



**COMPANY ANNOUNCEMENT
26 APRIL 2016**

AUSTAL USA AWARDED LCS SERVICES CONTRACT

Austal Limited (**Austal**) (ASX:ASB) is pleased to announce it has been awarded a not-to-exceed US\$9,937,228 modification to a previously awarded Littoral Combat Ship (LCS) contract to provide procurement and engineering efforts in support of scope changes on fiscal 2015 and fiscal 2016 ships.

This modification will incorporate additional accommodations to increase crew size on the LCS Independence-variant ships. Under the contract Austal will provide supplies, services, labor and materials, which includes program management and subcontracting management. Work is expected to be completed by August 2019. Funding in the amount of US\$7,452,921 will be obligated at the time of award.

Austal has delivered three Independence-variant LCS to the U.S. Navy; two as subcontractor (LCS 2 and LCS 4) and one as prime contractor (LCS 6) under a separate 10 vessel, US\$3.5 billion contract awarded by the U.S. Navy in 2010. The program grew to 13 vessels when the U.S. Navy funded an additional ship, LCS 26, to Austal in April 2016. Austal has seven LCS under construction at its US shipyard in Mobile, Alabama, with *Montgomery* (LCS 8) scheduled for delivery later in the year.

Austal is also constructing ten 103-metre Expeditionary Fast Transport (EPF) vessels under a \$1.6 billion contract from the U.S. Navy, with six already delivered. USNS *Carson City* (EPF 7) is preparing for trials and is scheduled to be delivered later this year, while the two remaining vessels are under construction at Austal's US shipyard. Austal is also procuring long-lead materials for EPF 11 under an additional contract from the U.S. Navy.

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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) for the United States 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.

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