



COMPANY ANNOUNCEMENT
26 JUNE 2012

**AUSTAL APPOINTED DEFENCE DISTRIBUTOR FOR KELVIN HUGHES
IN AUSTRALIA AND NEW ZEALAND**

Leading electronics provider Kelvin Hughes has appointed global defence prime contractor Austal to lead its defence, border protection and paramilitary sales and support activities in Australia and New Zealand. The agreement will enable both companies to best support customers in Australasia.

Under the agreement, Austal will sell and support Kelvin Hughes' naval and marine products, including the KH-2007 Naval Transceiver; Naval MANTADigital™ (NMD) Display and Processor System; Naval Tactical Display (NTD); SharpEye™ I- and F-band Transceivers and spare parts. Austal has provided systems maintenance, repair and integration services for Kelvin Hughes products since 1993.

Austal's Chief Executive Officer, Andrew Bellamy, said: "We have developed a unique relationship with Kelvin Hughes over many years which we have now strengthened to best support our shared customer base. We believe this agreement will provide enhanced value to these customers in terms of cost, expertise and operational efficiency."

Commenting on Austal's appointment, Kelvin Hughes' Chief Executive Officer, Russell Gould, said: "We are very pleased to have formalised our relationship with Austal as there are a number of synergies between our companies. These include growing our regional systems capabilities and the strengthening of our defence offerings to customers including the Royal Australian Navy, the Royal New Zealand Navy and the Australian Customs and Border Protection Service."

Andrew Bellamy said the Kelvin Hughes appointment demonstrated further progress in the expansion of the company's defence and systems activities.

"This agreement, and the one with mission system integrator General Dynamics Advanced Information Systems we announced in March, demonstrates our ability to leverage our in-house capabilities and market position to expand the Austal business," he said.

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About Austal

Austal is a global defence prime contractor. The company designs, constructs and maintains revolutionary platforms such as the Littoral Combat Ship (LCS) and the Joint High Speed Vessel (JHSV) for the United States Navy, as well as an extensive range of patrol and auxiliary vessels for defence forces and government agencies globally. Austal also designs, installs, integrates and maintains sophisticated communications, radar and command and control systems.

Austal benefits from its position as a world leader in the design, construction and support of customised, high performance aluminium vessels for the commercial high speed ferry market, an achievement gained over a period of nearly 25 years.

Austal's primary facilities comprise a combined defence and commercial shipyard in Henderson, Western Australia; a dedicated defence shipyard in Mobile, Alabama; and a dedicated commercial shipyard in Balamban, Philippines. The company also provides vessel support services from its facilities in Australia, the United States, Asia, Europe, the Caribbean, and the Middle East. Systems development, sales and support are coordinated from Austal's Canberra office.

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About Kelvin Hughes

Kelvin Hughes is a global provider of marine equipment, navigational solutions and surface surveillance radar systems.

Key products include SharpEye™ solid state radar sensors, low profile antennas, display and tracker technology, voyage data recorders, electronic chart displays and integrated bridge systems.

Kelvin Hughes' surveillance business provides coherent SharpEye™ and non-coherent radar technologies capable of detecting the smallest of targets and lowest velocities in clutter, meeting the surveillance, safety, and security needs of 30 of the world's navies as well as coastal and border operators, and security patrols.

A commitment to innovation and radar solution provision is enabling current and new users greater and increasing capability through the application of surveillance radar technologies both at sea and on land.

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