



COMPANY ANNOUNCEMENT

GLOBE INTERNATIONAL LIMITED RESULTS FOR THE YEAR ENDED 30 JUNE 2011

MELBOURNE, 18 August 2011: Globe International Limited (“Globe”) (ASX: GLB), a multi branded boardsports and youth branded apparel, footwear and hardgoods company, today announced a net profit after tax (NPAT) of \$1.1 million for the year ended 30 June 2011 (2010: \$1.3m) and net sales of \$87.7 million (2010: \$90.5m).

Net sales for the year of \$87.7 million were 3% below the prior year in reported currency terms due to the strengthening of the Australian Dollar over the 12 months to 30 June 2011. In constant currency terms, net sales grew by 5%. This underlying growth was driven by the performance of the North American and European divisions, which grew by 6% and 12% respectively in local currency terms, predominantly due to the performance of the Globe brand. Net sales in Australasia were 2% below the prior year due to weak trading conditions in the retail sector throughout the year.

The Group generated \$2.9 million of earnings before interest, tax, depreciation and amortisation (EBITDA), compared to an EBITDA of \$5.5 million in the prior year. The operating profitability for the year was adversely impacted by foreign exchange rate movements, as well a reduction in gross margins due to an increase in input costs. On a regional basis, all operating segments reported a profit for the year.

As at the end of the financial year, the Group had cash of \$12.3m (2010: \$14.9m) and no debt.

The directors determined that a fully-franked final ordinary dividend of 5.0 cents per share will be payable on 30 September, 2011.

Globe International Limited Chief Executive Officer, Matt Hill, said that the underlying growth in net sales was satisfying because it was the direct result of brand development and a focus on revenue growth strategies over the past 12 to 18 months, in trading conditions which continue to be challenging.

“This past financial year presented many challenges including tough trading conditions, an appreciating Australian dollar and upward pressure on cost of goods out of China. However, it was pleasing that against this backdrop the company managed local currency revenue growth, and in particular growth in the all important Globe brand across all product categories. In addition financial stability continued with further cash generation in the year, solid cash reserves and our no debt position being maintained.”

Looking forward, factors such as the volatility in foreign exchange rates, the uncertainty of global economic markets and the flow-on impact to retail trade, make it difficult to provide an outlook for the performance of the business for the 2012 financial year. All things being equal, the performance of the business is expected to be approximately in line with the 2011 financial year.

Investors & Analysts:

Jessica Moelands
Chief Financial Officer
+61 (0)3 8534 9932

jessica.m@globeintltd.com