

ASX Statement & Media Release

9 October 2013

CARDNO ACQUIRES U.S. BASED STRUCTURAL ENGINEERING FIRM

Cardno Limited (ASX: CDD) a professional infrastructure and environmental services company, has signed an agreement to acquire Haynes Whaley Associates, a 100 person structural engineering firm headquartered in Houston Texas, with additional offices in Reston, Virginia and Austin, Texas.

The acquisition is expected to contribute approximately US\$20 million in revenue and US\$4.6 million in EBITDA over the next twelve months. The acquisition will be immediately earnings per share accretive. The acquisition has an effective date of 8 October 2013.

Once the agreement is finalized, Cardno will pay up to US\$22.25 million for the purchase of Haynes Whaley Associates. Around ten percent (10%) of the purchase price is subject to achieving performance targets over the next 12 months, with an additional fifteen percent (15%) of the purchase price deferred for 24 months.

Haynes Whaley will become a part of Cardno's American operations and will operate as Cardno Haynes Whaley, Inc. moving forward. The addition of Haynes Whaley significantly enhances Cardno's structural engineering capabilities across a broad range of commercial, public, and institutional clients. The firm works internationally as well as nationally, with project experience across 40 US states, Africa, the Caribbean, Malaysia, and Singapore. Combining this expertise with Cardno's current engineering portfolio creates a strong platform to deliver added value to both firm's existing clients.

Cardno Managing Director, Andrew Buckley, remarked, "The acquisition expands Cardno's capabilities into the structural engineering field within the Americas. In particular this expansion will drive additional opportunities for cross-selling structural engineering services to existing Cardno clients, and offering Haynes Whaley Associates clients access to the broader range of Cardno's engineering and environmental services."

Clients of Haynes Whaley include developers, architects and a range of public, institutional and private entities such as the City of Houston, Walt Disney Imagineering, the State of Texas university systems, the National Institutes of Health, the General Services Administration, Rice University, Trammel Crow Company, Exxon Mobil and NASA.

Larry E. Whaley, President of Haynes Whaley Associates remarked, "Haynes Whaley Associates' focus has always been to provide structural engineering expertise with the highest level of integrity to our clients. We are pleased to join Cardno, a company that shares our values and corporate culture and offers us the ability to continue to grow our business by expanding our services domestically and globally through their 290 offices worldwide."

Upon completion of the transaction Haynes Whaley Associates' key management will become Cardno shareholders and will remain active in the company.

The acquisition is funded by an approximate mix of 75% cash and 25% shares. Approximately 550,545 shares will be issued at a price of \$6.21 per share. The cash component will be funded from available cash and debt facilities. Shares issued as part of the deferred payment and earn-out will be based on the 10 day volume average weighted price at the time of payment.

– ENDS –

Contacts:

Mr Andrew Buckley
Managing Director
Ph: +61 (0)7 3369 9822
Mobile: +61 (0)412 059 526

Mr Graham Yerbury
Chief Financial Officer
Ph: +61 7 3877 6990
Mobile: +61 (0) 450 324 613

About Cardno: Cardno is an ASX200 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.