

## Media Release and ASX Announcement

20 February 2019

### CARDNO ANNOUNCES HY19 RESULTS

Professional infrastructure and environmental services consultancy Cardno Limited (ASX: CDD) today announced EBITDA of AUD \$27.9 million for HY19.

Half-Year to 31 December 2018	H1 2019 (A\$m)	H1 2018 (A\$m)
Gross Revenue	599.7	543.4
Fee Revenue	414.0	377.4
Underlying EBITDA <sup>1</sup>	27.9	30.2
Underlying NOPAT <sup>2</sup>	10.4	13.9
Net Profit/(Loss) before Tax	11.9	17.0
Net Profit/(Loss) after Tax	7.7	(21.9)
Operating Cash Flow	4.8	31.6
EPS – basic (cents)	1.68	(4.62)
NOPAT EPS – basic (cents)	2.27	2.93

<sup>1</sup> EBITDA = EBIT plus underlying adjustments, depreciation and amortization and impairment losses

<sup>2</sup> NOPAT = NPAT plus underlying adjustments and tax affected impairment losses

With the multi year business improvement plan into its third year, Cardno focus remains the same: cost control, organic growth, invest in people and strategic accretive acquisitions;

- > Completed three key acquisitions expanding our Consulting Engineering footprint in both Regional Victoria and the Florida Keys and then our Construction Materials Testing footprint in the US.
- > Balance sheet remains strong, bank debt facility successfully renewed and increased (expires December 2021).
- > Americas Engineering division performance continues to improve with revenue up 11.7% on PCP. EBITDA margin increased from 3.6% to 4.5%.
- > Asia Pacific Engineering revenues down 1.5% on PCP and EBITDA margin down from 9.1% to 5.9% driven by the roll off of a number of major projects in 1Q18, significant investment to ramp up business development, specific 'non-repeating' costs.
- > Construction Sciences revenue up 37.8% on PCP as the division continues to benefit from infrastructure spend in Australia. EBITDA margin down from 12.3% to 10.0% - primarily due to client and project mix.
- > ID revenue up 8.2% on PCP. EBITDA margin down from 2.3% to 0.6% with the business investing heavily in business development on multi year tenders (particularly in the UK).
- > Backlog grew by 24.1%, due to the award of multi year international development projects, the inclusion of backlog from acquisitions, and organic growth.

Cardno Chairman Michael Alscher said:

“As previously stated, the focus of the company is on returning the business to positive organic growth after the restructure of the divisions over the past three years. The focus remains on medium term EBITDA growth, with a number of investments in FY19 which will limit EBITDA growth in some divisions in the short term.

Including recent acquisitions, FY19 EBITDA is anticipated to be in the range of \$60 to \$65 million based on the current momentum and market conditions. The company is operationally and financially in the strongest position it has been in the past three years and we believe there is a solid basis for both revenue and EBITDA growth in the medium term”.

– ENDS –

**For all media enquiries please contact:**

Jackie McPhee, Corporate Marketing Manager | t: +61 7 3100 2142 | m: 0421 896 983  
| e: Jackie.McPhee@cardno.com.au

**About Cardno:** Cardno is a 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](http://www.cardno.com).