



**COMPANY ANNOUNCEMENT
8 JUNE 2017**

**AUSTAL SIGNS TEAMING AGREEMENT WITH ASC
FOR AUSTRALIAN GOVERNMENT FRIGATE BUILD PROGRAM**

Austal Limited (ASX:ASB) today joined ASC Shipbuilding to announce its teaming agreement for the build of the \$A35 billion SEA5000 Future Frigates Program, which will secure the future of naval shipbuilding in Australia for decades to come.

Under this arrangement, Austal and ASC Shipbuilding will act as one in support of the program, pooling their complementary strengths, skills and experience.

"The Austal/ASC Shipbuilding agreement offers a compelling, low risk, Australian shipbuilding solution for the three shortlisted international designers; BAE, Fincantieri and Navantia", Austal CEO, David Singleton said.

"ASC Shipbuilding and Austal represent the success and excellence in Australia's sovereign naval shipbuilding capability, a capability established through years of investment and experience in developing an Australian skilled workforce.

"The agreement also offers the Australian Government an unrivalled shipbuilding partnership that has the ability to expand the existing indigenous capability," Mr Singleton said.

The powerful partnership will bring Austal's unparalleled record in aluminium shipbuilding, exports and operational efficiency to combine with ASC Shipbuilding's expertise in steel warship manufacturing. This arrangement not only achieves the Government's objectives for a sovereign and sustainable shipbuilding capability in Australia, as set out in the Naval Shipbuilding Plan, but confirms to all those in the industry that there is a bright future ahead.

"We are exceptionally proud of Austal's export heritage, a record that has seen us sell more than 255 ships to 100 customers in 44 countries, including the United States.

"The opportunity to work with ASC Shipbuilding to bring Australia's shipbuilding industry into an export competitive position is a game changing announcement and something we are both very excited about", Mr Singleton said.

Austal has already demonstrated its commitment to upskilling the industry in Australia with the largest naval design team in the country.

The \$A35 billion Future Frigate Program will deliver replacement vessels for the existing ANZAC fleet with production scheduled to commence from 2020 at the Federal Government-owned shipyard in Osborne, South Australia.

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About Austal

Austal is a global defence prime contractor and a designer and manufacturer of defence and commercial ships. For more than 27 years Austal has been a leader in the design, construction and maintenance of revolutionary ships for governments, navies and ferry operators around the world. More than 255 vessels have been delivered in that time.

Ships

Defence vessels designed and built by Austal include multi-mission combatants, such as the Littoral Combat Ship (LCS) for the United States Navy and military high speed vessels for transport and humanitarian relief, such as the Expeditionary Fast Transport (EPF) ships for the U.S. Navy and High Speed Support Vessel (HSSV) for the Royal Navy of Oman. Austal also designs, constructs, integrates and maintains an extensive range of patrol and auxiliary vessels for government agencies globally, including the Cape Class Patrol Boat Program for Australian Border Force. Defence vessels are designed and constructed in Mobile, Alabama and in Henderson, Western Australia.

Austal has been at the forefront of the high speed ferry market since the early days of the industry. Our market leading designs of high performance aluminium vessels have long been at the heart of Austal's research and development. Today, commercial ship construction is centred on our shipyard in Balamban, Philippines.

Systems

Austal has expertise in integrating complex systems into its ships, including ride control, ship management, and communication, sensors and weapon systems.

Support

Austal provides a wide range of support services, including through life support, integrated logistics support, vessel sustainment and systems support. These services are delivered through our global support network in the USA, Australia, Asia, and the Middle East together with partner shipyards worldwide.

Further Information:

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