

**CARDNO ANNOUNCES RECORD PROFIT**

Cardno Limited (ASX: CDD) today announced a record net profit after tax of \$18.47 million for the year ended 30 June 2007, a 45.8% increase on the previous year. The net profit includes a one off tax benefit of \$0.97 million.

Cardno recorded a 42.1% increase in revenue from \$186.75 million to \$265.3 million, and diluted earnings per share increased 31.2% to 36.29 cents.

The Board has declared a fully franked final dividend of 12.5 cents per share, increasing the full year dividend to 22.5 cents from 19.0 cents per share for the previous year. The dividend will be paid on 5 October to all shareholders registered on 21 September.

During the year Cardno consolidated its position as a global provider of physical and social infrastructure services increasing the number of offices worldwide from 26 to 45.

Cardno Chairman John Massey noted that acquisitions in the United States and New Zealand engineering and surveying markets as well as the purchase of EMG, a US based international development assistance company, positions Cardno well for further international growth.

“Our financial performance demonstrates our commitment to partnering with businesses which add value and support our corporate vision and growth plans,” Mr Massey said.

Eight acquisitions were undertaken during the year, increasing the group’s revenue by \$53.9 million in the period and extending both technical capability and geographic reach. All acquisitions were EPS positive, and continue to operate successfully and profitably.

Managing Director Andrew Buckley noted Cardno intends to continue its successful growth strategy and will look for opportunities worldwide while integrating recent acquisitions.

“In addition to the eight strategic acquisitions during the year, Cardno opened offices in regional areas across Australia, further developing the company’s ability to service the infrastructure market,” said Mr Buckley.

“Australian and international business conditions continue to offer growth opportunities for Cardno. With the established brands of Cardno Acil, Cardno Agrisystems and EMG operating in the international development assistance market and physical infrastructure brands Cardno and WRG, we believe the group’s combined physical and social infrastructure skills, together with our cross selling capabilities positions Cardno as one of the world’s leading consultants,” said Mr Buckley.

Cardno’s international expansion into the US and New Zealand markets has seen total numbers grow to 2,400 staff of which 1,250 are employed outside Australia.

“With a strong international presence Cardno is transforming into a global business with major projects such as the Electoral Support Program in PNG and the technical advisor role for the privatisation of the Abu Dhabi Wastewater Scheme,” said Mr Buckley.

“On the Australian front Cardno’s services are in demand. Cardno is contributing to major projects such as the Gold Coast Desalination Project, the duplication of the Gateway Bridge, the recently completed upgrade of Flemington racecourse and the Lane Cove Tunnel in Sydney,” said Mr Buckley.

“We intend to continue our successful acquisition strategy of identifying profitable well managed businesses with complementary coverage both geographically and by professional discipline,” said Mr Buckley.

**Acquisitions during the period included:**

**Stanwill Consulting Engineers – September 2006:** Cardno acquired Newcastle based consulting engineers adding representation in New South Wales’ second largest city.

**Grogan Richards Consulting Engineers – December 2006:** Cardno acquired 110 person structural and civil firm consolidating its position in Victoria.

**Saraceni Engineering Group – February 2007:** Cardno added structural capability to its Western Australian operations via the purchase of specialist consultant, Saraceni Engineering Group.

**S.P.L.A.T. – May 2007:** To build on the strength of its established urban development business, Cardno acquired S.P.L.A.T., adding landscape architecture to its capability portfolio.

**Emerging Markets Group (EMG) – May 2007:** With the EMG acquisition, Cardno expanded its international development assistance capabilities and now has access to leading aid agency, USAID.

**WRG Design, Inc. – June 2007:** In purchasing WRG Design, Cardno extended its physical infrastructure capability to the US, increasing staff numbers in the region to 480.

**Low & Hooke Partners – June 2007:** Cardno boosted its structural capabilities in New South Wales with the acquisition of Low & Hooke.

**Truebridge Callender Beach (TCB) – June 2007:** Cardno acquired the long established 110 person firm TCB to initiate a presence in New Zealand’s engineering, surveying and environmental services market.

**Summary performance for the year ended June:**

	<b>2007</b>	<b>2006</b>	<b>Change</b>
Revenue	\$265.3 m	\$186.75 m	+ 42.1%
Profit before tax	\$25.04 m	\$18.1 m	+ 38.3%
NPAT	\$18.47 m	\$12.66 m	+ 45.8%
EPS – diluted	36.29 cents	27.67 cents	+ 31.2%
Dividend per share	22.5 cents	19.0 cents	+ 18.4%

**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. 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](http://www.cardno.com)