

# COMPANY ANNOUNCEMENT 22 JANUARY 2013

# AUSTAL ENTERS STRATEGIC PARTNERSHIP WITH SEMBAWANG SHIPYARD

Provides enhanced sustainment capability to the US Navy in Asia-Pacific

Leading defence prime contractor Austal, and leading repair, conversion and maintenance shipyard Sembawang Shipyard Pte. Ltd. (a subsidiary of Sembcorp Marine, Singapore), have entered into a strategic partnership to provide market-leading sustainment capability to the US Navy.

Austal and Sembawang Shipyard believe the partnership provides an important resource to the US Navy and other defence forces operating in Asia-Pacific. Austal and Sembawang Shipyard will together provide rapid, high quality support specifically tailored to the US Navy's fleet of Littoral Combat Ships (LCS) and Joint High Speed Vessels (JHSV), both of which are expected to operate in the region. The first LCS is expected to deploy to Singapore in early 2013.

Austal is currently contracted to build ten 103-metre JHSVs under a US\$1.6 billion contract and six 127-metre LCSs, four of which are a part of a 10-ship, US\$3.5 billion contract. Austal has already delivered one LCS and one JHSV.

Austal Chief Executive Officer, Andrew Bellamy, remarked: "Sembawang Shipyard is a world-class shipyard that shares Austal's commitment to providing high quality, superior service and innovative solutions to key customers, especially the US Navy. Sembawang Shipyard's strong track record and experience in servicing the United States Navy and Military Sealift Command vessels over the past four decades makes this an ideal partnership for Austal, especially as the LCS and JHSV fleet enter the region."

Austal Chief Operating Officer – Service and Systems, Charles McGill, commented: "Our strategic partnership with Sembawang Shipyard is the cornerstone of Austal's Asia-Pacific support offering and reinforces Austal's commitment to the region and to the US Navy. Together with our facilities in the Philippines, Darwin and Perth, Austal is now positioned to provide critical sustainment in an increasingly important part of the world."

Ms. Lee-Lin Wong, Executive Director of Sembawang Shipyard said: "Austal is a world leader in high speed vessel construction and support, and this newly forged partnership will reinforce our Shipyard's capability in providing high quality, health, safety and environment (QHSE) service to local and visiting high speed vessels through the combination of Austal's expertise and our Shipyard's specialised capabilities and facilities for US Navy work."

Austal enters into this partnership following the October 2012 acquisition of Darwin-based HKME, and the appointment of Mr. Michael Little as Regional Service Manager – Asia, both of which have enhanced Austal's Asia-Pacific support offering for the US Navy and other defence forces.

## **END**

#### **About Austal**

Austal is a global defence prime contractor. The Company designs, constructs and maintains revolutionary platforms such as the Littoral Combat Ship (LCS) and the Joint High Speed Vessel (JHSV) for the United States Navy, as well as an extensive range of patrol and auxiliary vessels for defence forces and government agencies globally. Austal also designs, installs, integrates and maintains sophisticated communications, radar and command and control systems.

Austal benefits from its position as a world leader in the design, construction and support of customised, high performance aluminium vessels for the commercial high speed ferry market, an achievement gained over a period of nearly 25 years.

Austal's primary facilities comprise a combined defence and commercial shipyard in Henderson, Western Australia; a dedicated defence shipyard in Mobile, Alabama; and a dedicated commercial shipyard in Balamban, Philippines. The Company also provides vessel support services from its facilities in Australia, the United States, Asia, Europe, the Caribbean, and the Middle East.

### About Sembawang Shipyard Pte Ltd

Sembawang Shipyard, a wholly owned subsidiary of Sembcorp Marine, has one of the largest integrated ship repair facilities in South East Asia. The shipyard's world-class reputation is based on the company's commitment to high quality standards, Health, Safety and Environment standards, timely delivery, superior customer service and innovative solutions.

Besides its proven expertise in the sectors of tankers, bulk carriers and container / cargo vessels, the shipyard is also recognised as a specialist in the niche markets such as LNG carrier, passenger ship conversion / upgrading, FPSO conversion, offshore upgrading, conversion and new construction, damage repairs and repair of chemical tankers, liquefied gas carriers and navy ships. In particular, Sembawang has more than four decades of excellent track record in the repairs and maintenance of navy vessels.

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