



**AUSTAL**

100 CLARENCE BEACH ROAD, HENDERSON, WESTERN AUSTRALIA 6166  
TEL +618 9410 1111 FAX +618 9410 2564 EMAIL [MARKETING@AUSTAL.COM](mailto:MARKETING@AUSTAL.COM)  
[WWW.AUSTAL.COM](http://WWW.AUSTAL.COM)



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CONCISE REPORT  
AUSTAL LIMITED





The Directors' Report, Concise Financial Report and Independent Audit Report contained within this document represent a Concise Report.

The 2006 Concise Report has been derived from Austal Limited's 2006 Annual Report. The financial statements included in the Concise Report cannot be expected to provide as full an understanding of Austal Limited's financial performance, financial position and financing and investing activities as provided by the 2006 Annual Report.

#### **2006 ANNUAL REPORT**

A copy of the Austal Limited's 2006 Annual Report, together with the Independent Audit Report and Corporate Governance Statement, is available to all shareholders, and will be sent to shareholders without charge upon request. The financial statements can be requested by telephone on +61 8 9410 1111.

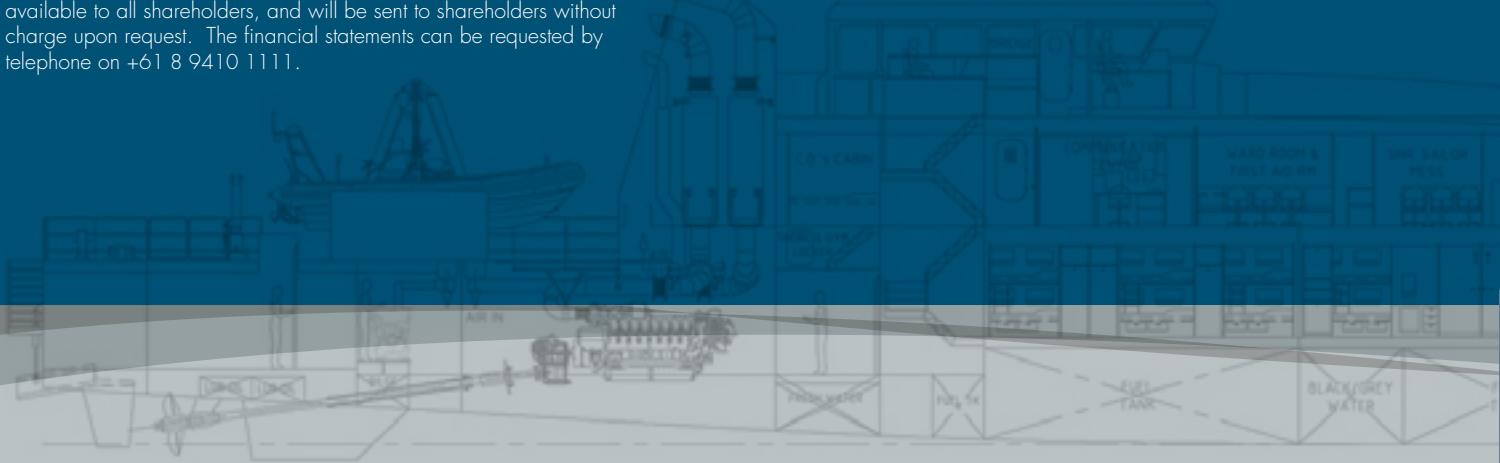
#### **2006/2007 CALENDAR OF EVENTS**

##### **Annual General Meeting**

The Annual General Meeting of shareholders will be held at 3.00pm on 16 October 2006 at the Fremantle Sailing Club, "Success Harbour", Marine Terrace, Fremantle, Western Australia.

##### **Dividend Payment**

The final dividend will be paid to shareholders on 12 October 2006 to those registered at 5.00pm on 28 September 2006.



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Picture - George Giannakis

# CHAIRMAN'S REPORT



Official Keel Laying Ceremony of Littoral Combat Ship, Austal USA, January 2006.



Upgraded Austal USA facilities including new LCS sheds and office facilities. Mobile, Alabama USA.

Results for the 2006 financial year are a further improvement over the record 2005 year following a significant turn around of the operations in the USA. The contracts to build two 107m ferries for Hawaii Superferry and the award of the first Littoral Combat Ship for the US Navy has established a sound foundation for the growth of the USA operations. The option for a second LCS vessel is exercisable prior to 31 December 2006 and we anticipate, based on numerous US Navy reports, further LCS orders to follow in the year ahead.

In anticipation of the above, two new construction halls and larger office facilities were completed in January. Commencing with a small team of Australian employees there is now a largely local workforce of more than 600 persons making Austal USA the largest aluminium shipyard in the United States. We expect our staff levels to more than double as the expanded LCS and other US military vessel programmes are released.

Both in the USA and Australia, Austal is now regularly visited by international Navy and Defence officials who are interested to learn more about our high speed aluminium vessel technology as various conflicts, natural disasters and humanitarian relief efforts highlight the multiple uses for these craft both in combat and non-combat roles.

In other defence news the contract to build 12 Armidale Class Patrol Boats for the Royal Australian Navy was boosted by an order for an additional two patrol boats. During the year, six of these patrol boats were handed over making a total of seven now in active Navy service.

Austal's Australian shipyards have experienced a steady demand for commercial vessels with multiple orders being received from Turkey and Oman. Their operations have been restricted to some extent by the shortage of skilled labour. Initiatives to improve and simplify the construction process have the potential to provide future productivity gains (known as the Advanced Shipbuilding Programme, this initiative is expected to be fully implemented by 2009).

In summary, we are well positioned for growth. Our diverse product range provides coverage across the world's commercial markets. Our expertise in a range of aluminium ships, including both catamaran and trimaran high speed vessels is now gaining increased attention with defence operators, particularly in the US where there are large programmes being planned.

On behalf of the Board and Management, I would like to thank all staff for their effort and commitment throughout the year. With a number of exciting projects ahead of us, staff and shareholders can look to the future with confidence and enthusiasm.

A handwritten signature in black ink, appearing to read 'John Rothwell'.

JOHN ROTHWELL AO  
EXECUTIVE CHAIRMAN



Official Naming Ceremony of NUSHIPs "Larrakia" and "Bathurst". Left to right - John Rothwell, "Larrakia" naming lady Donna Odegaard JP, "Bathurst" naming lady Judeth Bagley and Vice Admiral Russ Shalders, Chief of Navy.



Opening Ceremony of Austal USA Facilities, November 2005.



Dr. Delores M. Etter, Assistant Secretary of US Navy visits Austal's Australian shipyards with US Navy officials.



# OPERATING AND FINANCIAL OVERVIEW

The Group operating profit after tax and outside equity interest for the year was \$40.6 million compared with the previous year of \$30.1 million, based on the new Australian Equivalents to International Financial Reporting Standards ('AIFRS').

The revenue has increased mainly in the USA due to the sale of the Hawaii Superferry vessel and the award of the contract for the first Littoral Combat Ship for the US Navy resulting in a profit before tax for the USA operations of \$11.8 million (prior year loss of \$1.4 million).

As a result of the profit turnaround for the US operations and the change in the recognition criteria for tax losses under AIFRS, prior year tax losses of \$7.6 million have been brought to account in the current year.

Labour shortages in Australia reduced the profit performance for the Australian operations.

The expansion of the USA facilities was completed in January 2006.

A dividend of 11 cents per share fully franked is to be paid on 12 October 2006. A dividend of 9 cents per share fully franked was paid on 25 October 2005.

## AUSTRALIAN OPERATIONS

During the year, Austal completed the 85 metre "Highspeed 5" for Hellenic Seaways of Greece, the 68 metre "Maria Dolores" for Virtu Ferries of Malta and two 45 metre vessels "Silver Express" and "Gold Express" for L'Express des Iles of Guadeloupe.

New orders were received for four large ferries, being dual vessel orders for Istanbul Metropolitan Municipality (2 x 88 metre) and the Sultanate of Oman (2 x 65 metre). These vessels are to be built in Australia for delivery in 2007 and 2008.

A further six Armidale Class Patrol Boats were handed over to the Royal Australian Navy. In addition, an order was received for two extra vessels boosting this order to a total of 14. The remaining seven vessels will be delivered in 2007 and 2008.

Six 16 metre patrol boats under construction for the New South Wales Water Police were delivered in the year.

A 38 metre private cruise vessel was also delivered prior to the year end. Work continued on a second 57 metre private cruise vessel.

Following the New South Wales Water Police announcement, an additional order was received in September for a similar 16 metre vessel for the Bermuda Water Police.

## USA OPERATIONS

In October, confirmed orders were received for two 107 metre Hawaii Superferry ferries and the first 127 metre Littoral Combat Ship (LCS) trimaran for the United States Navy.

Work on the first Hawaii Superferry vessel commenced in the previous year with delivery of this vessel planned for the first half of the 2007 calendar year and the second vessel in the first half of 2009.

## ENVIRONMENTAL PERFORMANCE

Austal continues to focus on environmental legislation that affects the company's operations, including staying within external noise limitations and complying with the Montreal Protocol which governs the protection of the ozone layer by ensuring the use of approved gases.

Environmental issues, including global and local regulations, are considered in the design and construction of clients' vessels. This includes ensuring that only approved paint and antifouling products are used and the development of hullforms, in particular the trimaran, that minimise wake wash generation to reduce possible adverse effects of these waves in environmentally sensitive areas. Research and development aimed at increasing vessel efficiency also has a positive environmental effect by reducing power requirements and engine exhaust emissions.

## FINANCIAL SUMMARY

YEAR ENDED 30 JUNE	2006	2005	2005
	\$M	\$M	\$M
			AGAAP*
Revenue	389.0	319.4	321.3
EBITDA	50.8	43.3	44.7
Depreciation & Amortisation	(4.3)	(2.8)	(3.4)
EBIT	46.5	40.5	41.3
Net Interest Received	3.1	0.7	1.2
Operating Profit Before Tax	49.6	41.2	42.5
Tax Expense	(5.4)	(11.7)	(7.6)
Operating Profit After Tax	44.2	29.5	34.9
Profit/(Loss) Attributable to Minority Interest	3.6	(0.6)	(0.6)
Net Profit After Tax and Minority Interest	40.6	30.1	35.5
% EBIT/Revenue	12.0	12.7	12.9
Basic Earnings Per Share (cps)	22.4	16.6	18.5
Net Assets	188.2	157.3	164.8
Return on Equity (%)	21.6	19.1	21.5

\* From 1 July 2005, the Group has prepared its financial statements in accordance with AIFRS. For comparative purposes, the 2005 data per the 30 June 2005 financial statements is included. The impacts of adopting AIFRS on the total equity and profit after tax as reported under Australian Accounting Standards applicable for financial year commencing before 1 January 2005 ('AGAAP') are set out in the 2006 Annual Report.



"Maria Dolores" Auto Express Vehicle Passenger Ferry for Malta. Delivered February 2006.



New Patrol Boats for the Royal Australian Navy and News South Wales Water Police nearing completion.



## PEOPLE

Austal continues to provide a safe working environment, achieving safety statistics better than industry standard.

In Western Australia, the demand for workers from the resources sector creates a difficult environment for the recruitment and retention of locally based skilled workers. During the year Austal, through various initiatives, has been able to increase overall workforce numbers largely through the Australian Government's Skilled Migration programme. Austal continues to recruit both locally and nationally, and has maintained its leading presence in the training and development of apprentices that now includes the Fast Track and Mature Age Apprenticeship Programmes enabling experienced older workers the opportunity to receive formal qualifications.

The introduction of the Advanced Ship Building Programme will improve productivity and enable less-skilled workers to be employed.

In the US, the shipyard has increased its staff from 300 to in excess of 600. Training and development initiatives continue to assist in the development of key skills to support growth targets for the workforce.

## OUTLOOK

The first year of operation of the trimaran has shown a marked decrease in the incidences of passenger seasickness and a number of operators are considering this type of vessel for their next purchase.

The US Defence Forces requirements for high speed vessels remain high and proposals for additional LCS vessels and a Joint High Speed Vessel (JHSV) are expected to be issued by the end of the 2006 calendar year.

Contracts on hand at 30 June 2006 amounted to \$577.7 million to be completed across the 2007 to 2009 financial years.



JOHN ROTHWELL AO  
CHIEF EXECUTIVE OFFICER



Chief Operating Officer, Steve Murdoch with new 2006 Apprentices at Marine Training Facility.



127m Littoral Combat Ship (LCS) for US Navy.



Littoral Combat Ship (LCS) for US Navy as at July 2006.

# PROFILE OF DIRECTORS

## EXECUTIVE DIRECTORS



JOHN ROTHWELL



MICHAEL ATKINSON



CHRISTOPHER NORMAN



JOHN POYNTON

## EXECUTIVE DIRECTORS

### JOHN ROTHWELL AO EXECUTIVE CHAIRMAN

Director since 9 October 1987  
Last elected: 22 October 2004

With in excess of 30 years experience in boat and shipbuilding, John Rothwell has played a major role in the development of the Australian aluminium shipbuilding industry and is a Founding Director of Austal.

In June 2004 John was appointed a Council member of the Australian National Maritime Museum and became Chairman of the Capital Works Committee of that organisation in November 2005.

In January 2004, John Rothwell was appointed an Officer of the Order of Australia for services to the Australian shipbuilding industry through the development of trade links and for significant contributions to vocational education and training. In October 2002, John Rothwell was named the Ernst & Young "Australian Entrepreneur of the Year".

### MICHAEL ATKINSON CA (ZIM), CA (SA) EXECUTIVE DIRECTOR, FINANCE & COMPANY SECRETARY

Director since 14 September 1994  
Last elected: 15 October 2002

Michael Atkinson joined Austal in 1990 as Financial Controller and was appointed to the Board in 1994. He is a qualified Chartered Accountant with 10 years experience in the accounting profession. On leaving the profession, he entered the railway and construction industry where he served in a senior financial capacity and as a Board member.

## NON EXECUTIVE DIRECTORS

### CHRISTOPHER NORMAN (B.ENG HONS) NON EXECUTIVE DIRECTOR

Director since 9 October 1987  
Last elected: 24 October 2003

Chris Norman is one of the Founding Directors of Austal. He graduated from the University of New South Wales in 1986 with first class honours in Naval Architecture and has previously been Austal's Technical Director. Mr Norman has been a driving force in the technical and marketing success of the company and, with extensive experience in international marketing and sales, held the position of Sales Director between 1993 and 2002.

In May 2000, Chris was awarded the prestigious A.G.M. Michell Award in recognition of outstanding service in the profession of Mechanical Engineering. He is a member of both the Royal Institution of Naval Architects and the Germanischer Lloyd Asean Committee.

### JOHN POYNTON B.COM, FSIA, FAIM, FAICD INDEPENDENT DIRECTOR

Director since 24 August 1998  
Last elected: 24 October 2003

John is a co-founder and executive Chairman of Azure Capital. John was appointed Chairman of Alinta Limited in May 2006. He held the position of a Non-Executive director prior to that since October 2000. He is also a Non-Executive Director of Burswood Ltd since September 2004 and Multiplex Ltd since October 2003. He is a member of the Payments System Board of the Reserve Bank of Australia. He is Chairman of the West Australian Museum Foundation and a member of the Board of the Business School at the University of Western Australia, where he also serves as Adjunct Professor of Financial Services. He has previously served as a Director of ASX and as Chairman of the ASX in Perth.

He is a Senior Fellow of the Financial Services Institute of Australasia (FINSIA), and a Fellow of the Australian Institute of Company Directors (FAICD) and Australian Institute of Management (AIM). He is a Member in the General Division of the Order of Australia.

In June 2006, he was awarded Citizen of the Year in the Industry and Commerce category.



## NON EXECUTIVE DIRECTORS



ROBERT BROWNING



DARIO AMARA

### ROBERT BROWNING MSc, MBA, FAIM INDEPENDENT DIRECTOR

Director since 2 September 2003  
Last elected: 24 October 2003

Robert Browning is Chief Executive Officer of Alinta Limited since March 2001, the operator and part owner of \$7.6 billion worth of energy infrastructure assets across Australia and New Zealand. He is also an elected member of the Chamber of Commerce and Industry WA.

Prior to joining Alinta, Mr Browning was with global energy and services company, Aquila Inc, in a variety of vice president roles involved in strategic planning, operational and human resources management.

Mr Browning holds a Bachelor of Science degree from San Diego State University, an MBA from the University of Phoenix and a Master of Science from Massachusetts Institute of Technology, Sloan School of Management.

### DARIO AMARA, BE (DISTN), FIEAust, CPENG INDEPENDENT DIRECTOR

Director since 16 August 2005  
Last elected: 16 August 2005

Dario Amara is Chief Executive Officer and co-founder of Emerson Stewart Limited, a project implementation specialist based in Perth.

He has 25 years of Australian and International experience spanning engineering and contracting industries, and has been involved in a number of senior leadership roles. Most recently, he successfully led a major Australian engineering group as Chief Executive Officer. He has a record of accomplishment in rejuvenating and growing businesses in new markets. He is a graduate from the Curtin University of Technology.

He is currently Non Executive Chairman of Mission Biofuels Limited and Chairman of the City of Perth Heritage Appeal and a board member of the Perth International Arts Festival.

Unless otherwise indicated all Directors held their position as a Director throughout the entire financial year and up to the date of this report. The maximum term of office for a Director on the Austal Board is three years, with the exception of the Managing Director who is exempted from retirement by rotation. Each year the longest serving one third of the Board must retire from office. A retiring Director is eligible for re-election.

### Interests in the shares and options of the company and related bodies corporate

As at the date of this report, the interests of the Directors in the shares of Austal Limited were:

	NUMBER OF ORDINARY SHARES	NUMBER OF SHARES HELD IN AGMSP*
John Rothwell	33,724,685	-
Michael Atkinson	1,415,737	285,062
Christopher Norman	26,595,621	-
John Poynton	200,000	-
Robert Browning	20,000	-
Dario Amara	50,000	-

\*This represents the number of shares (in substance options) held in the Austal Group Management Share Plan (AGMSP) (refer to note 28 of the 2006 Annual Report). The terms and conditions of the AGMSP are set out in note 29 of the 2006 Annual Report.

# DIRECTORS' REPORT

## PRINCIPAL ACTIVITIES

The principal activities during the year of entities within the consolidated entity were the design and manufacture of high performance vessels. These activities are unchanged from the previous year.

## RESULTS

The profit of the consolidated entity for the financial year was \$40.636 million after income tax and outside equity interests.

## OPERATING AND FINANCIAL REVIEW

A review of the operating and financial position of the consolidated entity is outlined in the Operating and Financial Overview on page 5.

## DIVIDENDS

A fully franked final dividend of \$20.789m (11 cents per share) (2005: \$17.009m being 9 cents per share) has been declared for the year ended 30 June 2006 to be paid on 12 October 2006.

## SIGNIFICANT EVENTS AFTER THE BALANCE DATE

With effect from the 2007 financial year, a share option plan will be introduced for senior managers. Eligibility for the plan will be linked to employee performance. The exercise of the options will vest after 3 years subject to meeting the company performance criteria.

## LIKELY DEVELOPMENTS AND FUTURE RESULTS

A general discussion of the group outlook is included in the Chairman's Report on page 3 and Operating and Financial Overview on page 5.

## SIGNIFICANT CHANGES IN THE STATE OF THE AFFAIRS

A review of the significant changes in the state of affairs of the consolidated entity is outlined in the Operating and Financial Overview on page 5.

## ENVIRONMENTAL PERFORMANCE

The consolidated entity has a policy of at least complying with, but in most cases exceeding, environmental performance requirements. No environmental breaches have been notified by any Government Agency during the year ended 30 June 2006.

## TOTAL NUMBER OF EMPLOYEES

As at 30 June 2006, the consolidated entity employed a total of 1,817 full-time equivalents (2005: 1,273 full-time equivalents).

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

An indemnity agreement has been entered into between the parent entity and each of the Directors named in this report. Under the agreement, the company has agreed to indemnify those Directors against any claim to the extent allowed by the law, for any expenses or costs, which may arise as a result of work performed in their respective capacities.

During the financial year, the parent entity has paid premiums in respect of a contract insuring the directors and officers of the consolidated entity in respect of liability resulting from these indemnities. The terms of the insurance arrangements and premiums payable are subject to a confidentiality clause.

## REMUNERATION REPORT

This report outlines the remuneration arrangements in place for Directors and Executives of Austal Limited (the Company).

### Remuneration Policy

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high quality Board and Executive team by remunerating Directors and Key Executives fairly and appropriately with reference to relevant employment market conditions.

There is no scheme to provide retirement benefits to any Director, other than statutory superannuation contributions.

Participation in the Austal Group Management Share Plan provides an incentive to the Directors and Executives which are aligned with increased returns to shareholders. Other than ex gratia bonuses, no element of remuneration is linked to performance conditions. No performance related bonuses were paid except for a bonus paid to Mr Greg Metcalf in recognition of the performance of the USA operation (representing 2006: 16.7%, 2005: nil of total remuneration).

To encourage the retention of employees, non-director employees of the Australian companies participate in a non-performance related annual bonus which takes into account length of service and profits earned by the Australian enterprises. The bonus is paid at the discretion of the Nomination and Remuneration Committee. Ex gratia bonuses are paid to executives in certain circumstances for exceptional performance as determined by the Chairman.

With effect from the 2007 financial year, a share option plan will be introduced for senior managers. Eligibility for the plan will be linked to employee performance. The exercise of the options will vest after 3 years subject to meeting the company performance criteria.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors reviews the remuneration of all Directors and makes recommendations to the Board.

### Directors' remuneration for the year ended 30 June 2006

Mr John Rothwell	Chairman & Chief Executive Officer
Mr Michael Atkinson	Executive Director, Finance & Company Secretary
Mr Christopher Norman	Director (Non Executive)
Mr John Poynton	Director (Non Executive)
Mr Robert Browning	Director (Non Executive)
Mr Dario Amara	Director (Non Executive)

Table 1: Director's remuneration for the year ended 30 June 2006

		SHORT-TERM	POST EMPLOYMENT	TOTAL	CONTRACT TERMS NOTE
		SALARY & FEES	SUPERANNUATION		
		\$	\$	\$	
John Rothwell	2006	498,100	-	498,100	2
	2005	407,200	8,162	415,362	
Michael Atkinson	2006	300,000	-	300,000	2
	2005	258,253	-	258,253	
Christopher Norman	2006	80,750	-	80,750	1
	2005	56,500	-	56,500	
John Poynton	2006	90,000	-	90,000	1
	2005	56,501	-	56,501	
Robert Browning	2006	90,000	-	90,000	1
	2005	62,500	-	62,500	
Dario Amara*	2006	91,000	-	91,000	1
	2005	-	-	-	

\* Director for part of the year

#### Remuneration of Directors and Key Management Personnel

Table 2: Remuneration of the 5 named Key Management Personnel who received the highest remuneration for the year ended 30 June 2006

Mr Stephen Murdoch \* Chief Operating Officer  
 Mr Greg Metcalf Chief Executive Officer Austral USA  
 Mr William Rotteveel General Manager  
 Mr Glenn Williams Sales Manager  
 Mr John Van Meekeren \* Senior Production Manager

		SHORT-TERM	POST EMPLOYMENT		TOTAL	CONTRACT TERMS NOTE	
		SALARY & FEES	CASH BONUS	NON-MONETARY BENEFITS	SUPERANNUATION		
		\$	\$	\$	\$	\$	
Stephen Murdoch *	2006	278,912	22,936	-	24,790	326,638	3
	2005	38,333	-	-	3,450	41,783	
Greg Metcalf	2006	242,038	66,658	62,755	28,519	399,970	3
	2005	226,988	-	134,606	20,406	382,000	
William Rotteveel	2006	195,860	19,179	-	19,067	234,106	3
	2005	142,638	6,483	2,539	73,920	225,580	
Glenn Williams	2006	282,460	25,281	-	-	307,741	4
	2005	240,847	12,540	-	-	253,387	
John Van Meekeren *	2006	152,769	13,974	11,339	15,892	193,974	3
	2005	65,833	-	-	5,877	71,710	

\* Key management personnel for part of the year of 2005





"Gold Express" and "Silver Express" Passenger Ferries for Guadeloupe. Delivered November 2005.

#### Contract Terms Notes

1. Directors fees only
2. Subcontract - no fixed notice period or duration. No termination entitlements.
3. Employment contract - one week notice period or duration. No non-statutory termination entitlements.
4. Subcontract - one year notice period. No termination entitlements.

#### DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each director were as follows:

	DIRECTORS' MEETINGS	MEETINGS OF AUDIT COMMITTEE	MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE
Number of meetings held	6	5	2
Number of meetings attended:			
John Rothwell	6	-	2
Michael Atkinson	6	-	-
Christopher Norman	5	5	-
John Poynton	5	-	2
Robert Browning	6	5	2
Dario Amara *	5	5	-

\* Director for part of the year

All directors were eligible to attend all Directors' meetings, except for Dario Amara, who was eligible to attend 5 Directors' meetings.

### Committee membership

As at the date of this report, the Company had an Audit Committee and a Nomination and Remuneration Committee of the Board of Directors.

Members acting on the committees of the Board during the year were:

Audit	Nomination and Remuneration
D Amara *	R Browning *
C Norman	J Rothwell
R Browning	J Poynton
DX Parkin	

### Notes

\*Designates the Chairman of the committee.

### Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

### Auditor's Independence Declaration

We have obtained the following independence declaration from our auditor, Ernst & Young.



■ The Ernst & Young Building  
11 Meuniers Bay Road  
Perth WA 6000  
Australia  
GPO Box A939  
Perth WA 6043

■ Tel: 61 8 9429 2222  
Fax: 61 8 9429 2436

### Auditor's Independence Declaration to the Directors of Austal Limited

In relation to our audit of the financial report of Austal Limited for the year ended 30 June 2006, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

Robert Kirkby  
Partner  
22 August 2006

Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).

### Non-audit Services

There were no non-audit services provided by the entity's auditor, Ernst & Young, during the year.

This report has been made in accordance with a resolution of directors.

J ROTHWELL AO  
DIRECTOR

M J ATKINSON  
DIRECTOR

Dated at Henderson this 22nd day of August 2006

## Income Statement FOR THE YEAR ENDED 30 JUNE 2006

	Note	CONSOLIDATED		PARENT	
		2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
<b>Continuing Operations</b>					
Revenue	2(a)	389,009	319,380	1,703	2,952
Other income	2(b)	3,414	1,883	838	8
Expenses (excluding finance costs)		(341,386)	(277,845)	22,093	(4,756)
Finance costs		(1,413)	(2,183)	(53)	(53)
<b>Profit/(loss) before income tax</b>		<b>49,624</b>	<b>41,235</b>	<b>24,581</b>	<b>(1,849)</b>
Income tax expense		(5,449)	(11,722)	(577)	(1,777)
<b>Profit/(loss) after tax from continuing operations</b>		<b>44,175</b>	<b>29,513</b>	<b>24,004</b>	<b>(3,626)</b>
Profit/(loss) attributable to minority interest		3,539	(596)	-	-
<b>Profit/(loss) attributable to members of the parent</b>		<b>40,636</b>	<b>30,109</b>	<b>24,004</b>	<b>(3,626)</b>
<b>Earnings per share (cents per share)</b>					
- basic for profit for the year attributable to ordinary equity holders of the parent	3	22.4	16.6	-	-
- diluted for profit for the year attributable to ordinary equity holders of the parent	3	22.1	16.4	-	-
<b>Dividends per share (cents per share)</b>	4	<b>11.0</b>	<b>9.0</b>	-	-



## Balance Sheet

### AS AT 30 JUNE 2006

	CONSOLIDATED		PARENT	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	91,742	80,571	1,541	177
Trade and other receivables	61,069	8,474	-	-
Inventories	65,846	73,612	-	-
Prepayments	7,293	9,972	-	-
Derivatives	6,563	7,819	-	576
<b>Total Current Assets</b>	<b>232,513</b>	<b>180,448</b>	<b>1,541</b>	<b>753</b>
<b>Non-current Assets</b>				
Cash and cash equivalents	6,741	522	-	-
Trade and other receivables	11,269	4,666	65,947	53,010
Property, plant and equipment	87,139	74,390	16,689	17,157
Prepayments	-	6,233	-	-
Other financial assets	-	-	1,406	2,175
Derivatives	28	1,214	-	-
Intangible assets	671	703	-	-
Deferred tax assets	4,762	-	-	-
<b>Total Non-current Assets</b>	<b>110,610</b>	<b>87,728</b>	<b>84,042</b>	<b>72,342</b>
<b>Total Assets</b>	<b>343,123</b>	<b>268,176</b>	<b>85,583</b>	<b>73,095</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade and other payables	34,587	32,310	101	-
Derivatives	767	-	-	-
Interest-bearing loans and borrowings	8,484	10,878	-	-
Government grants	-	355	-	-
Provisions	21,561	22,816	-	-
Income tax payable	3,660	-	3,660	-
Other	33,454	13,121	-	-
<b>Total Current Liabilities</b>	<b>102,513</b>	<b>79,480</b>	<b>3,761</b>	<b>-</b>
<b>Non-current Liabilities</b>				
Trade and other payables	-	6,018	-	-
Derivatives	834	-	-	-
Interest-bearing loans and borrowings	32,171	13,209	-	-
Government grants	13,483	6,528	-	-
Deferred tax liabilities	4,817	4,851	-	-
Provisions	1,074	774	-	-
<b>Total Non-current Liabilities</b>	<b>52,379</b>	<b>31,380</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>154,892</b>	<b>110,860</b>	<b>3,761</b>	<b>-</b>
<b>Net Assets</b>	<b>188,231</b>	<b>157,316</b>	<b>81,822</b>	<b>73,095</b>
<b>Equity</b>				
Equity attributable to equity holders of the parent				
Contributed equity	33,858	32,158	33,182	31,482
Reserves	2,376	371	177	145
Retained earnings	148,213	124,586	48,463	41,468
Parent interests	184,447	157,115	81,822	73,095
Minority interests	3,784	201	-	-
<b>Total Equity</b>	<b>188,231</b>	<b>157,316</b>	<b>81,822</b>	<b>73,095</b>

## Cash Flow Statement FOR THE YEAR ENDED 30 JUNE 2006

	CONSOLIDATED		PARENT	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
<b>Cash Flows From Operating Activities</b>				
Receipts from customers	399,518	333,891	1,703	3,799
Payments to suppliers and employees	(367,090)	(298,643)	9,960	(1,356)
Interest received	4,512	2,922	71	394
Borrowing costs paid	(1,686)	(2,022)	(53)	(53)
Income tax paid	(7,323)	(1,492)	(7,295)	(1,492)
GST refunded/(paid)	(1,927)	4,416	45	67
Dividends received	-	-	838	298
Receipts of government grants	9,092	6,638	-	-
<b>Net cash from operating activities</b>	<b>35,096</b>	<b>45,710</b>	<b>5,269</b>	<b>1,657</b>
<b>Cash Flows From Investing Activities</b>				
Proceeds from sale of property, plant and equipment	374	75	-	-
Purchase of property, plant and equipment	(15,765)	(19,912)	-	-
Purchase of intangible assets	(367)	(798)	-	-
Loan from controlled entities	-	-	11,441	(298)
<b>Net cash from/(used in) investing activities</b>	<b>(15,758)</b>	<b>(20,635)</b>	<b>11,441</b>	<b>(298)</b>
<b>Cash Flows From Financing Activities</b>				
Costs of share buy – back	(615)	(2,681)	(615)	(5,522)
Loan advanced – others	2,278	3,141	2,278	4,124
Repayment of borrowings	(10,650)	(34,106)	-	-
Proceeds from borrowings	18,548	15,518	-	-
Equity dividends paid	(17,009)	-	(17,009)	-
<b>Net cash from/(used in) financing activities</b>	<b>(7,448)</b>	<b>(18,128)</b>	<b>(15,346)</b>	<b>(1,398)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>11,890</b>	<b>6,947</b>	<b>1,364</b>	<b>(39)</b>
Net foreign exchange differences	350	(176)	-	-
Cash and cash equivalents at beginning of period	79,502	72,731	177	216
<b>Cash and cash equivalents at end of period</b>	<b>91,742</b>	<b>79,502</b>	<b>1,541</b>	<b>177</b>

## Statement of Changes in Equity FOR THE YEAR ENDED 30 JUNE 2006

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				TOTAL	MINORITY INTEREST	TOTAL EQUITY
	ISSUED CAPITAL	RESERVED SHARES*	RETAINED EARNINGS	OTHER RESERVES			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CONSOLIDATED</b>							
<b>At 1 July 2004</b>	46,171	(13,433)	94,477	650	127,865	870	128,735
Currency translation differences	-	-	-	(331)	(331)	(73)	(404)
Profit for the period	-	-	30,109	-	30,109	(596)	29,513
Share buy – back	(5,522)	-	-	-	(5,522)	-	(5,522)
Options exercised	-	4,942	-	-	4,942	-	4,942
Cost of share-based payment	-	-	-	52	52	-	52
<b>As at 30 June 2005</b>	40,649	(8,491)	124,586	371	157,115	201	157,316
<b>As at 1 July 2005</b>	40,649	(8,491)	124,586	371	157,115	201	157,316
Application of AASB 132 and 139	-	-	-	5,070	5,070	44	5,114
Currency translation differences	-	-	-	108	108	-	108
Net gains/(losses) on cash flow hedges	-	-	-	(3,205)	(3,205)	-	(3,205)
Profit for the period	-	-	40,636	-	40,636	3,539	44,175
Share buy – back	(615)	-	-	-	(615)	-	(615)
Options exercised	-	2,315	-	-	2,315	-	2,315
Cost of share – based payment	-	-	-	32	32	-	32
Equity dividends	-	-	(17,009)	-	(17,009)	-	(17,009)
<b>As at 30 June 2006</b>	40,034	(6,176)	148,213	2,376	184,447	3,784	188,231
<b>PARENT</b>							
<b>At 1 July 2004</b>	46,171	(13,433)	45,094	93	77,925	-	77,925
Profit/(loss) for the period	-	-	(3,626)	-	(3,626)	-	(3,626)
Share buy – back	(6,198)	-	-	-	(6,198)	-	(6,198)
Options exercised	-	4,942	-	-	4,942	-	4,942
Cost of share – based payment	-	-	-	52	52	-	52
<b>As at 30 June 2005</b>	39,973	(8,491)	41,468	145	73,095	-	73,095
<b>As at 1 July 2005</b>	39,973	(8,491)	41,468	145	73,095	-	73,095
Profit for the period	-	-	24,004	-	24,004	-	24,004
Share buy – back	(615)	-	-	-	(615)	-	(615)
Options exercised	-	2,315	-	-	2,315	-	2,315
Cost of share – based payment	-	-	-	32	32	-	32
Equity dividends	-	-	(17,009)	-	(17,009)	-	(17,009)
<b>As at 30 June 2006</b>	39,358	(6,176)	48,463	177	81,822	-	81,822

\*Reserved shares are in relation to the Austal Group Management Share Plan.



## Notes to the Concise Financial Statements FOR THE YEAR ENDED 30 JUNE 2006

	CONSOLIDATED		PARENT	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000

### NOTE 1. BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

This concise financial report has been derived from the full 2006 Financial Report as presented in the Austal Limited Annual Report, which complies with the Corporations Act 2001, Australian Accounting Standards and Urgent Issues Group Consensus Views. This concise financial report has been prepared in accordance with Accounting Standard AASB 1039 – “Concise Financial Reports”, and the relevant provisions of the Corporations Act 2001. A full description of the accounting policies adopted by Austal Limited is provided in the full 2006 Financial Report.

### NOTE 2. REVENUE

#### Revenue from Continuing Operations

##### (a) Revenue

Construction contract revenue	363,759	301,136	-	-
Charter revenue	18,672	14,100	-	-
Rental revenue	17	24	1,632	1,584
Sale of scrap	1,442	1,198	-	-
Dividends:				
Related parties	-	-	838	974
Finance revenue:				
Interest from other unrelated parties	4,512	2,922	71	394
Discount adjustment on loans and receivables	607	-	-	-
	389,009	319,380	2,541	2,952
(b) Other income				
Government grants	2,071	1,198	-	-
Other income	1,343	685	-	8
	3,414	1,883	-	8

	CONSOLIDATED		CONSOLIDATED	
	2006 \$'000	2005 \$'000	2006 Number	2005 Number

### NOTE 3. EARNINGS PER SHARE

Net profit attributable to ordinary equity holders of the parent from continuing operations	40,636	30,109		
Weighted average number of ordinary shares (excluding reserved shares) for basic earnings per share			181,751,890	181,640,963
Effect of dilution – share options			2,289,184	1,476,958
Weighted average number of ordinary shares (excluding reserved shares) adjusted for the effect of dilution			184,041,074	183,117,921

*There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.*

### Note 4. Dividends

A fully franked dividend of \$20.789m of 11 cents per share has been declared for the year ended 30 June 2006 to be paid on 12 October 2006. A dividend of \$17.009m of 9 cents per share was paid on 25 October 2005.

### Note 5. Subsequent Events

With effect from the 2007 financial year a share option plan will be introduced for senior managers. Eligibility for the plan will be linked to employee performance. The exercise of the options will vest after 3 years subject to meeting the company performance criteria.

## Note 6. Transition to AIFRS

For all periods up to and including the year ended 30 June 2005, the Group prepared its financial statements in accordance with the Australian generally accepted accounting practice (AGAAP). These financial statements for the year ended 30 June 2006 are the first the Group is required to prepare in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS).

Accordingly, the Group has prepared financial statements that comply with AIFRS applicable for the period beginning on or after 1 January 2005 and the significant accounting policies meeting those requirements are described in note 2 of the 2006 Annual Report. In preparing these financial statements, the Group has started from an opening balance sheet as at 1 July 2004, the Group's date of transition to AIFRS, and made those changes in accounting policies and other restatements required by AASB 1 *First time adoption of AIFRS*.

This note explains the principal adjustments made by the Group in restating its AGAAP balance sheet as at 1 July 2004 and its previously published AGAAP financial statements for the year ended 30 June 2005.

### Exemptions applied

AASB 1 allows first-time adopters certain exemptions from the general requirement to apply AIFRS retrospectively.

The Group has taken the following exemptions:

- Comparative information for financial instruments is prepared in accordance with AGAAP and the company and group have adopted AASB 132: *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* from 1 July 2005.
- AASB 3 *Business Combination* has not been applied to acquisitions of subsidiaries or of interests in associates and joint ventures that occurred before 1 July 2004.
- The Group has elected to measure land and buildings at the date of transition at deemed cost.
- The Group has elected not to apply the exemption to reset the cumulative translation adjustment to zero.
- AASB 2 *Share-based Payment* has not been applied to any equity instruments that were granted on or before 7 November 2002, nor has it been applied to equity instruments granted after 7 November 2002 that vested before 1 January 2005.

### Explanation of material adjustments to the cash flow statement

There are no material differences between the cash flow statement presented under AIFRS and the cash flow statement presented under previous AGAAP.

#### (a) Reconciliation of total equity as presented under AGAAP to that under AIFRS

	CONSOLIDATED				PARENT	
	1 JULY 2005 \$'000	30 JUNE 2005 \$'000	1 JULY 2004 \$'000	1 JULY 2005 \$'000	30 JUNE 2005 \$'000	1 JULY 2004 \$'000
Total equity under AGAAP	164,785	164,785	135,830	80,588	80,588	84,671
Adjustments to equity:						
Derecognition of Austal Group Management Share Plan loans (A)	(9,994)	(9,994)	(13,445)	(9,994)	(9,994)	(13,445)
Recognition of fair value of share option (B)	-	-	-	146	146	146
Foreign exchange differences in relation to qualifying assets (C)	183	183	(593)	-	-	-
Borrowing costs no longer capitalised into cost of qualifying assets (D)	-	-	397	-	-	-
Recognition of decommissioning costs (E)	(14)	(14)	(7)	-	-	-
Recognition of fair value of cash flow hedge derivatives (F)	7,243	-	-	-	-	-
Tax effect of the above adjustments (G)	(2,173)	-	-	-	-	-
Tax losses not previously recognised (H)	2,355	2,355	6,553	2,355	2,355	6,553
Total equity under AIFRS	162,385	157,316	128,735	73,095	73,095	77,925

(A) Under AASB 2 'Share-Based Payment' the Austal Group Management Share Plan loans must be derecognised.

(B) Under AASB 2 'Share-Based Payment' the fair value of Austal Group Management Share Plan option must be allocated to employee equity benefits reserve.

(C) The deferral of foreign exchange differences on a foreign currency monetary item attributable to the production of a qualifying asset is omitted from AASB 123 'Borrowing Costs'. Under AGAAP they were able to be capitalised into the cost of the qualifying asset.

(D) AASB 123 'Borrowing Costs' allows a choice as to whether to capitalise borrowing costs in relation to a qualifying asset. AGAAP required borrowing costs in relation to qualifying assets to be capitalised. The Group has elected to expense borrowing costs as they are incurred and not capitalise these into the cost of qualifying assets.

(E) AASB 116 'Property, Plant and Equipment' requires the cost of an item of property, plant and equipment to include the cost of dismantling and removing the asset and restoring the site on which it is located due to the requirement to recognise a provision for these costs under AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'.

(F) Unrealised gains on unexpired foreign exchange contracts that are cash flow hedges are included in other reserves as the foreign exchange contracts hedge forecast sales and purchases and qualify for hedge accounting.

(G) The tax effect of the adjustments (Note (A) to (E)) led to an increase in deferred tax liability.

(H) AASB 112 'Income Taxes' allows tax losses and tax assets to be recognised when they are probable rather than virtually certain under AGAAP.

(b) Reconciliation of profit after tax under AGAAP to that under AIFRS

	CONSOLIDATED		PARENT	
	YEAR ENDED		YEAR ENDED	
	30 JUNE 2005	30 JUNE 2005	30 JUNE 2005	30 JUNE 2005
	\$'000	\$'000	\$'000	\$'000
Profit after tax as previously reported	34,882		2,115	
Derecognition of Austal Group Management Share Plan loans (A)	(1,552)		(1,552)	
Recognition of share-based payment expense (B)	(52)		(52)	
Foreign exchange differences in relation to qualifying assets (C)	776		-	
Borrowing costs no longer capitalised into cost of qualifying assets (D)	(397)		-	
Recognition of decommissioning costs (E)	(7)		-	
Tax effect of the above adjustments (F)	195		195	
Reversal of tax losses recognised (G)	(4,332)		(4,332)	
Profit/(loss) after tax under AIFRS	29,513		(3,626)	

(A) Under AASB 2 'Share-Based Payment' the Austal Group Management Share Plan loans must be derecognised. Previous provisions and interest accrued on the loans must be reversed.

(B) Share-based payment costs are charged to the income statement under AASB 2 'Share-Based Payment', but not under AGAAP.

(C) The deferral of foreign exchange differences on a foreign currency monetary item attributable to the production of a qualifying asset is omitted from AASB 123 'Borrowing Costs'. Under AGAAP they were able to be capitalised into the cost of the qualifying asset.

(D) AASB 123 'Borrowing Costs' allows a choice as to whether to capitalise borrowing costs in relation to a qualifying asset. AGAAP requires borrowing costs in relation to qualifying assets to be capitalised. The Group has elected to expense borrowing costs as they are incurred and not capitalise into the cost of qualifying assets.

(E) AASB 116 'Property, Plant and Equipment' requires the cost of an item of property, plant and equipment to include the cost of dismantling and removing the asset and restoring the site on which it is located due to the requirement to recognise a provision for these costs under AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'.

(F) The tax effect of the adjustments above (Note (A) to (E)) led to an increase in deferred tax liability.

(G) AASB 112 'Income Taxes' allows tax losses and tax assets to be recognised when they are probable rather than virtually certain under AGAAP. All of the previously identified contingent assets have been recognised on transition to AIFRS.

	CONSOLIDATED				PARENT			
	AIFRS	NOTE	ADJUSTMENT	AIFRS	AIFRS	ADJUSTMENT	AIFRS	
	30 JUNE 2005		\$'000	1 JULY 2005	30 JUNE 2005	\$'000	1 JULY 2005	
	\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	
Other reserves	-	(i)	5,070	5,070	-	-	-	

(i) The transfer of deferred hedging gains and losses arising from cash flow hedges of forecasted transaction to the hedging reserve.

## Directors' Declaration

The Directors of Austal Limited declare that the accompanying Concise Financial Report is presented fairly in accordance with applicable Australian Accounting Standards and is consistent with the consolidated entity's 30 June 2006 financial report.

With regard to the 30 June 2006 financial report of Austal Limited, the Directors declared that:

- a) The financial statements and associated notes comply with the Accounting Standards and Urgent Issues Group consensus views;
- b) The financial statements and notes give a true and fair view of the financial position and performance as at 30 June 2006 and performance of the Company and consolidated entity for the year then ended; and
- c) In the Directors' opinion:
  - (i) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
  - (ii) The financial statements and notes are in accordance with the Corporations Act 2001, including sections 296 and 297.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

This statement has been made in accordance with a resolution of Directors.



JOHN ROTHWELL AO  
DIRECTOR

Dated at Henderson this 22nd day of August 2006.



# Independent Audit Report



■ The Ernst & Young Building  
11 Mounts Bay Road  
Perth WA 6000  
Australia

■ Tel 61 8 9429 2222  
Fax 61 8 9429 2436

GPO Box M939  
Perth WA 6043

## Independent audit report to members of Austal Limited

### Scope

#### *The concise financial report and directors' responsibility*

The concise financial report comprises the balance sheet, income statement, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements and the directors' declaration for Austal Limited (the company) and the consolidated entity for the year ended 30 June 2006. The consolidated entity comprises the company and the entities it controlled during the year.

The directors of the company are responsible for preparing a concise financial report that complies with Accounting Standard AASB 1039 "Concise Financial Reports", in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the concise financial report.

#### *Audit approach*

We conducted an independent audit on the concise financial report in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the concise financial report is presented fairly in accordance with Accounting Standard AASB 1039 "Concise Financial Reports".

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, the information to provide evidence supporting that the amounts and disclosures in the concise financial report are consistent with the full financial report; and
- examining, on a test basis, information to provide evidence supporting the amounts, discussion and analysis, and other disclosures in the concise financial report that were not directly derived from the full financial report.

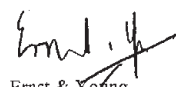
We have also performed an independent audit of the full financial report of the company for the year ended 30 June 2006. Our audit report on the full financial report was signed on 22 August 2006, and was not subject to any qualification. For a better understanding of our approach to the audit of the full financial report, this report should be read in conjunction with our audit report on the full financial report.

### Independence

We are independent of the company and the consolidated entity and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, signed on 22 August 2006 a copy of which is included in the Directors' Report.

### Audit opinion

In our opinion the concise financial report of Austal Limited complies with Accounting Standard AASB 1039 "Concise Financial Reports".



Ernst & Young

Robert Kirkby  
Partner  
Perth  
22 August 2006

Liability limited by a scheme approved under  
Professional Standards Legislation

## Shareholder Information

The following information was extracted from the Company's register as at 30 June 2006.

### Distribution of Shares

	Number of Holders	Number of Units	% of Total Issued Capital
1 – 1,000	824	573,593	0.30
1,001 – 5,000	2522	7,555,422	4.00
5,001 – 10,000	904	7,128,748	3.77
10,001 – 100,000	668	15,847,709	8.39
100,001 and over	64	157,885,481	83.54
<b>Total</b>	<b>4,982</b>	<b>188,990,953</b>	<b>100.00</b>

### Twenty Largest Shareholders

Rank	Shareholder	Total Units	% Issued Capital
1	Austro Pty Ltd	31,950,745	16.905
2	Longreach (WA) Pty Ltd	26,595,621	14.072
3	J P Morgan Nominees Australia Limited	20,326,036	10.755
4	Onyx (WA) Pty Ltd	10,108,212	5.348
5	Westpac Custodian Nominees Limited	9,052,693	4.790
6	National Nominees Limited	8,278,235	4.380
7	Citicorp Nominees Pty Limited	7,422,894	3.927
8	Mr Vincent Michael O'Sullivan	7,375,000	3.902
9	Austal Group Management Share Plan Pty Ltd	6,442,406	3.408
10	ANZ Nominees Limited	5,889,482	3.116
11	Cogent Nominees Pty Limited	3,145,758	1.664
12	Citicorp Nominees Pty Limited	2,893,291	1.530
13	Garry Heys & Dorothy Heys	2,844,670	1.505
14	Lavinia Shipping Ltd	1,999,887	1.058
15	Zilon Pty Ltd	1,773,940	0.938
16	Pepperwood Holdings Pty Ltd	1,415,737	0.749
17	Mossisberg Pty Ltd	1,400,000	0.740
18	Argo Investments Limited	1,200,000	0.634
19	RBC Dexia Investor Services Australia Nominees Pty Limited	1,107,461	0.585
20	Queensland Investment Corporation	1,069,464	0.565
		<b>152,291,532</b>	<b>80.571</b>

### Substantial Shareholders

	No. of Ordinary Shares
1 Austro Pty Ltd (J Rothwell)	31,950,745
2 Longreach (WA) Pty Ltd (C Norman)	26,595,621
3 J P Morgan Nominees Australia Limited	20,326,036
4 Onyx (WA) Pty Ltd (G Heys)	10,108,212
5 Westpac Custodian Nominees Limited	9,052,693

### Voting Rights

All ordinary shares issued by Austal Limited carry one vote per share without restriction.

# CORPORATE DIRECTORY

## DIRECTORS

### Executive Directors

John Rothwell

Michael Atkinson

### Non Executive Directors

John Poynton

Christopher Norman

Robert Browning

Dario Amara

## AUDITORS

Ernst & Young

The Ernst & Young Building

11 Mounts Bay Road

Perth 6000

Western Australia

## COMPANY SECRETARY

Michael Atkinson

## REGISTERED OFFICE

100 Clarence Beach Rd

Henderson 6166

Western Australia

Telephone: +61 8 9410 1111

Facsimile: +61 8 9410 2564

## SHARE REGISTRY

Advanced Share Registry Services

110 Stirling Highway

Nedlands 6009

Western Australia

Telephone: +61 8 9389 8033

Facsimile: +61 8 9389 7871



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1. 2x88m Auto Express Catamarans for Municipality of Istanbul. Delivery 2007.

2. 2x65m Auto-Express Catamarans for Sultanate of Oman. Delivery 2007 and 2008.

3. 2x107m Auto Express Catamarans for Hawaii Superferry. Delivery 2007 and 2009.

4. 127m Littoral Combat Ship (LCS) Trimaran for US Navy construction. Delivery 2007.

Back Cover: "HMAS Larrakia" on sea trials off Fremantle.