

Cardno Profit Up By 53% to \$18.26 million

Infrastructure services company Cardno Limited [ASX: CDD] today announced a 53 percent increase in net profit after tax to a record \$18.26 million for the half-year ending 31 December 2008.

Revenue for the half year was up 35 percent to \$265.6 million over the corresponding period in 2007. Earnings per share have increased by 20.8% to 24.17 cents.

Cardno has increased its fully franked interim dividend to 14.0 cents per share. This represents a 7.7 percent increase per share over the previous corresponding period, and maintains the level of the final dividend paid for 2008.

The dividend will be paid on 25 March 2009 with a record date of 13 March 2009.

Cardno Limited Managing Director, Mr Andrew Buckley, said Cardno delivered a solid performance despite the challenging global environment.

"In addition to on-going contributions from the continuing business, the result has been impacted positively by a number of factors. These include full year contributions for the first time from businesses acquired during the 2008 financial year, acquisitions undertaken during the December half-year, the weaker Australian dollar and a lower effective tax rate," said Mr Buckley.

It is difficult to reliably forecast the future outlook. Cardno's portfolio of diverse businesses operating across a range of geographic regions has helped offset softening in some market areas. The company's business model of supplementing organic growth with strategic acquisitions is expected to place the business in a sound position to benefit as the global economy improves.

Acquisitions made during the half-year have contributed positively to the performance of the company.

During the period, Cardno acquired two Australian businesses, Cardno Spectrum Survey, a West Australian-based survey and mapping firm, and Cardno Ecology Lab, a Sydney-based specialist marine and freshwater ecology consultancy.

In September 2008 Cardno also acquired the TBE Group, a 450-person US-based infrastructure services firm. Mr Buckley said the TBE Group was well positioned to benefit from the US Government's economic revitalisation package.

"The US government's commitment to infrastructure projects is likely to complement the TBE Group's existing work in hand of approximately US\$100 million,"

"Similarly in Australia, the Federal Government's stimulus package is positive news for Cardno, with many of our businesses in a position to bid and win projects across local government, community and defence housing, road maintenance and safety, schools and hospitals as a result of the new funding commitments," said Mr Buckley.

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To position itself for further growth and to maintain its current low gearing levels, Cardno will undertake a capital raising via a Share Purchase Plan (SPP). Cardno aims to raise up to \$20 million under the SPP, full details of which will be provided in a separate announcement to be made shortly. The record date of the SPP will be 13 March 2009 and the offer will close on 3 April 2009.

The SPP will be priced at the lower of \$2.80, or a 7.5% discount to the 5 day VWAP prior to the close of the Offer. Cardno has appointed ABN AMRO Morgans as Manager of the Share Purchase Plan.

Summary performance for the half-year ending December 2008:

	2008	2007	Change
Revenue	\$265.6m	\$195.8m	+35.7%
Fee revenue	\$194.3m	\$156.1m	+24.5%
EBITDA	\$33.1m	\$23.4m	+41.3%
PBT	\$23.8m	\$17.2m	+38.7%
NPAT	\$18.3m	\$11.9m	+53.2%
EPS (basic – cents)	24.17	20.01	+20.8%
EPS (diluted – cents)	24.16	19.59	+23.3%
Interim Dividend (cents)	14.0	13.0	+7.7%

The Dividend Reinvestment Scheme is available for shareholders recorded on 13 March 2009 and full details of the scheme can be found on Cardno's website.

ENDS.

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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. Cardno's team comprises leading advisers 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.au.