

AUSTAL GROUP NEWS

Two cool cats for Norway

Designed and built for leading Norwegian ferry operator Ofotens og Vesteraalens Dampskibsselskab (OVDS), the 41.3 metre passenger-cargo catamarans "Salten" and "Steigtind" are Image Marine's first vessels for Northern Europe.

Capable of 35 knots and with capacity for 214 passengers and 12 tonnes of cargo, they provide many island communities with their only transportation link to the mainland.

In addition to a refrigerated cargo hold, facilities include large luggage storage areas, a compartment for passengers' pets, a children's play room and a kiosk.

Hydraulically-operated boarding ramps on both sides cater for a variety of wharf heights and embarking passengers flow into the



The cats carry 214 passengers in style

quiet, climate-controlled cabin via the central ticketing office and the luggage areas. Fitted out to the typically high standards expected by Scandinavians, the cabin combines row seats and table and chair arrangements.

For the four person crew there is a separate shower and toilet; a dining/lounge area with cooking facilities, and the ship's office.

As the vessels operate north of the Arctic Circle and throughout winter, specific attention was paid to ensure they can operate in below freezing conditions. This is evident in features such as enclosed mooring decks aft and a sloped forward bulkhead that prevents the build-up of snow and ice.

Explaining the choice of Image Marine in preference to a shipyard in Norway or elsewhere, OVDS Technical Director, Mr Per Harald Ottestad, said: "When considering the various options, we had to take into account many different factors including vessel performance, price, construction quality and the builder's level of expertise and experience. Image Marine provided the best overall package."

PRINCIPAL PARTICULARS

Length overall:	41.3 metres
Beam (moulded):	11.6 metres
Draft (maximum):	1.4 metres
Passengers:	214
Cargo:	30 Euro pallets (12 tonnes)
Deadweight (max):	48 tonnes

PROPULSION

Main engines:	2 x MTU 16V 4000 M70
Gearboxes:	2 x ZF 7550
Waterjets:	2 x Kamewa 71 SII

PERFORMANCE

Speed (85% MCR, 25.7t dwt):	33 knots
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126 METRE TRIMARAN HERALDS A NEW ERA IN FAST SEA TRANSPORTATION



The *Auto Express* 126 trimaran sets a new standard for fast ferries

AUSTAL SHIPS AND EUROPEAN FERRY OPERATOR FRED. OLSEN, S.A. HAVE SIGNED AN HISTORIC CONTRACT FOR THE WORLD'S LARGEST HIGH-SPEED MULTIHULL VESSEL. TO BE DELIVERED IN THE SECOND HALF OF 2004, THE 126.7 METRE CARGO-VEHICLE-PASSENGER FERRY WILL BE BASED ON AUSTAL'S NEW TRIMARAN HULLFORM THAT IS SET TO REVOLUTIONISE FAST SEA TRANSPORTATION.

"We expect this breakthrough project to generate considerable interest among ferry operators and it clearly demonstrates Austal's ability to produce high-speed ships of the size currently being sought by the US military," said Austal's Managing Director, Bob McKinnon.

Fred. Olsen, S.A. currently operates three fast ferries and two conventional vessels in the Canary Islands. One of the conventional ferries will be replaced in September by the new 66 metre Austal *Auto Express* catamaran "Bocayna Express", which was launched in mid-July.

Mr. Fred Olsen Jr., Executive Chairman of Fred. Olsen, S.A. said, "We have already gathered a great deal of experience in the fast ferry business through operating three large ships since 1999, and we are very happy with the results of our three 96 metre catamarans.

"However, it was quite clear from the beginning that the catamarans had some limitations in terms of capacity and especially passenger comfort when operating in rough seas such as we have around the Canary Islands.

"This led us to the conclusion that further research was needed in order to develop a new concept for high-speed vessels. We

wanted to combine the good comfort provided by the soft movement of monohulls, with the low resistance and very good stability and carrying capacity of catamarans," he said.

With these objectives in mind, Fred. Olsen, S.A. and Austal Ships collaborated on a three year programme of research, tank testing and other analysis to develop the new trimaran design.

The superior seakeeping performance of the trimaran will provide Fred. Olsen, S.A.'s passengers with significantly enhanced levels of comfort compared to the company's existing fast ferries and is also expected to result in noticeably higher levels of operability.

With power provided by four diesel engines driving waterjets, the *Auto Express* 126 trimaran will be able to maintain Fred. Olsen S.A.'s projected service speed in excess of 40 knots and provides the capacity to carry 1,350 passengers, over 340 cars and a substantial number of trucks.

"The characteristics of this new vessel, with a length of 126.7 metres and beam of 30 metres, will improve overall efficiency in terms of passenger capacity, deadweight and freight lane metres by more than 35%. At the same time passenger comfort will increase by

25% to 40% depending on the routes we operate," said Fred Olsen Jr.

"This trimaran should, for us, be the solution for many years to come and could very well set the standard for a new generation of large fast ferries."

While the trimaran will set new industry standards for vessel performance, its design and construction are both soundly based. The hullform's speed and seakeeping has been verified by extensive analysis, including multiple tank testing sessions at some of the world's leading facilities, and the structure has been modelled in detail using sophisticated finite element techniques.

The vessel will be constructed in Austal's existing facilities using techniques and materials that have been thoroughly proven and refined over many years.

"While we believe there will always be a significant role for catamarans in the fast ferry market, this vessel has the potential to provide enhanced passenger comfort in a wide range of sea conditions, thereby increasing the opportunities for their application. It really is a major breakthrough, and a logical progression from many years of development and experience with multihulled vessels," Mr McKinnon said.



Fred. Olsen, S.A.'s 66 metre catamaran was launched in July

AUSTAL USA LAUNCHES CIRCLE LINE'S FIRST HIGH- SPEED VESSEL

AUSTAL USA LAUNCHED ITS SIXTH VESSEL, THE 43.5 METRE CATAMARAN "ZEPHYR", ON JUNE 28. IT WILL BE THE FIRST ALUMINIUM HIGH-SPEED VESSEL IN THE FLEET OF NEW YORK-BASED CIRCLE LINE-STATUE OF LIBERTY FERRY, INC.

Capable of 29 knots, the 600 passenger "Zephyr" has been developed through close co-operation between Austal USA and Circle Line and will expand its harbour sightseeing cruise and evening charter operations as well as providing speed and comfort on longer distance runs.

The catamaran's interior configuration can be rapidly changed to match the various operating modes. For example, the main saloon seating can be quickly and easily removed for charter work, as can the central seats on the sun deck. Other features include a large skylight forward to provide outstanding views of the New York skyline, with dimmable interior lighting fitted to enhance sightseeing after-dark.

A quadruple diesel/waterjet propulsion configuration allows the catamaran to be operated with either two or four engines, giving the vessel two distinct service speeds to match its varied operating profiles.



"Zephyr" outside the Austal USA shipyard



"WHY DID THE DRAGON CROSS THE ROAD?"

That was the question on many lips as a harbour cruise vessel adorned with a 20 metre, water-spouting Chinese dragon was trucked from the Image Marine shipyard in preparation for launching.

The 41.5 metre catamaran, one of a pair being built for New World First Travel Services, has been purpose designed for sightseeing service in Hong Kong Harbour, where the eye-catching dragons are set to make the vessels the talk of the town.

The catamarans will undergo final fitout and sea trials before being shipped to Hong Kong in time to enter service in October. Each can carry 351 passengers at up to 16 knots.

Onboard facilities include a kiosk, souvenir shop/ticket counter and a bar. A large sun deck is located aft of the bridge and an area of seating in the main cabin can be removed to create a dance floor.

Quality gets ISO stamp of approval

THE QUALITY MANNER IN WHICH AUSTAL SHIPS AND OCEANFAST DESIGN AND BUILD EVERY VESSEL HAS BEEN RECOGNISED WITH CERTIFICATION TO THE LATEST ISO QUALITY STANDARD.

Lloyd's Register Quality Assurance (LRQA) certified both companies to the ISO 9001:2000 standard for quality management systems after their manufacturing sections were assessed during May. The Austal design section was certified last October.

Ms Serena Kipling, who carried out the assessment for LRQA, said she was impressed by what she had seen.

"The calibre of people I met during the assessment was very high, and the companies' existing systems are being used to great effect," she said. "I was also impressed by the commitment to continuous improvement, which is the central pillar of the ISO standard."

"This certification will assist Austal's efforts in the pursuit of new contracts, particularly for defence and other government orders," said Austal's Managing Director, Bob McKinnon.

TOP SERVICE FOR "SAGITTA"

AUSTAL SERVICE HAS CARRIED OUT A SEAMLESS SPA INSTALLATION ON THE SUN DECK OF THE OCEANFAST LUXURY MOTOR YACHT "SAGITTA".

Austal Service's European Service Manager, Darren Edwards, said that the team's combination of skill, 'can do' attitude and sheer hard work ensured the installation was completed quickly and with minimal disruption to the 57 metre yacht's sailing schedule.

The yacht's owners are extremely pleased with the results and the new spa is being used frequently. An indication of the quality of the work is that guests cannot believe it was not part of the original build.

RELIABLE GREEK CATS IN NEW COLOURS



HFD's Austal ferries are achieving 99.8% reliability

The three Austal *Auto Express* catamarans in the fleet of Greek operator Hellas Flying Dolphins are sharing the same colours as other world leaders in their fields, such as Manchester United and the Ferrari Formula 1 team, following the signing of a three year deal with phone company Vodafone in July.

Last year HFD's Austal fast ferries carried approximately 942,000 passengers and 109,000 cars and completed between 1200 and 1500 sailings. Only three trips were cancelled, indicating reliability of an incredible 99.8%.

Since the Austal ferries were introduced in 2000, HFD has received very positive feedback from their passengers who appreciate the high level of onboard comfort, while HFD is also very satisfied with the ride quality.

In addition to the two 72 metre and one 92 metre *Auto Express* catamarans, HFD's fleet also includes a 48 metre Austal passenger catamaran.



The spa is welcomed aboard

AUSTAL GROUP 2003 EXHIBITION ACTIVITIES

Austal Ships

- Defence Systems and Equipment International, London, 9 – 12 September
- IMTA-Interferry 2003, Rotterdam, 22 – 25 September
- FAST 2003, Ischia, 7 – 10 October

Austal USA

- ComDef, Washington DC, 3 September
- World Maritime Technology Conference, San Francisco, 17 – 20 October
- NDIA Expeditionary Warfare Conference, Panama City, FL, 20 – 23 October
- Ferries 2003, Fort Lauderdale, 12 – 14 November
- International Workboat Show, New Orleans, 3 – 5 December

Image Marine

- DEMA, Miami, 8 – 11 October

Oceanfast

- Monaco International Yacht Show, 24 – 27 September
- Fort Lauderdale International Boat Show, 30 October – 3 November
- Project 2003, Amsterdam, 18 – 20 November

RECEIVE AUSTAL NEWS FASTER

To receive a range of information about the Austal group, including this newsletter, by email simply register at www.austal-ships.com

Annual reports, investor briefings, newsletters, product datasheets and press releases are now all available on the Austal Limited and Austal Ships websites.

Austal Group vessels currently under construction

AUSTAL SHIPS

Vessel Type:	126m vehicle-passenger trimaran
Client:	Fred. Olsen, S.A.
Destination:	Canary Islands
Vessel Type:	86m vehicle-passenger catamaran
Client:	Canadian American Transportation Systems
Destination:	Rochester, USA to Toronto, Canada
Vessel Type:	66m vehicle-passenger catamaran
Client:	Fred. Olsen, S.A.
Destination:	Canary Islands
Vessel Type:	50m vehicle-passenger catamaran
Client:	Kangaroo Island SeaLink
Destination:	Australia
Vessel Type:	56m vehicle-passenger catamaran
Client:	Aremiti Cruise
Destination:	Tahiti
Vessel Type:	10 x 37.5m naval patrol boats
Client:	Republic of Yemen, Ministry of Defence
Destination:	Yemen

AUSTAL USA

Vessel Type:	58m vehicle-passenger catamaran
Client:	Lake Express
Destination:	Milwaukee, USA
Vessel Type:	43.5m passenger catamaran
Client:	Circle Line-Statue of Liberty Ferry, Inc (Circle Line)
Destination:	New York, USA

IMAGE MARINE

Vessel Type:	2 x 41.5m harbour cruise catamarans
Client:	New World First Travel Services
Destination:	Hong Kong
Vessel Type:	3 x 22m coast guard vessels
Client:	Government of Kuwait, Ministry of Interior
Destination:	Kuwait

OCEANFAST

Vessel Type:	56.5m luxury motor yacht
Client:	Confidential
Destination:	Confidential
Vessel Type:	54.5m luxury motor yacht
Client:	Confidential
Destination:	Confidential
Vessel Type:	53m luxury motor yacht
Client:	Confidential
Destination:	Confidential

US YARD SECURES FIRST VEHICLE-PASSENGER FERRY ORDER



A 58 METRE VEHICLE-PASSENGER FERRY ORDERED BY LAKE EXPRESS LLC WILL BE THE LARGEST VESSEL SO FAR CONSTRUCTED AT AUSTAL USA'S PURPOSE-BUILT SHIPYARD IN MOBILE, ALABAMA.

Confirmation of the order is a significant development for the US shipbuilding and ferry industries, and an important step forward for Austal's plans to build large high-speed vessels for commercial and military customers in the United States.

The *Auto Express 58* catamaran will be capable of 34 knots and will be the first high-speed vehicle-passenger ferry to operate in the continental United States.

Scheduled to enter service in June next year, the ferry will link the cities of Milwaukee, Wisconsin and Muskegon in Michigan, crossing Lake Michigan in just over two hours. This will save passengers a lengthy drive around the lake's southern shore and avoid traffic congestion in Chicago.

"Austal's *Auto Express* vehicle ferries provide a modern, efficient and proven solution to alleviate traffic issues in many parts of the United States," said Chris Pemberton, Austal USA's Vice President of Marketing and Sales.

"The scope for further US applications of this technology is very large indeed, and our position in the Austal Group gives us better credentials in the design and construction of this type of ferry than any other US shipyard."

The new catamaran will carry up to 253 passengers in a spacious, dual-class cabin and 46 cars on its drive-through vehicle deck, which is arranged for minimal turnaround time.

PRINCIPAL PARTICULARS

Length overall:	58.4 metres
Beam (moulded):	17.6 metres
Hull draft:	2.5 metres
Passengers:	253
Vehicles:	46 cars
Deadweight (max):	148 tonnes

PROPULSION

Main engines:	4 x MTU 16V 4000 M70
Gearboxes:	4 x ZF 7550
Waterjets:	4 x Kamewa 80 SII

PERFORMANCE

Speed:	34 knots
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OCEANFAST LAUNCHES "PERFECT PRESCRIPTION"

Demonstrating the company's world-class capability, Oceanfast has launched another innovative, finely crafted and stylish luxury motor yacht. The 54 metre "Perfect Prescription" is the owner's second Oceanfast motor yacht.

Austal Managing Director Bob McKinnon said the launch was another milestone for Oceanfast, being its first full displacement steel hulled yacht.

"This is another high point in the evolution of Oceanfast into a world leading builder of large super yachts," Mr McKinnon said. "The construction efficiency that has helped established Austal as a leader in the passenger vessel and patrol boat sectors is increasingly being achieved in our yacht business, and provides us with confidence for more success in the future."

"Perfect Prescription" boasts accommodation for 10 guests in large, superbly appointed suites and is expected to make a big impression on the international luxury yacht market.

Featuring stunning, hand-crafted timber work and the finest fittings available, the lavish interior also includes a gourmet kitchen serving indoor and outdoor dining areas, a wine cellar, spa and two theatres.

London-based luxury yacht designer Tim Heywood, who designed the interior and exterior of "Perfect Prescription" for its US-based owner, said: "I am extremely pleased with the Oceanfast team's enthusiasm for the project. They have understood the finer details of the design and with dedicated craftsmanship have produced a first class and unique yacht".



YEMEN ORDERS 10 AUSTAL PATROL BOATS

AUSTAL SHIPS HAS BEEN SELECTED FROM AN ELITE GROUP OF INTERNATIONAL SHIPBUILDERS TO SUPPLY A FLEET OF 10 HIGH-SPEED PATROL BOATS TO THE REPUBLIC OF YEMEN, MINISTRY OF DEFENCE.

Based on a proven hullform, built to the highest commercial standards using the latest construction techniques, and utilising proven materials and equipment from well-established international suppliers, the 37.5 metre monohulls will provide the level of capability

the Yemenis require in a reliable, simple to operate vessel that is easy to maintain.

Austal's Sales and Product Development Manager, Glenn Williams, said the vessels will re-define the whole concept of value-for-money in the global military and para-military patrol boat market.

"These modern patrol boats incorporate the very best in aluminium ship design and construction to deliver a reliable, highly capable package that is also extremely cost-effective," he said.

The Yemen patrol boats will be a slightly less complex version of the eight Bay Class vessels Austal built for the Australian Customs Service and will have the same excellent seakeeping and low resistance qualities. Capable of 29 knots with only moderate power, they will have a range of over 1000 nautical miles and an endurance of at least 14 days.

Fitted out to a high commercial standard, the interior is arranged for maximum habitability and provides accommodation for 19 crew. The bridge is arranged for three person operation and there is also a dedicated operations room; ship's office; laundry; separate mess areas for officers and crew; and a well-appointed galley.

The initial batch of four vessels will be finished by June 2004, with the remainder delivered in pairs at two-monthly intervals. Importantly, the 18-month production timetable does not adversely affect Austal's ability to meet the Royal Australian Navy patrol boat project's delivery schedule.

The Yemen contract includes a substantial package of crew training.

PRINCIPAL PARTICULARS

Length overall:	37.5 metres
Beam (moulded):	7.2 metres
Hull draft:	2.2 metres
Complement:	3 officers, 16 crew

PROPULSION

Main engines:	2 x Caterpillar 3512
Gearboxes:	2 x Reintjes
Propellers:	2 x fixed pitch

PERFORMANCE

Speed:	>29 knots
Range:	1000+ nautical miles

NAVAL CONTRACTS UPDATE

Austal has strengthened its position in relation to naval contracts in both Australia and the United States.

Defence Maritime Services, in partnership with Austal Ships, is one of the two final contenders for the RAN's Replacement Patrol Boat Project. A bid from one of the three companies originally short-listed has been set aside as not being sufficiently competitive in value for money terms.

In July, a team that includes Austal Ships and Austal USA was awarded one of three seven-month contracts for the preliminary design of the United States Navy's Littoral Combat Ships (LCS).

Austal, as the designer and builder of the vessels, is a major contributor to the team which is led by General Dynamics. The team's proposal for the LCS is based on Austal's trimaran hullform.

The design contract is an important step forward along the path to an increased role in the global military vessel market.



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