



COMPANY ANNOUNCEMENT

29 June 2005

UPDATE TO STENA REDERI PATENT DECISION

Further to the decision in the Federal Court handed down on June 17, to dismiss Austal's appeal, Austal has reviewed the full decision in more detail and comments as follows;

The background is that European vessel operator Stena Rederi applied for an Australian patent concerning hull design for multi hull fast vessels. Austal appealed the application on the basis that it infringed on Austal's business as a designer and builder of fast vehicle and passenger ferries. Austal was previously successful in appealing against the granting of the patent in Europe.

During the lengthy objection and appeal process Stena's application was modified to provide a more concise and narrower definition of their claim.

The decision has reinforced a very precise interpretation of these narrowed claims.

Austal Executive Chairman, John Rothwell commented, "Austal welcomes the judge's decision in that it has clarified various issues concerning the interpretation of the patent application. The judge's detailed consideration and interpretation of the claims of the patent leads us to conclude that vessels delivered by Austal fall outside the scope of the patent and that in consequence Austal has no case to answer in respect of infringement of the patent".

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