

#### **ASX Announcement and Media Release**

19 February 2013

# **RECORD HALF-YEAR PROFIT - \$40.1 MILLION, UP 11%**

ASX200 professional infrastructure & environmental services consultancy Cardno Limited today announced a record net profit after tax of \$40.1 million for the December 2012 half year, an increase of 11% over the previous corresponding period (pcp) and at the upper end of the profit range announced in November 2012.

Revenue was \$599.9 million, which was 34.7% higher than the pcp. Operating cash flow was strong at \$40.0 million.

EBITDA rose 11.3% to \$69.6 million. Basic earnings per share was 28.87 cents, reflecting the issue of new shares in the capital raising in March 2012 and tighter margins across the business.

The Company's balance sheet remains strong with a net debt to equity ratio of 25% and cash of \$86.7 million at December 2012.

The Board has declared an interim dividend of 18 cents per share (18 cents pcp) franked to 70% to be paid on 5 April 2013 to all shareholders registered on 22 March 2013.

Cardno's Managing Director, Andrew Buckley, said the record profit for the period resulted from solid organic revenue growth of 7.6% tempered with tighter margins due to competitive pressures across Cardno's markets. "Variable market conditions in Australia and the US impacted our margins but this was offset by the contribution of several recent strategic acquisitions" he said.

During the period Cardno completed five acquisitions in the mining, energy, environmental and infrastructure sectors adding around 500 staff. In December 2012 Cardno announced the acquisition of Caminosca S.A. in Ecuador, which will add a further 400 staff when completed in early 2013.

Looking forward Mr Buckley noted that most of Cardno's markets remain difficult but the outlook in the Americas is improving with the environmental market remaining strong, broad economic growth forecast to improve, and signs of improvement in the residential development sector.

In Australia & New Zealand the outlook is mixed with the resources and oil & gas sectors expected to continue to grow, offset by a slowdown in infrastructure expenditure.

Cardno continues to grow solidly through a combination of organic revenue growth supplemented with a strategic acquisition program which has delivered continued revenue and profit growth every year since listing on the ASX in 2004.

# Summary performance for the half-year ended 31 December 2012\*:

	HY13	HY12	Change
Revenue (\$ million)	599.9	445.5	+34.7%
EBITDA (\$ million)	69.6	62.5	+11.3%
NPAT (\$ million)	40.1	36.1	+11.1%
EPS – basic	28.87 cents	32.74 cents	-11.8%
Dividend per share	18 cents	18 cents	

<sup>\*</sup> All figures quoted are in Australian dollars.

The Dividend Reinvestment Scheme will be available for shareholders recorded on 22 March 2013 and full details of the scheme can be found on Cardno's website.

### **ENDS**

#### For further information:

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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.