of \$25m to \$27m for the year ending June 2008 - a 43% to 54% increase over the 2007 FY profit of \$17.499m (excluding the one off tax benefit). The profit estimate is based on unaudited management results and current forecasts.

Andrew Buckley, Managing Director of Cardno Limited, said that this strong profit growth was achieved despite challenging economic conditions in Australia and overseas.

"The dislocation in credit markets has had impact on the housing markets in the United States of America as well as in Australia however Cardno's diversification across many market sectors helps minimise the risks associated with adverse conditions in any particular region or specific market," Mr Buckley said. He also noted that performance would have been even stronger if not for the impact of wet weather and flooding in Queensland during the early part of this half year.

Mr Buckley added that most of these market condition impacts were short term given the sound fundamentals and expanding opportunities in the regions where Cardno operates.

The Federal Budget provides Cardno with strong growth prospects with the proposed increased spending on infrastructure projects as well as further increasing the allocation of funds to international development assistance projects.

Mr Buckley also noted that Cardno's balance sheet remains strong with low gearing and that Cardno was well placed to continue to pursue and fund its organic growth and acquisition strategy.

"Cardno has a great track record of successful acquisitions over the last few years and our strategy to continue to grow our business in this way remains unchanged. "

ENDS.

For further information:

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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