

Rule 4.2A.3

## Appendix 4D

### Half-year report

### Half-year ended 31 December 2009

Introduced 1/1/2003.

#### CARDNO LIMITED

#### ABN 70 108 112 303

1. The information contained in this report is for the half-year ended 31 December 2009 and the previous corresponding period 31 December 2008.

2. **Results for announcement to the market**

			<b>\$'000</b>
2.1	Revenue from ordinary activities	up/down	13.9% to 228,621
2.2	Profit (loss) from ordinary activities after tax attributable to members	up/down	12.1% to 16,051
2.3	Net profit (loss) for the period attributable to members	up/down	12.1% to 16,051
2.4	<b>Dividends (distributions)</b>	<b>Amount per security</b>	<b>Franked amount per security</b>
	Interim dividend	14 cents	14 cents
	Previous corresponding period	14 cents	14 cents
2.5	Record date for determining entitlements to the dividend		12 March 2010
2.6	Cardno Limited achieved a profit after tax of \$16.05 million for the half-year ended 31 December 2009, a decrease of 12.1% over the December 2008 half-year profit of \$18.26 million.		

Revenue for the December 2009 half-year was \$228.62 million which is 13.9% lower than the December 2008 figure of \$265.56 million. Basic earnings per share were 18.97 cents per share.

The company's balance sheet is strong with low gearing, low net debt and operating cash flow for the half year of \$17.02 million.

Performance has been affected by slower business conditions in some sectors and geographic markets, project delays and the stronger Australian dollar. There are positive signs of improving market conditions in the second half of the current financial year, although it remains difficult to forecast the future outlook. Cardno's portfolio of diverse businesses operating across a range of geographic regions continues to provide risk mitigation against the prevailing economic conditions and softening in some market areas.

While Cardno's growth paused during the half year to December 2009, Cardno intends to continue its strategy of considering strategic merger opportunities within Australia and Internationally. Cardno's low debt and available cash reserves position it to continue this strategy.

+ See chapter 19 for defined terms.

**3. Net tangible assets per security with the comparative figure for the previous corresponding period.**

Current period	64.87 cents
Previous corresponding period	22.53 cents

**4. Control gained over entities having material effect**

N/A

**Loss of control of entities having material effect**

N/A

**5. Interim Dividends (distributions)**

Date the dividend (distribution) is payable 26 March 2010

**Amount per security**

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend			
- Current year	14 cents	100%	N/A
- Previous year	14 cents	100%	N/A

**6. Dividends or distribution reinvestment plans**

On 18 October 2006 the Board of Directors of Cardno Limited announced the implementation of the Dividend Reinvestment Plan (DRP). The DRP enables shareholders to reinvest all or part of their dividends into Cardno shares at a price determined by the volume weighted average price for the five days immediately preceding and including the dividend record date. The DRP is available for the dividend being paid on 26 March 2010. Shares issued through the DRP are fully paid and rank equally with existing fully paid ordinary shares.

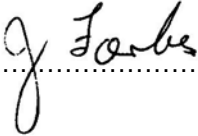
**7. Details of aggregate share of profits (losses) of associates and joint venture entities**

Not applicable.

**8. Australian Accounting Standards are utilised when compiling the report.**

**9. The accounts have been subjected to independent review and are not subject to qualification.**

Signed:  
Jeffrey Ian Forbes  
Company Secretary

  
..... Date: 16/02/10

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<sup>+</sup> See chapter 19 for defined terms.