



COMPANY ANNOUNCEMENT
29 AUGUST 2025

**AUSTAL REPORTS 101% INCREASE IN EBIT TO \$113.4 MILLION IN FY2025;
COMMONWEALTH STRATEGIC SHIPBUILDING AGREEMENT TO
SIGNIFICANTLY BOOST ORDER BOOK**

SUMMARY:

- Earnings doubled
 - Revenue of \$1,823.3 million (FY2024: \$1,468.9 million), up 24% YoY driven by new shipbuilding programs in USA and Australia
 - EBIT of \$113.4 million (FY2024: \$56.5 million), increase of 101% on improved contribution across shipbuilding and support
 - Net Profit After Tax of \$89.7 million (FY2024 \$14.9m), up 503% YoY
- Cash position increased to \$583.9 million, supporting growth capex program
 - Cash at bank: \$583.9 million (30 June 2024: \$173.5 million)
 - Net cash position of \$453.1 million (30 June 2024: \$3.9m)
 - Net operating cash flow of \$406.3 million (FY2024 \$13.0 million outflow)
 - No dividend (FY2024: Nil) to maintain balance sheet strength during significant capex program to increase shipbuilding capacity and capability
- Order book at near record of \$13.1 billion [including options] with 10+ year horizon
 - Order book of \$13.1 billion at 30 June 2025, with additional +\$420 million in subsequent awards through the exercise of options
 - Further significant order book growth expected following approval in August 2025 of Austal as Australia's Strategic Shipbuilder
 - Well positioned to add further defence project opportunities in USA

Austal Limited (**Austal**) (ASX:ASB) has today released its results for the financial year ended 30 June 2025 (FY2025).

The Company recorded Earnings Before Interest and Tax (EBIT) of \$113.4 million (FY2024: \$56.5m), on revenue of \$1,823.3 million. EBIT was in line with recently increased market guidance of not less than \$100m (previously not less than \$80 million). The 101% growth in YoY earnings reflected improved contribution across the Group, including a significant turnaround in Australasian earnings.

Austal Chief Executive Officer Patrick Gregg said: *“Austal delivered a significantly improved financial result in FY2025 in what has been a transformational year for the company. We have seen important inflection points on earnings performance, the balance sheet repositioned for a major expansion in manufacturing capacity, and further growth potential in our near record order book following the recent approval of Austal as Australia’s Strategic Shipbuilder.*

“We have worked closely with our customers to improve performance and returns from programs that are transitioning from start-up to steady state and this has resulted in a strong improvement in group earnings.

“We also successfully completed a \$220 million capital raising, only the second since listing on ASX. Coupled with strong operating cash receipts during the year, Austal now has over half a billion dollars in cash to support a major expansion of our manufacturing facilities.

“Finally and most significantly, for our Australian operations, Austal has signed an Agreement with the Commonwealth of Australia to be Australia’s Strategic Shipbuilder. This has the potential to significantly grow our near record order book over the coming decade as the Australian Government executes its defence objectives.

“We remain confident Austal has a positive outlook for FY2026 and beyond, and is well positioned to deliver sustainable long term growth.”

FINANCIAL RESULTS

Austal delivered revenue of \$1,823 million for FY2025. This was a 24% increase on the FY2024 result of \$1,469 million, due primarily to increased shipbuilding revenue.

Shipbuilding revenue was up 34% on the prior year to \$1,346.4 million as new US defence programs awarded over the last two years continued to ramp up, and commercial shipbuilding in Australasia saw increased activity following the award of four significant contracts during FY2024 and FY2025. The support business maintained activity levels in FY2025 with revenue growing 2% to \$476.9 million, consolidating on the strong 26% revenue growth achieved in FY2024.

Shipbuilding contributed ~74% of total revenue and support ~26% (FY2024: shipbuilding ~68%, support ~32%).

Earnings Before Interest and Tax (EBIT) increased by \$57 million (+101%) to \$113.4 million (FY2024 \$56.5 million) with EBIT margin also increasing significantly to 6.2%, from 3.8% in the prior year. This was driven by improved performance across both Shipbuilding, which saw a

strong turnaround in earnings in Australia, and Support which continued to deliver improved earnings.

In FY2025 Austal delivered 7 vessels from its Australian, US and Philippines shipyards, and was awarded contracts for a further 7 vessels that will be delivered by the Group's shipyards over the coming years. A total of 49 vessels were under construction (or scheduled) during the year, with a further 73 vessels under sustainment by the Austal Group worldwide.

Net Profit After Tax increased by \$75 million (up 503%) to \$89.7 million (FY2024 \$14.9 million).

USA SEGMENT

Austal's USA segment reported an 18.2% increase in revenue to \$1,388.1 million (FY2024: \$1,174.3 million), with EBIT up 5% to \$97.7 million (FY2024: \$92.9 million), before corporate overheads and consolidation adjustments. EBIT Margin was 7.0% (FY2024 7.9%).

USA Shipbuilding revenue increased by 29% to \$1,097.9 million (FY2024 \$853.9 million) as new shipbuilding programs transitioned from design to build phase, resulting in higher revenue recognition.

USA Shipbuilding EBIT remained positive but was down 15.1% to \$21.3 million (FY2024 \$25.1 million) on increased revenue of \$1,097.9 million (FY2024 \$853.9 million). Consequently, Shipbuilding EBIT margin reduced to 1.9% from 2.9%, and reflected an increased mix of lower margin early construction programs relative to higher margin advanced Littoral Combat Ship (LCS) and Expeditionary Fast Transport (EPF) programs as they approach completion, and the drag from the onerous AFDM and T-ATS contracts.

Austal submitted a Request for Equitable Adjustment (REA) with the US Navy in November 2024 related to its onerous contract for the T-ATS program. Austal continues to engage positively with the United States Navy in relation to the REA claim, and it remains under review. Deliveries during the year included EPF-15 and LCS-38.

Austal USA was successful in securing approx. \$890 million of new contracts to significantly expand its manufacturing infrastructure in the USA to support the US Navy's submarine programs. This included a US\$450 million (approx. A\$670 million) contract with General Dynamics Electric Boat to expand production capacity at Austal's shipyard dedicated to manufacturing submarine modules (MMF3), and a US\$152 million (approx. A\$220 million) contract with the U.S. Navy to invest in infrastructure and facilities adjacent to Austal's facilities in Mobile supporting the US Navy's submarine programs.

The United States Coast Guard (USCG) also exercised a US\$273 million contract option in August 2025 for the construction of the second Stage 2 Heritage-class Offshore Patrol Cutter (OPC) and the acquisition of long lead-time material to support construction of a third Stage 2 OPC.

EBIT from US support work increased from \$67.8 million in FY2024 to \$76.3 million, despite the lower revenue contribution during the year.

AUSTRALASIA SEGMENT

Austal's Australasia segment reported a 45% increase in revenue to \$438.0 million (FY2024 \$302.9 million), following significantly improved performance in the second half of FY2025. Earnings saw a strong turnaround with EBIT improving to \$36.0 million from a \$12.6 million loss in FY2024. EBIT margin was 8.2%.

Australasia Shipbuilding revenue was up 61% to \$249.0 million (FY2024 \$154.8 million), and EBIT increased by \$46 million to \$23.7 million (FY2024 \$22.5 million loss). The improved performance was driven by ongoing defence programs in Australia supplemented by increased commercial construction throughput at Austal's Asian shipyards and the reversal of the drag encountered last year due to reduced workload and fixed overhead.

Austal Australia delivered five vessels under the Evolved Cape class and Guardian-class Patrol Boat programs. Austal Philippines delivered one commercial ferry in less than 12 months, while also commencing work on an iconic new sailing cargo trimaran project, powered 100% by the wind. Austal Vietnam continued construction on an all-new steel hull monohull RoPax ferry, while also preparing to support module construction for a 130 metre hydrogen-ready catamaran to be delivered by Austal Philippines in CY2028.

Austal Australia signed the Strategic Shipbuilding Agreement with the Commonwealth of Australia, which is a major milestone for Austal and will underpin the long term orderbook of the Company's facilities at Henderson in Western Australia.

Australasia support revenue was up 28% to \$189.0 million (FY2024 \$148.1 million), following increased activity in the second half of FY2025. EBIT rose by 24% to \$12.3 million (FY2024 \$9.9 million), with EBIT margin slightly lower at 6.5% (FY2024 6.7%). This was driven by increased availabilities with more Patrol Boats delivered.

CASH AND CAPITAL MANAGEMENT

Austal's cash at bank at 30 June 2025 was \$583.9 million (31 December 2024: \$353.9 million, 30 June 2024: \$173.5 million). The significant increase in YoY cash was primarily due to milestone cash receipts from General Dynamics Electric Boat for the expansion of the submarine module production capacity, MMF3. This was supplemented by proceeds from a \$220 million capital raising completed in April 2025 to fund expansion of the Company's steel shipbuilding infrastructure in Mobile, Alabama. Net proceeds raised will contribute to Austal's funding of the Final Assembly (FA2).

Net operating cash flow for FY2025 was \$406.3 million (FY2024: \$13.0 million outflow), and included progress payments in advance under the General Dynamics contract noted above.

Capital expenditure during the year was \$194.9 million, a significant increase on the \$66.4 million invested in FY2024. This included the completion of design and commencement of construction work to expand submarine module manufacturing capacity in the USA and FA2 for the consolidation of large steel vessels.

Austal refinanced its debt facilities during FY2025. In June 2025 the Company secured \$488 million in credit facilities from a group of Tier 1 financial institutions, including Australian and international banks, and Export Finance Australia (EFA). The new debt facilities will be used alongside Austal's \$220 million capital raise in April 2025, US\$450 million in MMF3 funding from General Dynamics Electric Boat and cashflow generation to fund the capital expansion program and provide working capital.

The facilities deliver better overall pricing, longer tenors (5-10 years), fewer covenants and provides Austal with enhanced financial flexibility and capacity to deliver its record order book and pursue future growth opportunities.

Austal ended the year with a significantly stronger balance sheet with net cash of \$453.1 million at 30 June 2025 (31 December 2024: \$212.6 million, 30 June 2024: \$3.9 million).

In line with the Board's prudent capital management approach, no dividends were declared for FY2025 to support Austal's capacity to invest in the business for its next phase of growth (FY2024: Nil dividend).

OUTLOOK

Austal maintained a healthy order book of \$13.1 billion (including options) at the conclusion of FY2025 (FY2024: \$12.7 billion). This was after delivering \$1.3 billion of shipbuilding revenue during the 12-month period.

In FY2025, the Company has converted a further US\$273 million in contract options and was approved as Australia's Strategic Shipbuilder in August 2025. This will significantly grow Austal's near record order book over the coming decade as the Australian Government executes its defence objectives.

Under the Strategic Shipbuilding Agreement (SSA) with the Commonwealth of Australia, Austal is now the prime contractor for the build and delivery for the Landing Craft Medium (expected to be 18 vessels) and Landing Craft Heavy (expected to be 8 vessels) programs previously announced as the pilot shipbuilding programs under the SSA. The Landing Craft Medium program alone is expected to be \$1 billion to \$1.3 billion, with the contract expected to be finalised in Q1 FY2026. Neither of these programs are currently included in Austal's order book.

Looking longer term, the Commonwealth has also announced a plan to build 11 Mogami-class General Purpose Frigates (8 to be built in Western Australia) and 6 Optionally Crewed Surface Vessels in Western Australia.

Austal continues to invest in its shipbuilding and submarine capabilities with two major expansion projects currently underway in the USA, the Final Assembly 2 (FA2) project and the submarine Module Manufacturing Facility 3 (MMF3) project. Construction of FA2 has commenced and comprises a new assembly building and waterfront infrastructure (shiplift) to enable the delivery of current and future pipeline of large steel vessels for the US Navy and US Coast Guard.

Austal remains well positioned both in the USA and in Australia to support its major US and Australian defence customers, as well as growing its commercial operations. The commercial contracts won by Austal during FY2024 and FY2025 should maintain levels of commercial activity during FY2026.

Consistent with previous years, EBIT guidance will be provided at Austal's Annual General Meeting in October, but with positive momentum at both USA and Australasia operations, revenue and earnings growth is anticipated for FY2026.

This ASX announcement has been approved and authorised for release by Austal Limited Chief Executive Officer, Paddy Gregg.

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About Austal

Austal is Australia's global shipbuilder and defence prime contractor designing, constructing and sustaining some of the world's most advanced commercial and defence vessels.

In its 37 years of operations, Austal has built more than 350 vessels for 122 commercial and defence operators in 59 countries.

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

Austal delivers iconic monohull, catamaran and trimaran commercial and defence vessel platforms.

Although the Company's roots are in aluminium shipbuilding – it is the world's largest aluminium shipbuilder – Austal builds conventional and autonomous ships in both steel and aluminium, as well as a range of other bespoke maritime build programs such submarine modules.

Austal was the first, and remains one of only two, foreign-owned prime contractors designing, constructing and sustaining ships for the US Navy.