

20 April 2011

ASX ANNOUNCEMENT

CODAN LIMITED PROFIT GUIDANCE UPGRADE

The Board of Codan Limited today upgraded underlying net profit after tax guidance to approximately \$24 million for the full financial year.

Underlying net profit after tax is now expected to exceed the levels achieved in the first half of FY11. This compares to our previous guidance of between \$20 million and \$22 million.

This improved performance has resulted from continued strength in our Metal Detection business and an improved second half performance in HF Radio Communications.

Sales of gold machines for the artisanal market continue to be strong. This has been boosted by project wins for our mine clearance products in Angola and also for our military and security radio products in Afghanistan.

The fundamentals of our Metal Detection and HF Radio Communications businesses continue to be strong. This, in conjunction with the recent project wins and a firming sales pipeline for HF Radio Communications, has the company feeling confident about the future.



Michael Barton
Company Secretary