

COMPANY ANNOUNCEMENT 2 MARCH 2018

AUSTAL DELIVERS SEVENTH LITTORAL COMBAT SHIP, THE FUTURE USS MANCHESTER (LCS14) TO U.S. NAVY

Austal (ASX:ASB) today delivered the seventh vessel in the Independence-variant littoral combat ship (LCS) class to the U.S. Navy.

The future USS *Manchester* is the second LCS delivered to the Navy by Austal in less than six months, following the *USS Omaha* (LCS 12) commissioning, which took place in San Diego earlier this year.

"We're very happy to be delivering another LCS to the US fleet and the efficient and reliable delivery of these ships is a testament to the incredible skill and hard work of the shipbuilding professionals at Austal USA," Austal CEO, David Singleton said.

"The technology we have invested in Mobile allows Austal USA to operate with unmatched efficiency which when combined with our skilled workforce offers a world leading solution to build for the United States Navy and support their planned expansion to a 355-ship fleet," Mr Singleton said.

"Our LCS program is also a significant economic undertaking; more than 900 suppliers in 41 states contribute to the program and this supplier base supports tens of thousands of jobs," he said.

Six LCS remain under construction at Austal's Alabama shipyard and I am confident Austal will continue to deliver these vessels with the efficiency and reliability we have become known for," Mr Singleton said.

Assembly is underway on *Cincinnati* (LCS 20) and *Kansas City* (LCS 22) and modules for *Oakland* (LCS 24) and *Mobile* (LCS 26) are under construction. Construction on LCS 28, recently named *Savannah* and LCS 30, recently named *Canberra* is to begin later this year.

Austal is also under contract to build 12 Expeditionary Fast Transport vessels (EPF) for the U.S. Navy with nine vessels delivered so far.

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About Austal

Austal is an Australian shipbuilder and global defence prime contractor which designs, constructs and sustains some of the world's most advanced commercial and defence vessels.

Austal successfully balances commercial and defence projects and celebrates 30 years of success in 2018. Austal has designed, constructed and delivered more than 300 commercial and defence vessels for more than 100 operators in 54 countries worldwide.

Austal is Australia's largest defence exporter and the only ASX-listed shipbuilder. Austal has industry leading shipyards in Australia, the United States of America and Philippines and service centres worldwide.

Austal delivers iconic monohull, catamaran and trimaran commercial vessel platforms – including the world's largest trimaran ferry and multiple defence programs such as the Littoral Combat Ship (LCS) and Expeditionary Fast Transport (EPF) for the United States Navy. Austal has grown to become the world's largest aluminium shipbuilder.