

Cardno Lifts Profit Forecast

The directors of Cardno Limited (ASX: CDD) today announced that they estimate the Company's full year after tax profit for the 2006 financial year will be between \$12.1 and \$12.5m. This expected result represents a significant upgrade on the 2005 financial year after tax profit forecast of \$10.5m to \$10.9m in Cardno's February 2006 announcement.

Cardno Managing Director, Mr Andrew Buckley said the upgraded profit forecast was based on the company's continuing strong performance across its domestic and international businesses. Mr Buckley noted that the successful integration of strategic acquisitions made over the last 12 months also contributed to the results. Mr Buckley said that Cardno Acil, Cardno Agrisystems, Cardno Eppell Olsen, Cardno Ullman & Nolan and now Cardno Forbes Rigby (the recently acquired Wollongong business) are all performing well.

"These businesses offer a diverse range of professional services and are making a solid contribution to Cardno's bottom line. We are experiencing strong conditions for most areas of our business and are reaping the benefits of expanding our representation in Australia and overseas," said Mr Buckley.

Mr Buckley noted Cardno's diversification into social infrastructure services in emerging economies, as well as the expansion of its engineering capabilities with GIS, geotechnical and traffic and transport planning will continue to provide a solid platform for Cardno's future growth.

Mr Buckley said Cardno Acil recently secured an \$88m Basic Education Program contract with AusAID. Cardno Acil will partner with AusAID and the Government of Indonesia to improve access to education across Indonesia, by managing the construction of up to 3000 schools.

Additionally Cardno is expanding its international physical infrastructure business with the opening of an office in the UAE. This office is focusing on delivering Cardno's high level engineering and technical skills into the very strong UAE market place from a base in Abu Dhabi.

In the domestic market Cardno is experiencing solid market conditions particularly in Queensland and Western Australia. Cardno remains committed to servicing growing regional markets such as Mackay and Hervey Bay in Queensland, Wollongong in NSW and Busselton in WA. These areas are experiencing some of the fastest growth in Australia. Linkages with the mining and resources markets in some of these regions are well balanced with a good mix of private and public sector infrastructure work across the rest of the country.

Cardno Chairman, Mr John Massey said the upgraded profit forecast continued to reflect the success of the company's growth strategy. Mr Massey noted the upgraded profit forecast represents an increase of more than 62% over the 2005 financial year profit of \$7.45 million after tax.

"Cardno's prospects for 2006 and beyond are robust. We will continue our strategy of expansion via targeted acquisitions and organic growth. At the same time, we will continue to focus on delivering shareholder value," Mr Massey said.

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 Stock Exchange [ASX: CDD].

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