About Austal

SHIPS

SYSTEMS

SUPPORT
Austal’s Global Presence
Austral has a 28 year history of vessel construction.
Leader of high speed aluminium ferries
High speed transport
Austal has been building patrol vessels for Australia for 17 years.
New contract for 19 patrol vessels now signed
High speed support vessel for the Royal Navy of Oman continues tradition of naval vessels
Prime contractorship for 2 classes of vessels for the United States Navy
Operations update

MOBILE, ALABAMA, USA

HENDERSON, WESTERN AUSTRALIA

BALAMBAN, CEBU, PHILIPPINES
Overview shipbuilding programs

LCS

EPF

SHIPS • SYSTEMS • SUPPORT
Austal Henderson has completed 8 Cape class patrol boats, delivering at a rate of one 58m vessel every 9 weeks.

Delivering on-time, on-budget multi-ship builds

- 2012
- Keel laying
- Delivery
- Program extended with Cape 9 & 10 and Austal is ready to support a continuous build
- Shipyard workforce and local supply chain all with current experience in this multi-ship patrol boat program
- Proven verification and validation processes to smooth passage through trials and acceptance

today
Philippines operations delivers a lower cost base in an internationally competitive commercial market
2 sophisticated oil and gas support vessels currently under construction
Systems and Support is a key strategic focus for Austal
The Government’s continuous shipbuilding plan

- **Designer**
  - Submarine: DCNS
  - Future Frigate: BAE Systems, Fincantieri, Navantia
  - Offshore Patrol Vessel: Damen, Fassmer, Lürssen

- **Build location**
  - Submarine: Adelaide
  - Future Frigate: Adelaide
  - Offshore Patrol Vessel: Adelaide until 2020, Henderson after 2020
WHO WILL BE THE AUSTRALIAN SOVEREIGN SHIPBUILDER
Austal currently building ships as large as the future Australian requirement

Current Austal designs in production

- LCS
- EPF
- HSSV
- Cape Class

Planned Australian programs

- Australian Future Frigate*
- Australian Future OPV*
- Australian PPB*

* Indicative size.
Austral is a leader in the application of modular manufacturing techniques to naval shipbuilding.

Conventional shipbuilding halls used for final assembly.
PPB-R is a bridge to the OPV program

• Demonstrates Austal’s capability in steel
• Ensures Henderson remains Australia’s home of Patrol boat builds
• De-risks the OPV program for both Government and Austal

PPB-R (Austal design)  OPV (Offshore Patrol Vessel)
Austral is Australia’s leading shipbuilding exporter and the best bet for OPV and Frigate exports

<table>
<thead>
<tr>
<th>Australian Defence</th>
<th>Cape Class</th>
<th>PPB-R</th>
<th>OPV Frigate</th>
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<tbody>
<tr>
<td>Oman HSSV</td>
<td>Export Capes and other Patrol</td>
<td>Additional HSSVs</td>
<td></td>
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<tr>
<td>O&amp;G fast crew boats</td>
<td>New fast ferry cat &amp; trimarans</td>
<td>Additional O&amp;G crew boats</td>
<td></td>
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</tbody>
</table>
Financial

- **Revenue**: $747.4 million
- **EBIT**: $29.0 million
- **NPAT**: $16.8 million
- **Net cash**: $30.6 million
- **Interim dividend**: 2.0 cents per share fully franked
- **Order book**: $2.8 billion, securing work through CY2020
Maturing major programs:

- EPF stable with program extension orders to 12 ships recently placed
- LCS first of class issues continuing with margin under review
- 2 additional Cape Class vessels in production at Henderson
- HSSV for Oman nearing completion
- Henderson workload will reduce in coming months prior to PPB production commencing in CY 2017
H1 FY16 overview

Pipeline:
- Extension of US Navy programs
- Defence vessels to Middle East
- Australian Future Frigate and OPV
- Commercial ferry market showing signs of revival

Cash: Strong cash generation and further debt reduction
## Segment breakdown

<table>
<thead>
<tr>
<th></th>
<th>($m)</th>
<th>Ships</th>
<th>Systems</th>
<th>Support</th>
<th>Other(^1)</th>
<th>Total</th>
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<tr>
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<td>109.4</td>
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<td>0.7</td>
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<td>-</td>
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<tr>
<td>Revenue</td>
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<td>-</td>
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<tr>
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</table>

\(^1\) unallocated overhead targeting growth
Positive trend in net cash / (debt)

A$ millions

Cash

(Debt)

Dec 2012 $(101) M
Dec 2013 $(100) M
Dec 2014 $7 M
Jun 2015 $(4) M
Jun 2014 $(78) M
Jun 2013 $(137) M
Dec 2015 $31 M

Dec 2012
Mar 2013
Jun 2013
Sep 2013
Dec 2013
Mar 2014
Jun 2014
Sep 2014
Dec 2014
Mar 2015
Jun 2015
Sep 2015
Dec 2015

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