

# Appendix 4E

## Preliminary final report

### Full year ended 30 June 2011

Introduced 1/1/2003.

#### CARDNO LIMITED

#### ABN 70 108 112 303

1. The information contained in this report is for the full year ended 30 June 2011 and the previous corresponding period 30 June 2010.

2. **Results for announcement to the market**

				\$'000
2.1	Revenue from Ordinary Activities	up	74.2% to	\$831,201
2.2	Profit (loss) from ordinary activities after tax attributable to members	up	56.4% to	\$58,802
2.3	Net profit (loss) for the period attributable to members	up	56.4% to	\$58,802
2.4	<b>Dividends (distributions)</b>	<b>Amount per security</b>	<b>Franked amount per security</b>	
	Interim dividend	17.0 cents	11.9 cents	
	Final dividend	17.0 cents	11.9 cents	
2.5	Record date for determining entitlements to the dividend	16 September 2011		
2.6	Cardno achieved a record net profit after tax of \$58.8 million for the year ended 30 June 2011, a 56.4% increase over the 2010 financial year. Basic earnings per share increased to 56.29 cents, 28.3%. EBITDA rose 81.2% to \$100.2 million compared to \$55.3 million prior year.			

Cardno has delivered this result for its shareholders during a period of challenging economic conditions.

The performance is due to the Company's successful strategy of growing its business both organically and by acquisition. The result has been achieved through geographic and market diversification.

This is the seventh consecutive year of record profit and earnings per share growth since listing in 2004.

Revenue was \$831.2 million, which was a 74.2% increase on 2010, despite the impact of a stronger Australian dollar.

Cardno had strong operating cash flow of \$73.0 million in 2011, an increase of 56.1% over 2010, and had cash of \$84.1 million at 30 June 2010.

The Company's balance sheet remains strong with low net debt.

- 2.6 The Board has declared a final dividend of 17 cents per share (70% franked) to be paid on 14 October 2011 to all shareholders registered on 16 September 2011. With the interim dividend of 17 cents per share in March 2011, this will result in a full year dividend of 34 cents, which is also a record for Cardno.

During the financial year Cardno made three acquisitions:

- Cardno BEC, a 100 person business with specialised electrical engineering expertise in the resources sector increasing Cardno's exposure to the resources sector. Cardno BEC is based in Perth with offices in Brisbane and Tanzania.
- Cardno Roadtest, a 60-person construction materials testing and geotechnical engineering firm based in Central Queensland, will strengthen the existing construction materials testing and geotechnical operations, providing a strategic presence in the extensive gas and coal developments in Central Queensland.
- Cardno JFNew, a US based 150 person environmental consulting firm, adds to Cardno's expertise in the environmental and natural resources management market in the US.

Cardno's strategy continues to deliver business growth in a difficult global economic environment. The company is well positioned for FY2012.

**3. Net tangible assets per security with the comparative figure for the previous corresponding period.**

Current period	1.38 cents
Previous corresponding period	(43.23) cents

**4. Control gained over entities having material effect**

Entity	Completion Date	Effective Control Date
JF New & Associates, Inc	31 December 2010	31 December 2010
BEC Engineering Pty Ltd	30 June 2011	1 June 2011
Roadtest Emerald Pty Ltd	13 June 2011	1 April 2011

**Loss of control of entities having material effect**

N/A

**5. Final Dividends (distributions)**

Date the dividend (distribution) is payable 14 October 2011

**Amount per security**

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Final dividend			
- Current year	17.0 cents	70%	N/A
- Previous year	15.0 cents	100%	N/A

The Company advises that the whole of the unfranked amount of the final dividend has been declared to be conduit foreign income.

---

<sup>+</sup> See chapter 19 for defined terms.

**6. Dividends or distribution reinvestment plans**

The Dividend Reinvestment Plan (DRP) enables shareholders to reinvest all or part of their dividends into Cardno shares at a price determined by the volume weighted average price for the five days immediately preceding and including the dividend record date. Shares issued through the DRP are fully paid and rank equally with existing fully paid ordinary shares.

**7. Details of aggregate share of profits (losses) of associates and joint venture entities**

Not applicable.

**8. Australian Accounting Standards are utilised when compiling the report.**

**9. The accounts have been audited and are not subject to dispute or qualification.**

Signed:

  
.....  
Jeffrey I Forbes  
Company Secretary

Date: 16/08/11