



**CARDNO LIMITED**  
**(and its controlled entities)**  
ABN 70 108 112 303

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PRO FORMA  
FINANCIAL STATEMENTS  
FOR THE HALF YEAR  
ENDED 31 DECEMBER 2004

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**Note:** Cardno Limited was formed on 19 March 2004 to acquire the Cardno Group of companies which have operated for a number of years. The Statutory Accounts for the 6 months ended 31 December 2004 do not include comparatives in the Statement of Financial Performance or Statement of Cash Flows so we have prepared figures on a pro forma basis as if Cardno Holdings Pty Ltd and its controlled entities were part of Cardno Limited for the full period in the prior year.

The accounts have not been audited.

## Pro Forma Statement of Financial Performance

Cardno Limited and its Controlled Entities for the half year ended 31 December 2004

	Consolidated	
	31/12/04 \$'000	31/12/03 \$'000
Revenues from Ordinary Activities	44,443	26,152
Cost of Services & Employee Costs	27,598	16,096
Administration Expenses	300	218
Borrowing costs expense	212	177
Consultancy expense	408	343
Depreciation and amortisation expenses	1,328	749
Distribution expense	126	57
Marketing expense	182	112
Occupancy expense	2,118	1,287
Printing and office supplies	507	276
Bad debts	207	345
Computer related expenses	344	161
Insurance expenses	920	615
Non recoverable travel expenses	546	241
Communication expenses	367	258
Other expenses from ordinary activities	2,694	1,103
	<b>37,857</b>	<b>22,038</b>
Profit from ordinary activities before related income tax expense	6,586	4,114
Income tax expense	1,957	1,412
	<b>4,629</b>	<b>2,702</b>
Profit from ordinary activities after related income tax expense		
Net exchange differences on translation of financial report of foreign controlled entities	22	-
Total changes in equity other than those resulting from transactions with owners as owners attributable to members of Cardno Limited	4,651	2,702
Basic earnings per share (cents per share)	12.98	N/A
Diluted earnings per share (cents per share)	12.94	N/A

## Pro Forma Statement of Financial Position

Cardno Limited and its Controlled Entities as at 31 December 2004

	Consolidated	
	31/12/04 \$'000	30/06/04 \$'000
<b>CURRENT ASSETS</b>		
Cash assets	8,524	12,165
Receivables	12,871	9,944
Inventories	6,785	5,425
Other	555	263
<b>TOTAL CURRENT ASSETS</b>	<b>28,735</b>	<b>27,797</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	5,948	4,992
Deferred tax assets	2,557	2,566
Intangible assets	12,457	7,657
<b>TOTAL NON-CURRENT ASSETS</b>	<b>20,962</b>	<b>15,215</b>
<b>TOTAL ASSETS</b>	<b>49,697</b>	<b>43,012</b>
<b>CURRENT LIABILITIES</b>		
Payables	8,239	7,407
Interest-bearing liabilities	1,854	1,159
Current tax liabilities	1,407	966
Provisions	2,851	4,262
Other	4,475	3,154
<b>TOTAL CURRENT LIABILITIES</b>	<b>18,826</b>	<b>16,948</b>
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing liabilities	2,612	2,747
Deferred tax liabilities	1,943	1,814
Provisions	2,468	2,104
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>7,023</b>	<b>6,665</b>
<b>TOTAL LIABILITIES</b>	<b>25,849</b>	<b>23,613</b>
<b>NET ASSETS</b>	<b>23,848</b>	<b>19,399</b>
<b>EQUITY</b>		
Parent entity interest		
Contributed equity	19,070	17,647
Retained profits	4,778	1,752
<b>TOTAL EQUITY</b>	<b>23,848</b>	<b>19,399</b>

## Pro Forma Statement of Cash Flows

Cardno Limited and its Controlled Entities for the half year ended 31 December 2004

	Consolidated	
	31/12/04 \$'000	31/12/03 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	221	91
Interest paid	(38)	(177)
Dividends received	51	-
Sales / Fees	45,135	28,262
Sundry income received	481	-
Cash paid to suppliers and employees	(38,995)	(23,321)
Income tax refunded / (paid)	(1,379)	(215)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>5,476</b>	<b>4,640</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for intangibles	(5,085)	-
Proceeds from sale of property, plant & equipment	86	24
Payments for property, plant & equipment	(625)	(305)
Payment of loan	-	(200)
Payment of security deposits	-	6
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5,624)</b>	<b>(475)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	1,423	443
Proceeds from borrowings	(650)	-
Finance lease payments	(791)	(509)
Dividends paid	(3,475)	(1,442)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>(3,493)</b>	<b>(1,508)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(3,641)</b>	<b>2,657</b>
<b>CASH AT THE BEGINNING OF THE PERIOD</b>	<b>12,165</b>	<b>4,541</b>
<b>CASH AT THE END OF THE PERIOD</b>	<b>8,524</b>	<b>7,198</b>