GLOBE INTERNATIONAL LIMITED

ACN: 007 066 033

2006/07 Half Year Summary
26 February 2007

KEY POINTS

- Significant turnaround in core business over the previous six months
- Australian Streetwear sold to Pacific Brands
- Proposed return of funds to shareholders
- Appointment of a new Director
- Continuing business a clearly focused international boardsports footwear, hardgoods and apparel business with good earnings growth with world-wide prestigious proprietary brands

Now a clean, simple and more focused internationally branded business

Financial Restructure

- Resulting from the sale, a number of one-off costs totaling $3.3million have affected the consolidated result

- NPAT of ($3.1million) was impacted by a one-off re-alignment of net asset base to accurately reflect the earnings potential of the continuing business
  - Accelerated amortisation
  - Trade & other receivables provision
  - Revaluation of European goodwill

Total Business

(Including Australian Streetwear)

Total Business

	H1 06	H1 07 Reported	**H1 07 Excluding one-off costs**
Revenue	$97.9m	$97.8m	**$97.8m**
EBITDA	$ 1.2m	$2.5m	**$3.5m**
NPAT	($0.7m)	($3.1m)	**$0.2m**

- Total revenues for the half of $97.8million
- EBITDA up over 100% to $2.5 million from $1.2 million primarily as a result of the momentum gain in the continuing business
- On a like for like basis, EBITDA has increased by $2.3 million excluding one-off costs

Continuing Business

Continuing Business

	H1 06	H1 07 Reported	**H1 07** **Excluding one-off costs**
Revenue	$58.2m	$61.8m	**$61.8m**
EBITDA	($3.4m)	($1.0m)	**$0.05m**
NPAT	($3.1m)	($4.5m)	**($1.2m)**

- On a like for like basis, the continuing business shows positive momentum
- Total revenues up 6.2% on PCP.
- EBITDA on a like for like basis, $3.5m turnaround
- Significant turnaround in North American business
- Growth supported by the benefits flowing from recent investment in marketing initiatives and the removal of associated duplicate expenditure

STREETWEAR TRANSACTION

- Sale of Australian Streetwear business to Pacific Brands successfully completed on 2 January 2007
- Final consideration for the sale was $41.2 million.
- Proceeds from sale
  - Proposed $32m returned to shareholders
  - $5.0m reduction in debt and transaction costs
  - $5.0m retained in continuing business
- As a result of sale, Globe's Australian head office to move to St Kilda

Post Transaction Balance Sheet

•Balances as at 31 December excluding deferred tax balances and the impact of net proceeds on sale intended to be returned to shareholders

Item	**Pre Sale $m**	**Post Sale $m Est.**
Cash*	6.9	11.9
Receivables	44.3	28.0
Stock	23.2	16.0
Non Current Assets	77.9	53.2
Total Assets	**152.3**	**109.1**
Payables	(16.6)	(11.0)
Borrowings	(7.9)	(3.6)
Other Liabilities	(2.1)	(1.6)
Total Liabilities	**(26.6)**	**(16.2)**
NET ASSETS	**125.7**	**92.9**
NET TANGIBLE ASSESTS	**56.4**	**44.0**

RETURN OF FUNDS

- Directors intend returning $32 million of funds to shareholders.
- The timing of the return to be clarified following the receipt of an Australian Tax Office ruling.

BOARD STRUCTURE

- **Mr Philip Brass**, Director of the Company since 2003, has chosen to retire from the Board effective 26 February 2007.

- **Mr Richard Alcock** has accepted the invitation of Directors to join the Board. Mr Alcock is a former Senior Partner, Head of Governance, and Chairman of the Ethics Committee of the law firm Allens Arthur Robinson and is also a Company Director of a range of ASX publicly listed and unlisted companies including being Chairman of Allco Managed Investment Funds Limited

CHANGING THE FUTURE OF THE CONTINUING BUSINESS

- Going forward, Globe will be a better focussed international footwear boardsports hardgoods and apparel business with internationally prestigious proprietary brands

- A realigned asset and overhead base better positions Globe as a far simpler and focussed business

- Key operations in North America, Europe and Australia well established with efficient and proven distribution channels

- A strong balance sheet, a clear focus and the recent investments in the brands have further positioned the Company very strongly in the core market