

## **ASX ANNOUNCEMENT AND MEDIA STATEMENT**

15 September 2005

### **Cardno acquires UK-based Agrisystems**

Multidisciplinary professional services firm Cardno Ltd (ASX: CDD) has undertaken its first off-shore investment in the growing international aid market with the signing of an agreement last night to acquire UK-based Agrisystems Ltd.

The deal follows Cardno's July 2005 purchase of ACIL Australia, which opened a new growth front in international development assistance to complement Cardno's core engineering consultancy business.

Cardno Chairman Mr John Massey said the integration of Agrisystems within the Cardno group will provide access to the European and United Kingdom development assistance markets.

"These markets are a major source of funding for programs in Africa, Eastern Europe, Asia and the Middle East," Mr Massey said.

"It therefore broadens the multinational reach of the Cardno group."

Agrisystems was established in 1982 and has since completed technical assistance and consultancy projects in 132 developing countries through offices in the UK, Kenya and Vietnam, and a representative in Brussels.

Agrisystems offers highly specialist capabilities in the areas of post conflict support and international trade facilitation. Agrisystems also complements the combined Cardno and ACIL business, offering infrastructure planning, rural, social and institutional development.

Cardno Managing Director, Mr Andrew Buckley said the acquisition adds leading bilateral and multilateral donors such as the European Commission, UK Department for International Development and African Development Bank to the Cardno group client base.

"These clients, in addition to our major client in AusAID, establish a diverse revenue stream," he said.

"We are confident opportunities exist to generate additional value from this acquisition by pursuing projects that match Cardno and ACIL's combined experience in Agrisystems' markets of Eastern Europe, Africa and South-east Asia."

Agrisystems and its staff of 100 will be integrated into the International Division of Cardno which is managed by ACIL CEO, Dr Stephen Moss. Combined, the number of Cardno personnel focused on international business will now exceed 620, or 47% of the total staff base.

Mr Buckley said the acquisition increases the company's ability to win and efficiently deliver complex projects within the global development assistance sector, valued in excess of US\$18.4 billion<sup>1</sup> per annum.

"We are building a development assistance capability which can draw on specialist skills to efficiently deliver physical and social infrastructure projects needed to create sustainable communities around the world.

"The acquisition of Agrisystems will help the Cardno group access new segments of this growing market and deliver an expanded range of services to our existing clients in developing countries," he said.

Agrisystems reported revenue of £5.4 million (A\$12 million) for the year ended December 2004.

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Cardno is continuing to examine other acquisitions in geographic or professional service areas that complement its existing business. The company has completed 11 acquisitions since 1997.

Last month, Cardno announced a 66.7 percent increase in net profit after tax of \$7.45 million for the year ended 30 June 2005, and a 54.5 percent increase in revenue to \$100.1 million.

**ENDS**

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**About Cardno:** Cardno Limited is a multidisciplinary professional services organisation with an operating track record extending over 60 years. Through organic growth and selected mergers and acquisitions, the firm now employs over 1200 people in 25 offices in Australia and the Asia-Pacific region (excluding Agrisystems). As engineers, program managers, planners, technical advisors and scientists, Cardno works to create better futures for communities around the globe. Cardno listed on the Australian Stock Exchange in May 2004.

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