

Cardno's Record Profit and Dividend

Infrastructure services company Cardno Limited [ASX: CDD] today announced a 43.8 percent increase in net profit after tax to a record \$11.9 million for the half-year ending 31 December 2007.

Revenue for the half year was up 76.2 percent to \$195.8 million over the corresponding period in 2006.

As a result of the record profit, Cardno has increased its fully franked interim dividend to 13 cents per share. This represents a 30 percent increase per share over the previous corresponding period, while the total interim dividend payout has almost doubled to \$8.94 million.

Cardno Limited Managing Director, Mr Andrew Buckley, said business conditions for the Cardno group remained strong, with performance improvement based on organic growth in existing businesses as well as the successful integration of the eight acquisitions which Cardno made in the 2007 financial year.

"In the Australian, New Zealand, United Arab Emirates and International Development Assistance markets the demand for Cardno's services remains strong. While there has been some softening in the domestic US market, performance elsewhere across the world has enabled Cardno to improve its profitability," said Mr Buckley.

The company continued its acquisition strategy during the period, acquiring Perth-based structural engineering company Buckland in September 2007. Cardno Buckland services the mining industry with clients including BHP Billiton, Rio Tinto and Pilbara Iron.

"The addition of Buckland Engineers strengthened Cardno's access to the mining industry and capacity to secure high value structural engineering contracts," said Mr Buckley.

Cardno's integration of social and physical infrastructure services for development assistance work is providing increased opportunities to service clients such as AusAID, USAID and the Asian Development Bank.

"The ability for us to combine Cardno's engineering, environmental and social infrastructure capabilities has helped our development assistance businesses secure major project wins and significant contract extensions this financial year," Mr Buckley said. "Cardno now has a global network across the development assistance business where we can readily cross sell social and physical infrastructure services to our major clients."

Cardno intends to continue its successful growth strategy of identifying and acquiring businesses which are either located in new geographic locations or deliver professional services disciplines which complement Cardno's existing business. The company successfully raised \$65 million through the placement of ordinary shares and a share purchase plan in late 2007, and these funds position it well to maintain its acquisition strategy.

"Cardno's outlook remains strong and we have good prospects for expanding the business through organic growth and acquisitions both in Australia and internationally," Mr Buckley said.

The dividend will be paid on 28 March 2008 with a record date of 14 March 2008. The Dividend Reinvestment Scheme introduced in 2007 has been maintained, and will be available for this dividend. Details of the scheme can be found on Cardno's website.

Summary performance for the half-year ending December 2007:

	2007	2006	Change
Revenue	\$195.8m	\$111.1m	76%
Fee revenue	\$156.1m	\$91.3m	71%
PBT	\$17.2m	\$11.5m	50%
NPAT	\$11.9m	\$8.3m	44%
EPS (basic – cents)	20.01	17.86	12%
EPS (diluted – cents)	19.59	16.15	21%
Interim Dividend (cents)	13.0	10.0	30%

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.