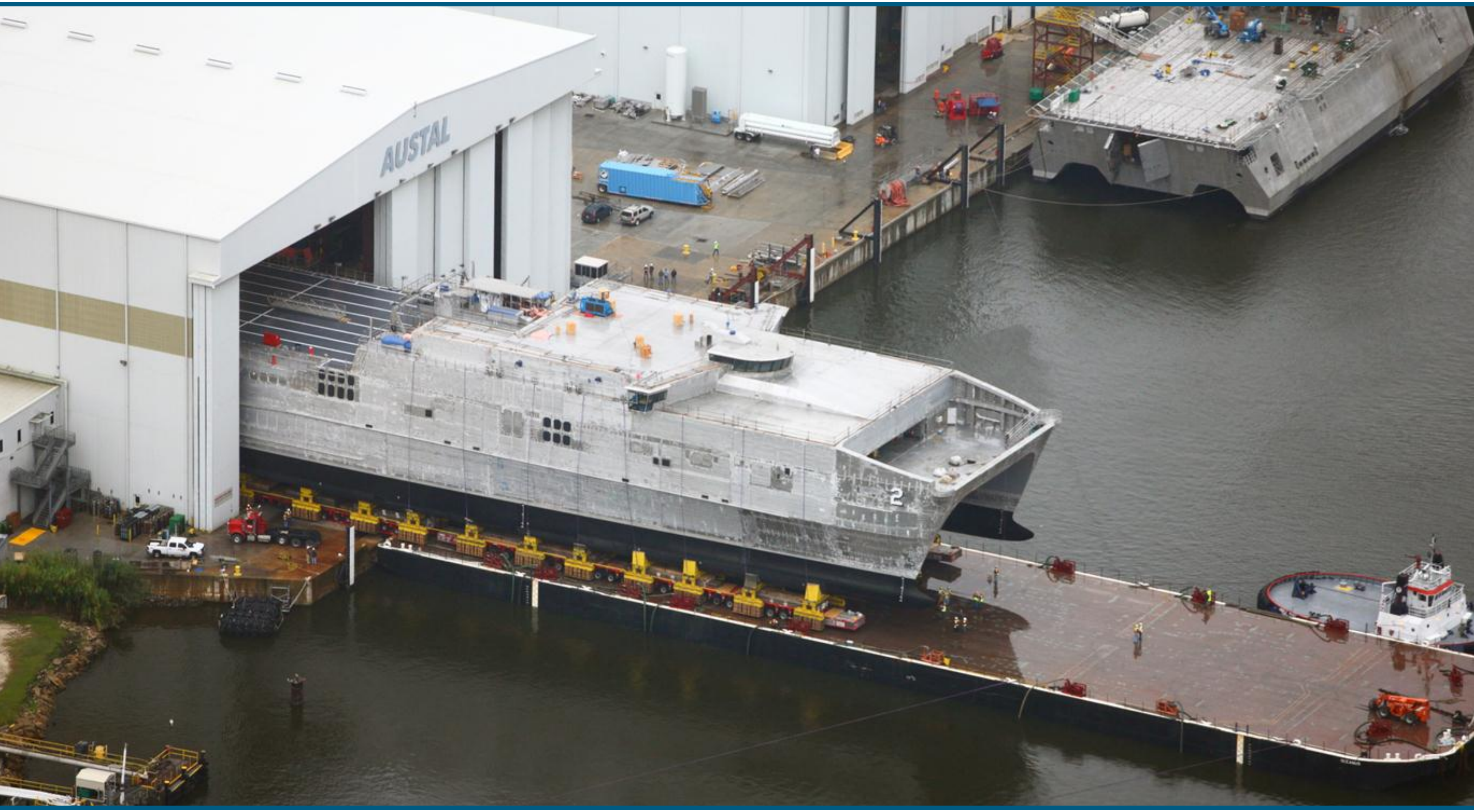
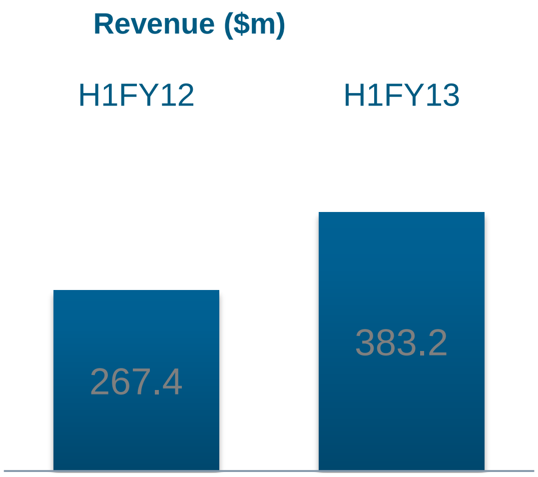
Results Presentation H1FY13

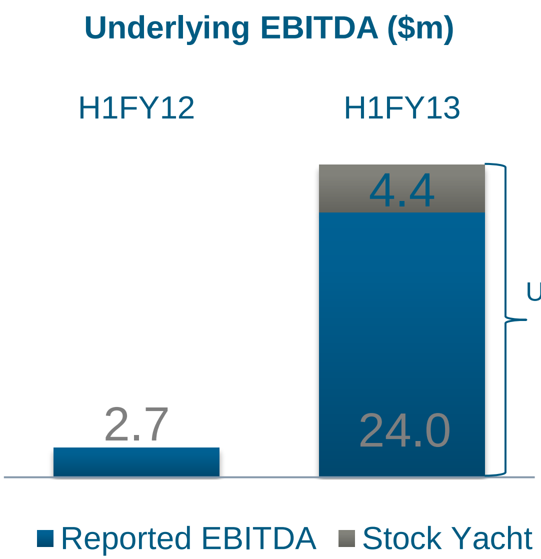


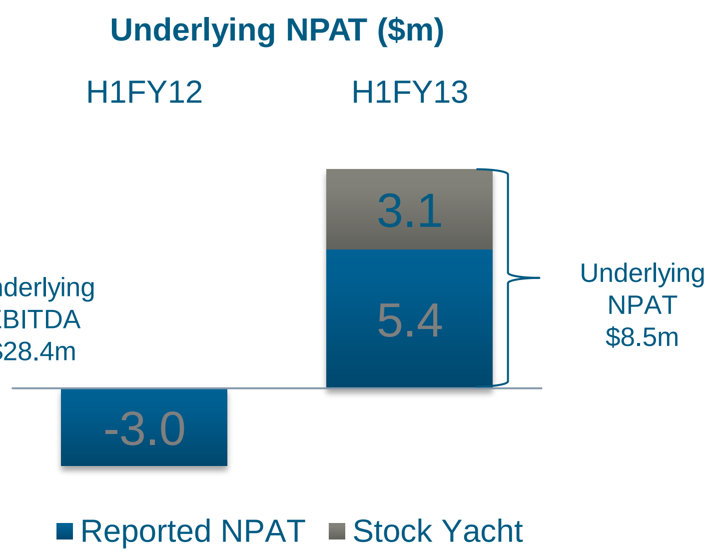
Andrew Bellamy, Chief Executive Officer 22 February 2012

Improving margins driving performance

- Margins continue to improve at USA operations – 5.2% for H1 compared with 1.2% for the corresponding prior year period
- Losses from Australian operations have reduced sharply – forecast breakeven for FY13
- Balance sheet significantly improved, reduced net debt and gearing
  - $4.4m loss on sale of stock yacht. Proceeds used to reduce debt.
- FY13 guidance of $65-71m EBITDA and $23-26m NPAT on track (excluding stock boats)
  - Expectation 40/60 split between H1 and H2 will repeat in FY13







Major achievements

- Major new contract confirmed:
  - JHSV 10 – US$144m
- *USNS Spearhead* (JHSV 1) delivered
- Opened new commercial vessel manufacturing facility in the Philippines profitable in H1FY13
- Established strategic business units
  - Better aligns costs and revenue
  - Enhances transparency in performance
- Expanded support and capability
  - Acquisition of Hydraulink NT and its associated business KM Engineering in Darwin, Australia
  - Opened Marine Support Base in Henderson, Australia
  - Strategic partnerships expanded in USA & Asia

Performing to previous Outlook

November 2012 Outlook	Current Status
USA	
• Apply learning, improve margins	• EBIT margin up to 5.2%
• JHSV 10, LCS 14 & LCS 16 contracts	• JHSV 10 awarded, LCS 14 & 16 expected
• Revenue in excess of $700m for FY13	• Revenue $323.4m in H1, expecting 40/60 split
Henderson, Australia	
• Execute Cape Class contract	• CCPB 1 launched
• Pursue Defence export opportunities	• Pipeline development continuing
• Operate at break-even for FY13	• Loss sharply reduced, break-even expected
Philippines	
• Complete mobilisation and ramp up	• First ship delivered
• Continue full capacity operations	• Further wind farm vessels
• Operate profitably for FY13	• $0.7m of profit during H1
Support	
• Continued growth, position to benefit from US Navy forward deployment	• Fresh strategic alliances, directly targeting US Navy support

Financials

Profit and Loss Summary

Income statement	H1FY13 ($m)	H1FY12 ($m)	Increase ($m)
Revenue	389.4	267.4	122
Underlying EBITDA	28.4	2.7	25.7
Reported EBITDA	24.0	2.7	21.3
EBIT	12.6	(4.0)	16.6
Underlying NPAT	8.5	(3.0)	11.5
Reported NPAT	5.4	(3.0)	8.4
EPS	2.14c	(1.26c)*	3.40c

* Restated after capital raising

H1FY13 results

- Sustained margin improvement in the USA, EBIT margin now 5.2%
  - Further US margins growth expected as operational efficiencies on JHSV and LCS captured
- USA improvement lifts overall group EBIT margins to 3.2%
- Philippines profitable in the first year
- Australia heading to break even, Customs vessels providing sustainable core through to 2015
- $3.1m post tax impact from stock yacht sale ($4.4m pre tax)
- One stock boat remains on balance sheet

Balance Sheet

Balance sheet	H1FY13 ($m)	end FY12 ($m)
Total assets	**839.0**	**826.0**
Cash	78.4	51.8
Restricted cash	84.3	52.9
Receivables	64.2	96.2
Inventories	198.1	193.5
Property, plant & equipment	376.5	370.4
Total liabilities	**479.3**	**548.9**
Trade creditors	87.8	128.6
Go Zone Bonds	216.5	219.4
Other interest bearing	47.7	46.0
Government grants	52.7	52.3
Net assets	**359.7**	**277.0**

Balance sheet summary

- Growth in asset base, reflecting increasing scale of USA business
- Balanced sheet strengthened by successful $77.9m capital raising
- Net debt reduced by $59.4m
- Gearing level now 0.22
- Leverage ratio now 1.87
- One of two non-productive stock vessels now removed from balance sheet

Segment breakdown

USA	H1FY13 ($m)	H1FY12 ($m)
Revenue	323.4	227.0
EBIT*	16.7	2.6
EBIT margin (%)*	5.2	1.2

- Margin improvement continues
- JHSV 1 delivered, productivity lessons being implemented
- JHSV 10 contract confirmed
- Expect 2 x LCS contracts confirmed in H2FY13

Henderson	H1FY13 ($m)	H1FY12 ($m)
Revenue	46.5	32.5
EBIT	(1.3)	(7.8)
EBIT margin (%)	(2.9)	(24.1)

- Forecast to break even FY13
- Customs Cape Class Patrol Boat work until H1FY16

Philippines	H1FY13 ($m)	H1FY12 ($m)
Revenue	12.7	–
EBIT	0.7	–
EBIT margin (%)	5.7	–

- Increased profit margin through improved efficiency
- Improving efficiency to increase profit margin

Service & Systems	H1FY13 ($m)	H1FY12 ($m)
Revenue	23.9	14.2
EBIT	0.3	(1.6)
EBIT margin (%)	1.2	(11.3)

- Increased revenue reflects focus on growing the division
- Earnings being reinvested back into the business for growth

Capital expenditure

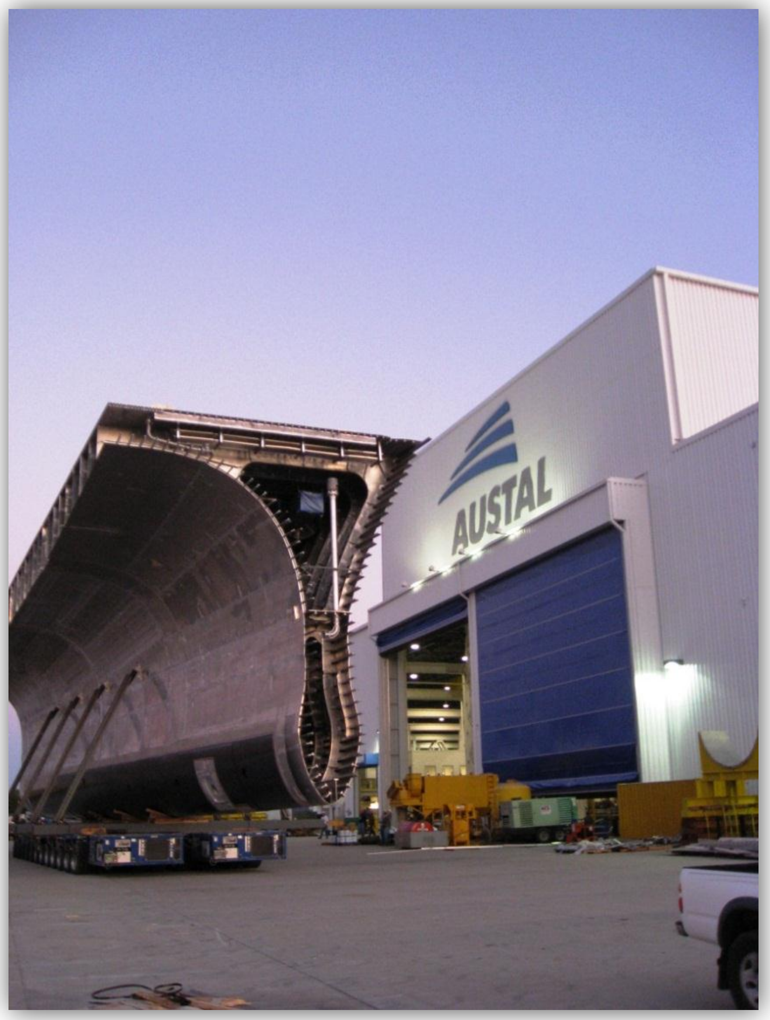
Segment ($m)	H1FY13	H2FY13(f)	FY13(f)	FY12
USA	9.5	12.8	22.3	107.5
HSO	0.1	-	0.1	0.3
PSO	1.0	5.4	6.4	10.1
Service & Systems	-	0.2	0.2	-
Other	-	0.8	0.8	-
TOTAL:	10.6	19.3	29.8	117.9

- Major capital expenditure program completed in FY12 (expansion of USA)
- Minor estimated expenditure for FY13 includes:
  - Philippines Shipyard Operations (PSO) – Phase one facility completion
  - USA – Outfit yard, office complex, Navy building, and production tooling
- Capex to be funded through revised bank facilities and USA government grants
  - Leverage ratio forecast to remain comfortably within target range of 1.5 to 2.5

Operations Update

Order book

- Order book of **$2.2 billion** at December 2012 – secures revenue until 2016, including:
  - **Joint High Speed Vessels for US Navy**
    x9 contracted x1 delivered
    (out of 10 vessel award)
  - **Littoral Combat Ships for US Navy**
    x4 contracted (out of 10 vessel award),
    plus x1 from General Dynamics
  - **Cape Class Patrol Boats**
    x8 contracted plus through life support
  - **Commercial vessels**
    x3 27 metre wind farm support catamarans
    x1 80 metre vehicle-passenger catamaran



Littoral Combat Ship

- 10 ship award to Austal (plus 2 from General Dynamics) worth US$5.0 billion
- Total of 4 ships contracted, plus 2 from General Dynamics (1 delivered)
- LCS 14 & LCS 16 contracts expected H2FY13
- LCS 4 sea trials planned H2FY13

"At the geo-strategic level, it's all about the littorals."

General James F. Amos
Commandant of the Marine Corps
April 2012

Joint High Speed Vessel

- 10 ship award to Austal valued at US$1.6 billion
- All 10 ships contracted and first ship delivered
- JHSV 10 contract confirmed December 2012
- JHSV 1 delivered December 2012
- JHSV 2 *USNS Choctow County* preparing for sea trials

Cape Class Patrol Boat

- $330 million contract to design, manufacture and support 8 new CCPBs
- Underwrite activity at Henderson shipyard until H1FY16
- CCPB 1 preparing for sea trials
- CCPB 1 naming ceremony in March 2013
- CCPB 2 construction commenced
- CCPB 2 keel laying ceremony in January 2013

“During the year Austal developed a very professional and productive relationship with Customs that has led to significant design and engineering improvements on the Cape Class Patrol Boats.”

Nigel Perry
National Director of Maritime Operations,
Customs and Border Protection Service

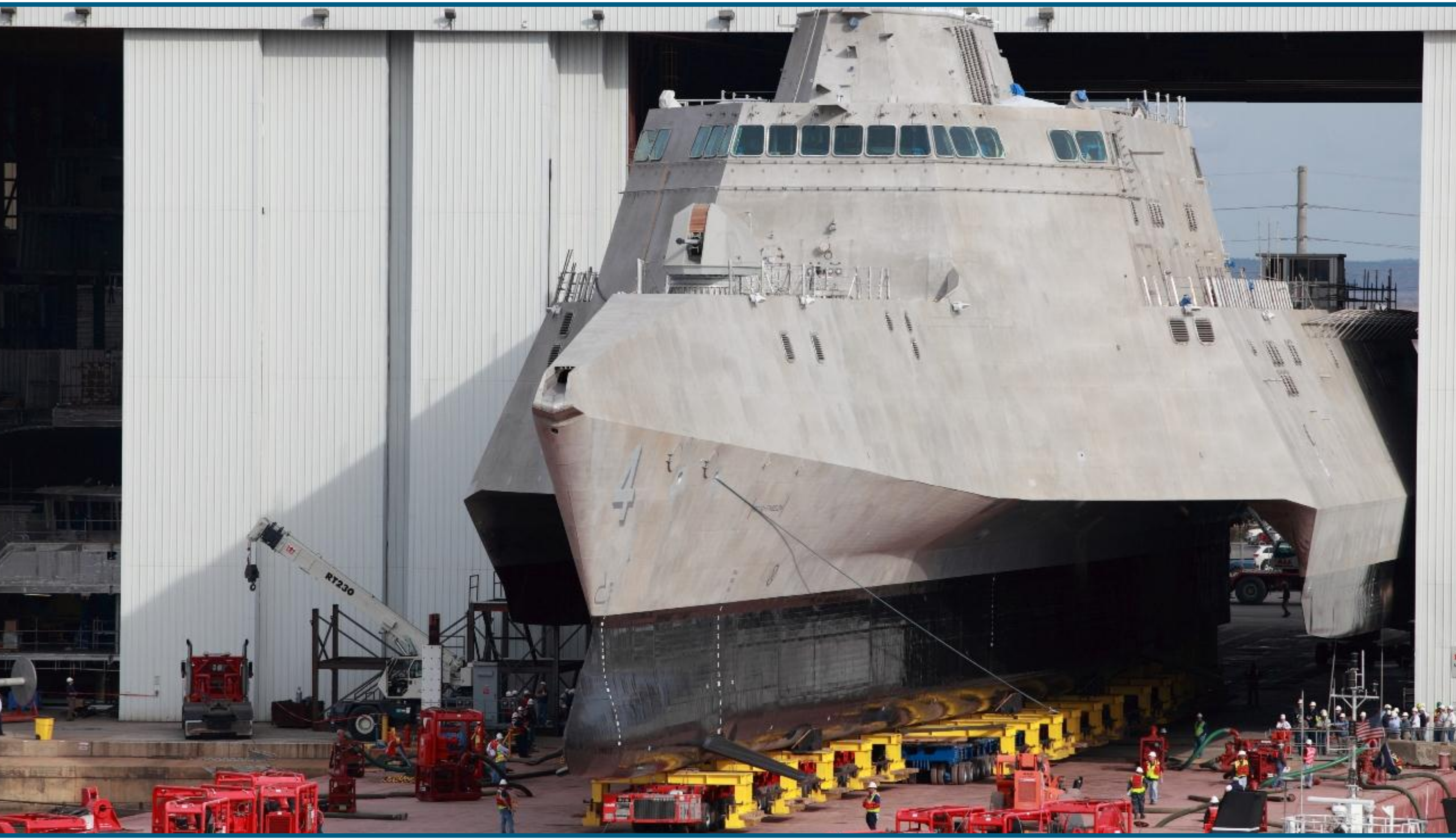
Philippines

- Enables Austal to compete in the global commercial market (e.g. ferries, wind farm support vessels)
- Started operations in February 2012, maiden profit reached this half
- Facility opened by Philippines President Benigno S. Aquino III
- First ship delivered December 2012
- Full order book
  - x3 27 metre wind farm vessels
  - x1 80 metre vehicle-passenger catamaran
- Ramp up to 300 employees achieved as planned

Service and systems

- Provides long-term opportunity and stability for Austal
  - Significant recurring revenue from post-delivery of vessels
- Austal’s IP and global footprint provides large opportunity to provide through life support for JHSV and LCS
  - Ships designed for 20 to 30 year life
  - These contracts will begin to be awarded in FY13 – Austal actively pursuing
  - Forward deployment model of LCS to drive size of through life support opportunity for Austal
- Strategic partnerships established in Asia and USA

Strategy and Outlook



USA defence outlook

USA “fiscal cliff”	• Bi-partisan views that mandated cuts to US Defence budget are a blunt instrument – will harm recovery • Austal’s US order book is unaffected (funded from previous budgets) • Uncertainty in medium-term as Congress works through this challenge
Election of Barack Obama	• Provides continuity in defence strategy focus on Asia-Pacific region (e.g. US Secretary of State Hillary Clinton’s visit in November)
The right ships	• Vessels patrolling littorals important for protection of trade routes • LCS and JHSV vessels specifically designed for littorals
Support work	• US Navy continuing to develop Through Life Support strategy • Austal’s existing global service footprint closely aligns with potential forward deployment locations

Strategy

AUSTAL

- Increase our status as a prime defence contractor
- Use lessons learnt on first-in-class vessels to drive margin improvement in US
- Continue to refocus Henderson operations on the manufacture and support of defence vessels
- Expand commercial construction at our Philippines shipyard
- Grow commercial and defence vessel service and maintenance business
- Leverage our existing defence systems integration capabilities to pursue new opportunities

Outlook

Lessons learnt from a challenging period to deliver stronger earnings from US operations

FY13 guidance for $65-71m EBITDA $23-26m in NPAT reaffirmed

Strengthened balance sheet to deliver on $2.2 billion order book

Long lead items in defence contracts provide visibility of income

Further contracts expected in H2FY13

Increasing opportunities for higher margin support work

Appendices – Austal Overview

- 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 facility in Canberra, Australia.

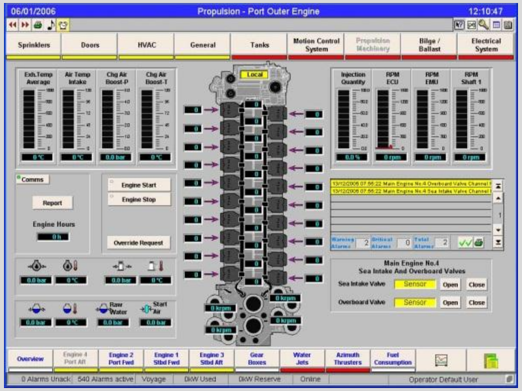
Austal

Founded in 1988 and listed on the Australian Stock Exchange in 1998, Austal is a leading defence prime contractor, specializing in the design, construction and maintenance of high performance vessels for defence and commercial purposes

- Austal has a global footprint with strategically located shipyards and service facilities
  - Australia
  - United States
  - Europe
  - Caribbean
  - Middle East
  - Asia
- Austal comprises three business segments: Ships • Systems • Support

Ships

Systems



Support

Ships

Advanced design, construction, engineering and support are Austal's core competency

- 248 vessels constructed
- Delivered globally

Defence

- Global defence prime contractor with significant programs in place
  - US Navy's Littoral Combat Ship (LCS)
  - US Navy's Joint High Speed Vessel (JHSV)
  - Australian Customs and Border Protection Service's Cape Class Patrol Boat
  - Patrol and auxiliary vessels for US Navy, Royal Australian Navy and other defence forces and government agencies

Commercial

- 25 year record as market leader
- World leader in the design, construction and support of high performance aluminium vessels for the commercial market

Warships and Multi Role Vessels

Patrol Vessels

High Performance Vessels

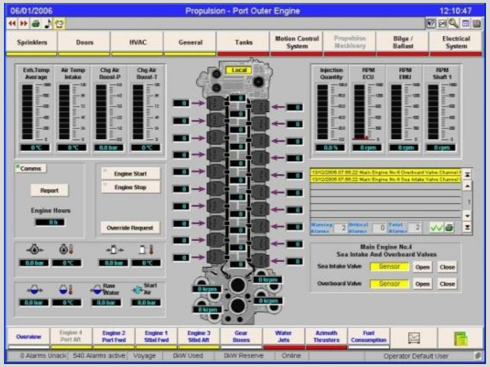
Systems

Austal's Systems division provides advanced integration, maintenance and command and control systems for defence and commercial applications

- **Advanced Integration:** Radars, communications, command and control systems and user-interfaces
- **Maintenance:** Through Life Support of machinery, radars, communications and other onboard systems through remote monitoring and Computerised Maintenance Management Systems
- **Command and Control:** Proprietary, scalable, network solutions with common operating picture for global and local coordination of assets in a maritime and land environment

Advanced Integration

Maintenance



Command and Control

Support

Austal has a large support offering through its regional centres

- Service products are tailored to address customer requirements
  - Vessel and Fleet Maintenance
  - Refit and Repair
  - Ship Management
  - Training
  - Consultancy

Disclaimer

Andrew Bellamy, Chief Executive Officer
Telephone: +61 8 9410 1111

For further information visit www.austal.com

Disclaimer

This presentation and any oral presentation accompanying it has been prepared by Austal Limited ("Austal"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in Austal or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in Austal will be entered into on the basis of this presentation.

Our presentation contains "forward-looking" statements or projections based on current expectations. These statements are not guarantees of future performance and are subject to risks and uncertainties. Actual results may differ materially due to: the availability of US government funding due to budgetary or debt ceiling constraints; changes in customer priorities; additional costs or schedule revisions. Actual results may also effect the capitalization changes on earnings per share; the allowability of costs under government cost accounting divestitures or joint ventures; the timing and availability of future impact of acquisitions; the timing and availability of future government awards; economic, business and regulatory conditions and other factors. We disclaim any duty to update forward looking statements to reflect new developments.

Accordingly, to the maximum extent permitted by applicable laws, Austal makes no representation and can give no assurance, guarantee or warrant, express or implied, as to, and takes not responsibility and assumes no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

You should not act or refrain from acting in reliance on this presentation material. This overview of Austal does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of Austal's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.