

CARDNO FORECASTS FIRST HALF PROFIT TO BE \$36M TO \$40M

Managing Director of Cardno Limited, Mr Andrew Buckley, said today that Cardno expects Net Profit After Tax (NPAT) for the first half of FY13 to be in the range of \$36m to \$40m, compared to \$36.1m for the first half of FY12, which included an additional week. Mr Buckley noted that market conditions being encountered were more difficult than expected resulting in softer than anticipated performance for the first half.

“We are seeing healthy organic revenue growth in the order of 7%, but this improving revenue is not being reflected in our bottom line. The combination of increased competition, constrained rates and greater costs, have restricted profit performance to date.” Mr Buckley said “Australian conditions are especially difficult with all markets, except the gas projects, showing no growth or negative growth” he added.

Mr Buckley also noted that the impact of Hurricane Sandy in the North East of the USA would be negative for the first half, although additional work related to the clean-up is expected to flow through in the second half of the year. He also noted that the lead up to the U.S. elections had caused some clients to delay projects.

In addition, in some parts of the business where conditions have been difficult, there have been some one-off restructuring costs incurred to reduce overheads.

In terms of outlook, Mr Buckley noted that the organic revenue growth combined with predicted GDP growth in the Americas is anticipated to contribute to profit performance in the second half. In addition he noted that the company has a healthy pipeline of potential acquisitions.

“Our diversity, our focus on stronger markets, and the impact of recent acquisitions gives Cardno the ability to ride out difficult conditions and yield continuing growth going forward” he said.

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About Cardno: Cardno is an ASX 200 listed professional infrastructure and environmental services company, with specialist expertise in the development and improvement of physical and social infrastructure for communities around the world. Cardno’s team includes leading professionals who plan, design, manage and deliver sustainable projects and community programs. Cardno is an international company, listed on the Australian Securities Exchange [ASX: CDD]. www.cardno.com