



Media and ASX Release

25 June 2007

Globe announces the sale of World Industries

Globe International announced today that it has entered into an agreement for the sale of the World Industries brand to a Newport Beach (USA) based business known as "i.e. distribution". World Industries was acquired by Globe in 2002 and since that time has been successfully building on its grassroots heritage, while pursuing licensed brand extensions with third parties. "i.e. distribution", which is the current global licensing agent for the World Industries brand, and the largest licensee holding licences in footwear and snow products, will acquire the World Industries brand and its licences globally.

Completion of the transaction occurred on 25 June 2007, with the final consideration of USD\$8 million expected to generate approximately AUD\$9 million in cash, after transaction costs. The net pre-tax profit on sale is expected to be approximately AUD\$6 million.

The Chief Executive Officer of Globe, Matt Hill, said that the decision to sell World Industries followed the recent strategic review undertaken by Globe.

"Following the sale of our Streetwear business earlier this year, we have now concentrated heavily on returning Globe to a proprietary branded boardsports footwear, apparel and hardgoods business. The decision to sell the World Industries brand will ensure that our efforts in the future will be concentrated on growing the international brands over which we have direct distribution and marketing controls. The Globe owned Dwindle Distribution will remain as the distributor of World Industries hardgoods for the grassroots market.

"Globe will not incur any internal restructuring costs as a result of this transaction and there will be no job losses. However, there will be a reduction in direct brand expenses."

John Dickinson, the President of i.e.distribution, stated, "We are excited to now own and operate World Industries, a brand with such a rich heritage in the action sports market. Having worked with Matt Hill over the past five years in developing the World Industries brand strategies, it is good to have i.e.distribution continue implementing these strategies. We believe with a sole focus on the brand and proven by what we have accomplished with the footwear licence, World Industries has significant further potential."

"This is a great outcome for both parties," Matt Hill said.

"This transaction signals the completion of the Globe business strategic review we commenced last year. As a result, Globe is now even more focused on achieving success and growth in our core markets through the continual development and marketing of industry leading products."

Globe was advised on the transaction by the Sage Group of Los Angeles.

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For further information: Chris Oldfield + 61 419 309 303

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