



# Half-Year Results Discussion

## February 2004

Mr Bob McKinnon  
Managing Director

# FINANCIAL SUMMARY

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	Half-year end Dec 03 (A\$m)	Half-year end June 03 (A\$m)	Half-year end Dec 02 (A\$m)
Operating revenue	153.0	143.9	163.9
Net after tax & OEI	3.0	(5.2)	(13.5)
EPS (cents/share)	1.57	(2.70)	(8.63)

# 2003 HALF-YEAR RESULTS

	Dec 2003 (A\$m)	June 2003 (A\$m)
Total current assets	154.3	124.3
Total non-current assets	101.7	107.8
Total current liabilities	128.9	102.1
Total non-current liabilities	10.6	16.6
Net assets	116.6	113.4

# CASH FLOW DRIVEN BY PROGRESS PAYMENT POSITION

- The main drivers of cash position are financing arrangements for CATS and Fred Olsen
- Absence of progress payments requires construction funding and utilisation of cash

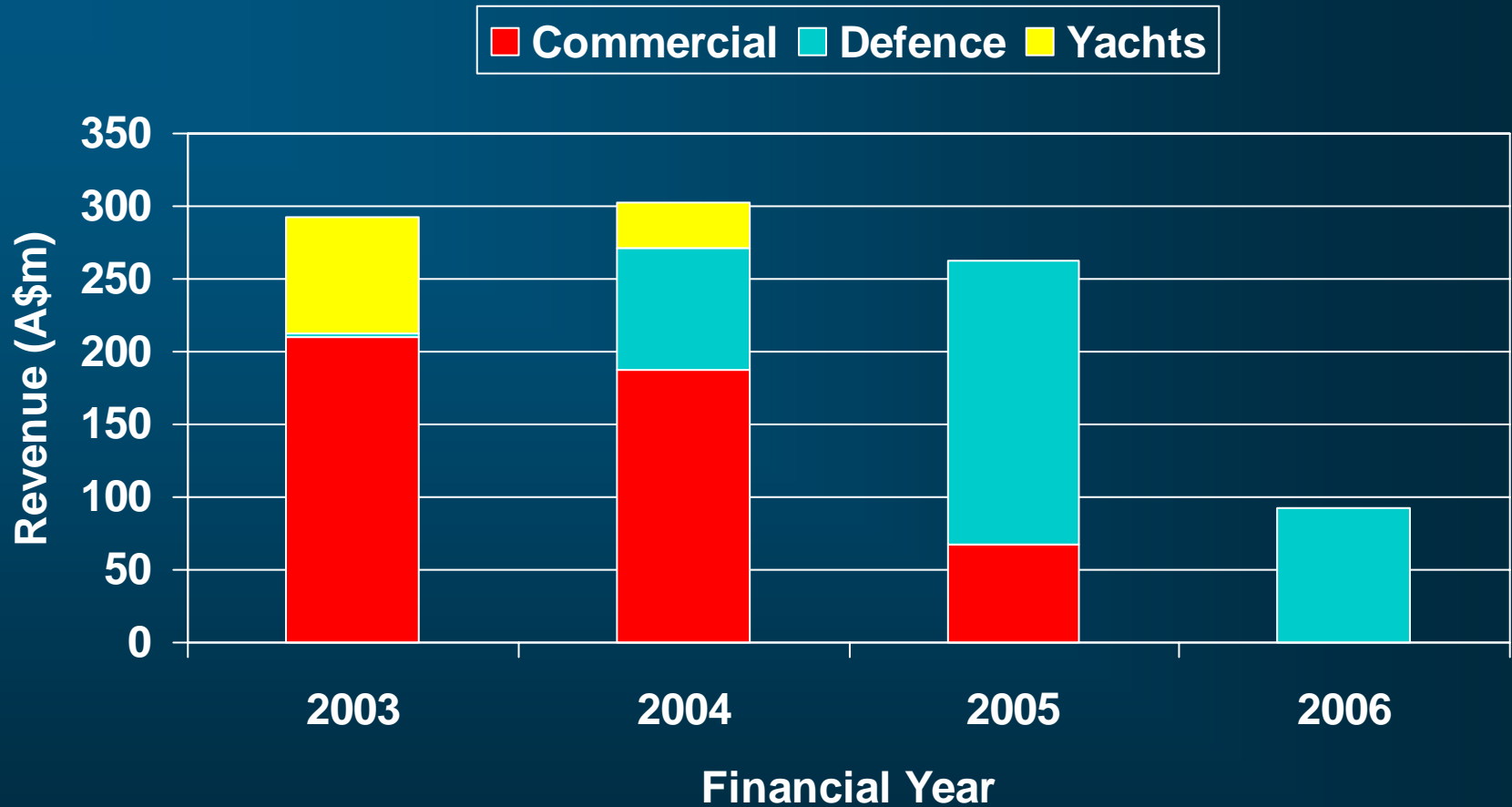
## Current Order Book Unchanged (A\$m)

	2003	2004	2004
	31 Dec	30 June	31 Dec
Cash	23	32	24
Construction Funding	(35)	(36)	-

# PROFIT AFTER TAX AND OEI

	Half-year end Dec 03 (A\$m)	Half-year end June 03 (A\$m)	Half-year end Dec 02 (A\$m)
Oceanfast	(3.7)	(7.7)	(10.3)
Austal USA	(1.3)	(5.4)	(7.5)
Other Operations	8.0	7.9	4.3

# REVENUE FROM CURRENT ORDERS



# VESSELS UNDER CONSTRUCTION/CONTRACT

## COMMERCIAL - 6 vessels

- 50 metre live-aboard vessel
- 2 x 47.5 metre passenger ferries
- 56 metre vehicle-passenger catamaran
- 126 metre vehicle-passenger-cargo trimaran
- 58 metre vehicle-passenger ferry

## DEFENCE - 23 vessels

- 10 x 37 metre patrol boats
- 12 x 56 metre patrol boats
- 31.5 metre ONR vessel



# OPERATIONAL CHANGES FOR IMPROVED PERFORMANCE

- **Completion of problematic motor yachts**
- **Latest luxury motor yacht shows improvement and provides positive contribution**
- **Much improved productivity at Austal USA**
- **Continually improving performance at Image Marine and Austal Ships**



# FUTURE OUTLOOK

## Image Marine

- Continued specialisation in core products



## Austal Ships

- Consistent revenue and profit performance



## Austal Defence

- Increased focus. Leveraging off patrol boats and US Defence

## Oceanfast

- Leverage off brand awareness created on a selective basis with high regard to risk.



## Austal USA

- Existing orders significant step in US yard becoming a major supplier of aluminium vessels to the US commercial market
- Continue facilities and workforce development to participate in future major US military projects

Littoral Combat Ship (LCS)

Theatre Support Vessel programs





## Littoral Combat Ship

- Austal and General Dynamics in Teaming Agreement
- Awarded 1 of 3 contracts to develop preliminary vessel design. Contract value US \$10m, submitted Jan 2004.
- Expect up to 2 teams will win contracts to build LCS
- US Navy identified need for 9 LCS vessels by 2009
- Reported total LCS vessels required – up to 57 over 15 years



## US Army Theatre Support Vessel

- Tender expected late March 2004, submissions close 3 months later
- Prototype vessel to commence detailed design and construction Nov 2004
- 12+ vessels built over unspecified time frame



# OUTLOOK



- Group's financial position remains satisfactory
- Core commercial business profitable, enquiries received across product range
- Revenue still to be recognised for contracts on hand as at 31 December 2003 amounted to approximately \$515 million.
- Military requirements becoming clearer. Provide sound opportunities for multi-hulled high-speed vessels and for patrol boats



# AUSTAL LIMITED



**AUSTAL SHIPS**



**IMAGE MARINE**



**AUSTAL DEFENCE**



**AUSTAL USA**



**OCEANFAST**