ASX and Media Release
1 June 2007

Globe returns capital to shareholders as continuing core business shows growth

At an Extraordinary General Meeting held in Melbourne today, shareholders of Globe International (ASX:GLB) voted for a return of $32 million of capital, or 7.7 cents per share, following the successful sale of the company's streetwear division to Pacific Brands earlier this year. Shareholders were advised at the meeting that the Australian Taxation Office would not treat the return of capital as a dividend for taxation purposes and that a Ruling to this effect has been received. At the meeting, shareholders also agreed to consolidate the number of company's shares on issue on the basis of one new share for every 10 shares currently held, following the return of capital.

During the meeting, the Chairman of Globe, Paul Isherwood informed shareholders that, as advised at the half year result earlier this year, there was a positive improvement in the company's continuing core business, however the current financial year full year result would be impacted by restructuring costs connected to the discontinued operations. Mr Isherwood also informed the meeting that full year audited results for the Company will be released in late August, at which time the results of the continuing operation will be clearly quantified.

The Chief Executive Officer of Globe, Matt Hill, said "We are currently seeing strong sales growth in the brands and operations we have continued with following our strategic review. This trend is on-going as the company remains solely focused on boardsports, footwear, and apparel and skate hardware.

"Over the last six months the growth in the Globe footwear and apparel business, together with improved profitability from our Dwindle hardgoods business as a result of enhanced sourcing and improved brand offering, is most encouraging.

"Forward orders in North America, in particular, continue to look strong for the remainder of the calendar year and we remain confident that the growth we are currently experiencing will continue," Matt Hill said.

In summary, highlights for the last five months have included:

- The successful finalisation of the sale of streetwear
- Return of $32 million of capital to shareholders together with a favourable ATO ruling
- Consolidation of the company's shares
- Improved earnings performance from the continuing business
- International growth in Globe apparel and accessories
- Relocation of the Australian head office

"As we continue to streamline the business, develop industry leading products and further develop our markets, we expect to see continued earnings growth," Matt Hill said.

Ends

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