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1st Half 2009

Results Presentation

Riyadh - delivered to Government of Saudi Arabia in December 2008

Financial Summary

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	H1 FY09	H1 FY08	Change
Revenue	$ 297.8M	$ 333.7M	- 11%
EBIT	$16.7M	$ 33.1M	- 50%
Net profit after tax	$16.9M	$ 29.9M	- 43%
EPS	9.2 cents	15.9 cents	- 42%
Cash Balance	$136M	$304M	- $168M

- Progress payments received in advance now normalised
- Provision for doubtful debts taken up of $7.1 million

Key Impacts on Results

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- Global financial crisis
  - Increased financing hurdles for commercial clients
  - Lower oil prices for middle east clients
- Delay in next LCS award
  - Working with US Navy to analyse pricing
- Delay in delivery of LCS 2
- Investments in Austal USA infrastructure to support future defence orders

Current Orders

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- 1 x 113 metre vessel for Hawaii Superferry
- 1 x 103 metre Joint High Speed Vessel for United States Navy
- 4 x 48 metre vessels for Cotai Strip (Macau)
- 6 x 30 metre fast patrol vessels for Trinidad & Tobago
- 3 x 22 metre vessels for Queensland Police
- 2 x 69 metre vessels for middle east
- 4 x 21 metre inshore patrol craft for Armed Forces of Malta
- 1 x 127 metre Littoral Combat Ship for United States Navy

Total – 22 vessels

United States Navy Littoral Combat Ship Status

- Currently > 85% complete
- In “test and activation” phase
- Sea trials in May 2009
- Delivery to Navy no later than June 2009

United States Navy Joint High Speed Vessel Status

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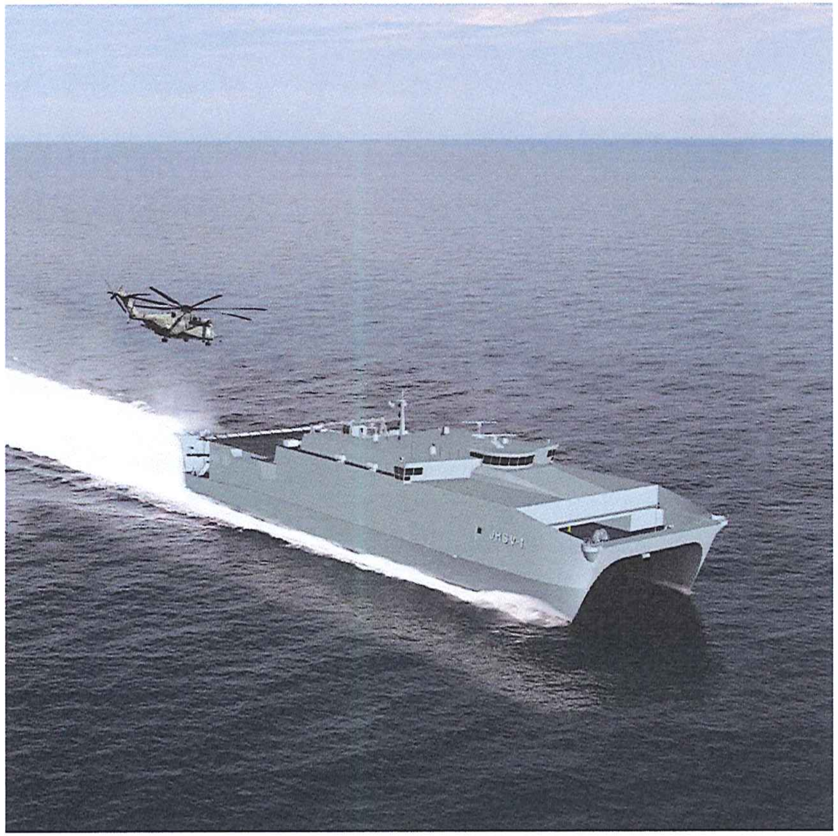

- Contract awarded in Nov. 2008
- 107metres in length
- Avg. cost over 10-ship program is US$160M
- In detailed design phase
- Production readiness review prior to construction start
- Strong signals out of Department of Defence that Army will require 12 vessels and Navy will require 13 vessels

US Shipbuilding Plan

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	FY08	FY09	FY10	FY11	FY12	FY13	FY14
2009 LCS Plan	1	2	3	3	4	6	6
JHSV Plan	1	2	2	2	2	1	-
Approx. Award value (AUD)	$500M	$1.09B	$1.47B	$1.47B	$1.86B	$2.47B	$2.31B

- Both LCS & JHSV programs critical in meeting US Navy fleet numbers
- The LSC and JHSV programs represent ~20% of the US Navy's stated goal of building a 313-ship navy

US Modular Manufacturing Facility Update

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- Phase I construction started (350,000 sq. ft. under roof, 80,000 sq. ft. warehouse)
- Project is two weeks ahead of schedule and budget
- Phase I to be complete by August 2009
- Available in time for start of JHSV construction
- Decision to build additional Assembly Bay and Phase II of MMF will be timed with military order certainty

Strategy

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- Strategic planning off-site just completed
- Key objectives focused on
  - Taking full advantage of defence program opportunities
  - More rigorous, focused commercial marketing and sales
  - Productivity/efficiency improvements
  - Workforce optimisation
- Annual targets will flow from the 3 year strategic plan
- Goals then cascaded down through organisation
- Remuneration tied to achievement of goals

Mapping our Strategic Focus

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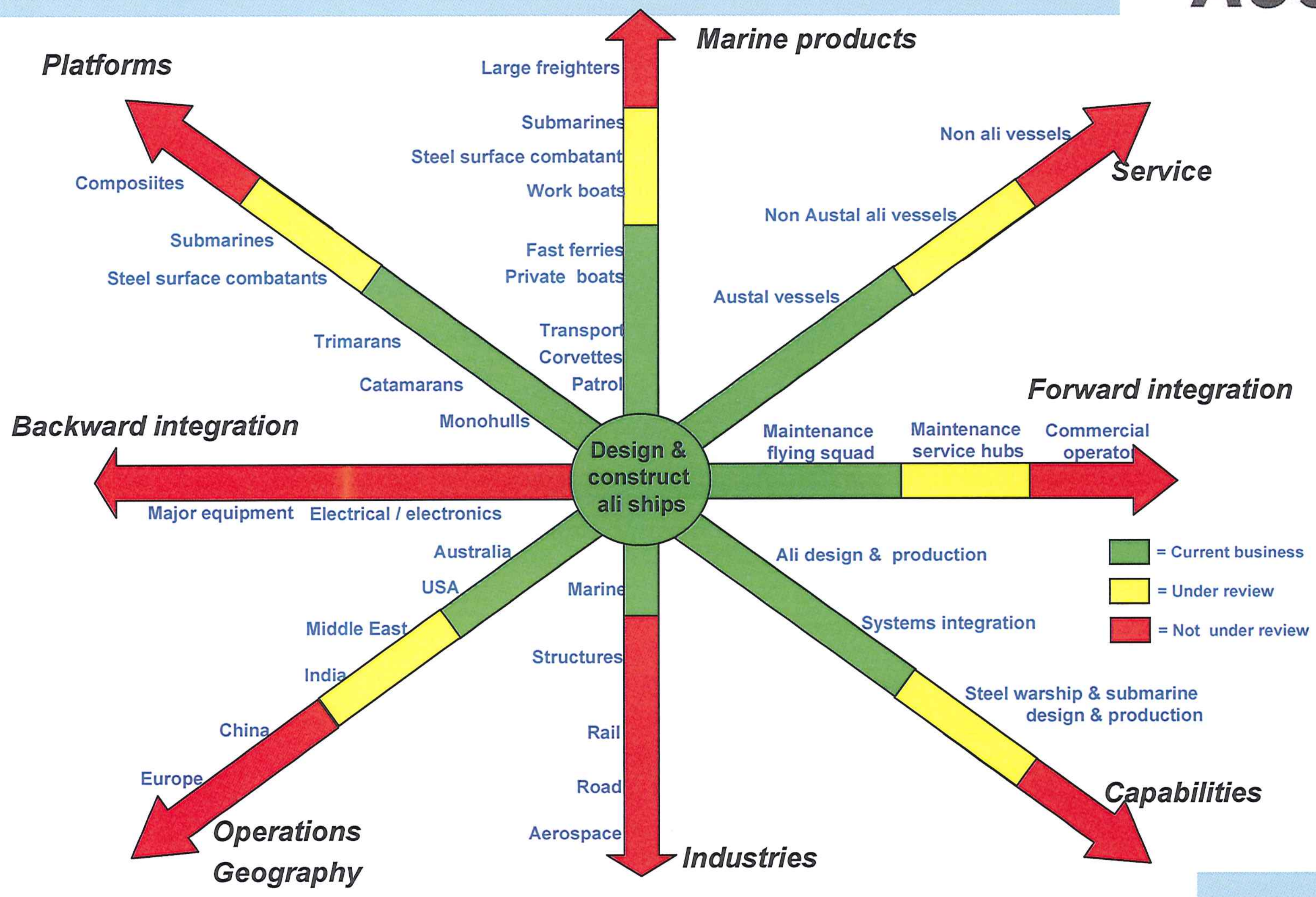

Market Outlook

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- Active discussions / negotiations with numerous clients
- Next LCS award this quarter
- Start construction on JHSV 1 in Q3 of 2009
- Expect to learn of award of next two JHSV's in Q2 2009
- Interest in patrol boats strong
- Expect 1 – 2 large auto / passenger ferry orders per year
- Growing interest in US military to expand LCS & JHSV programs to achieve fleet size targets
- Potential other defence subcontract work

Investor Relations Contacts

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