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MEDIA & ASX RELEASE

Globe releases half year result

Directors announce a proposed return of funds to shareholders and the appointment of a new Director

Globe International (ASX: GLB) today reported total revenues of \$97.8 million and EBITDA for the first half ended 31 December 2006 of \$2.5 million, up 100% on the prior corresponding period. Directors also announced that as a result of the successful sale of Globe's Australian Streetwear business, they intend returning \$32 million to shareholders, the timing of which will be clarified upon the receipt of a ruling from the Australian Taxation Office (ATO). Directors have also announced the appointment of Mr Richard Alcock to the Board to succeed Mr Philip Brass who has retired.

Financial Results

The Company (including the Streetwear business) has reported a solid period of growth with a first-half EBITDA of \$2.5 million for the period ended 31 December 2006, an increase of 100% over the previous corresponding period on similar revenues of \$97.8 million.

The Group net loss after tax for the half year of \$3.1 million was largely as a result of one-off costs of \$3.3m relating to the realignment of the restructured continuing business. Prior to the inclusion of these nonrecurring items, the continuing business showed a \$3.5m turnaround on the prior corresponding period, with EBITDA of \$0.05m. Group NPAT before one-off costs for the half year at \$0.2m is a positive turnaround of \$0.9m on the PCP loss of \$0.7m.

The Chief Executive Officer of Globe, Matt Hill, said that the result is a concrete example of the recent turnaround in the core Globe business, particularly in North America. Revenues for the continuing Globe business increased by 6% to \$61.8 million.

Mr Hill said "We are now starting to see the benefits of the restructuring, marketing initiatives and investment in the Globe brand and continuing businesses that we have undertaken over the previous two years.

“The significant turnaround at the EBITDA level that we have reported is an indication of the impact that our recent cost management initiatives have achieved together with the sales momentum we are now seeing in all regions.

“Following the sale of Streetwear, our cost base has been realigned without adversely impacting our marketing and product development initiatives,” Mr Hill said.

Sale of the Australian Streetwear Business

The previously announced sale of Globe’s Australian Streetwear business to Pacific Brands was successfully completed on 2 January 2007. Final consideration for the sale was \$41.2 million. The terms of the sale included the assignment of the Company’s lease of its building in Port Melbourne to Pacific Brands. Globe will be relocating its Australian headquarters to St Kilda.

The continuing business comprises Globe and Gallaz apparel and surf/skate footwear brands, the PSC retail chain, and the Company’s skateboard hardgoods and apparel business.

Return of Funds

As a result of the recent sale of the Streetwear business, Directors intend returning \$32 million to shareholders. An application has been submitted to the ATO for a ruling. The timing of the return will be clarified upon the receipt of the ruling.

Board Structure

Directors of Globe have announced today that Mr Philip Brass, a Director of the Company since 2003, has chosen to retire from the Board effective 26 February 2007.

The Chairman of Globe International, Paul Isherwood, said, “Philip has been an outstanding Board member and on behalf of my fellow Directors, I thank him for his contribution and wise counsel.

“Following Philip’s decision, I am delighted that Mr Richard Alcock has accepted an invitation 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, with wide ranging experience in the financial services industry and in the media, communications, sports and entertainment industries. Mr Alcock is also a Company Director of a range of ASX publicly listed and unlisted companies and managed investment schemes with interests in Australia and South East Asia.

Mr Alcock's other Directorships include Chairman of Allco Managed Investment Funds Limited and a Director of Art Exhibitions Australia Limited, Sydney Children's Hospital Foundation Limited, The University of New South Wales Foundation Limited and Stadium Australia Club Limited.

Outlook

"Following the sale of Streetwear, the realigning of the asset base and the proposed capital restructure, Globe is now well positioned as a far simpler, better focused international boardsports footwear, hardgoods and apparel business," Mr Hill said.

"With its stable of premium proprietary global brands and operations in the key centres of North America, Europe and Australia, together with well established distribution channels, Globe is positioned for further growth.

"The challenge for the Company now is to fully grasp the opportunity that we have as a result of a strong balance sheet, a clear focus and the recent investments in our brands that have positioned the Company very strongly in our core market," Mr Hill said.

ENDS

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Attachment: Globe Group Half Year Investor Presentation Summary