



**COMPANY ANNOUNCEMENT
19 SEPTEMBER 2018**

AUSTAL USA AWARDED LITTORAL COMBAT SHIPS 32 & 34

Austal Limited (Austal) (ASX: ASB) today announced that it has been awarded construction contracts by the U.S. Navy to build two additional Independence class Littoral Combat Ships. These ships will be the sixteenth and seventeenth ships in the class.

The specific value of each contract is under the congressional cost cap of US\$584 million per ship (circa A\$1.6 billion for both vessels).

The 127m, frigate sized, vessel was originally designed in the Austal center for excellence in maritime design, based in Henderson, Western Australia. The vessel design has been transferred to Austal USA and build is undertaken in the Austal purpose built shipyard based in Mobile, Alabama USA.

“This latest order from US Navy is a tremendous endorsement of the Austal LCS platform and further evidence of the important role Austal plays in building the United States Navy” Austal CEO, David Singleton said

“We continue hearing positive feedback from the fleet commanders on how well our ships match their mission requirements as they operate globally.”

“We remain dedicated to building these ships safely, timely and with the quality and craftsmanship that Austal has built our reputation on” he said.

Austal continues to reduce cost and deliver on schedule, handing over three LCS vessels to the Navy this year, all under the congressional cost cap. The littoral combat ship has been identified as a key component to the Navy’s ability to gain sea control through distributed lethality. This, along with the highly-successful Expeditionary Fast Transport (EPF) program, positions the company well to rapidly and efficiently support the Navy’s desired fleet of 355 ships with affordable solutions.

Construction of LCS 32 is scheduled to begin in 2019 with delivery of LCS 34 expected to occur in mid fiscal year 2023.

Austal delivered the future USS Charleston (LCS 18) to the Navy last month and is scheduled to deliver USNS Burlington (EPF 10) before the end of the year. With eight LCS and nine EPFs already delivered, Austal-built ships are impacting worldwide operations.

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Further Information:

Austal Media Contact:

Contact: Gemma Whiting - Government Relations
Mobile: +61 (0)408 982 727
Email: gemma.whiting@austal.com
Website: www.austal.com

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.