



Media Release
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Globe announces a proposed share consolidation and a return of funds to shareholders

Directors of Globe International (ASX:GLB) announced today that an Extraordinary General Meeting (EGM) of Shareholders of the Company will be held on Friday 1 June 2007 in Melbourne. Following the completion of the sale of Globe's Streetwear Division to Pacific Brands in February this year, at the EGM, Directors will recommend a proposed share consolidation and a return of funds to shareholders

Return of Capital

Directors will recommend to shareholders a reduction in the capital base of the Company of \$32 million resulting in a return of funds to shareholders at the rate of \$0.0772 (7.72 cents) per share. In a submission to the Australian Taxation Office (ATO), the Company has requested a class ruling that this payment should be treated as a return of capital for taxation purposes. The Company has received a confidential draft ruling from the ATO and it is anticipated that a final ruling will be received prior to the EGM. The taxation implications for individual shareholders will depend on the outcome of the final ruling as the ATO has the discretion to treat some or the whole of the amount returned as dividend.

Share Consolidation

Directors will recommend to shareholders a consolidation of the Company's shares on the basis of one share for every 10 shares currently on issue. This recommendation, if accepted, will reduce the amount of shares on issue from 414.6 million to 41.5 million. Directors have made this recommendation, as it is their belief that the Company has an abnormally high number of shares on issue compared to its market capitalization

Key dates

Record date for entitlement to the return of capital and share consolidation will be 8 June 2007, with the payment made to shareholders on 18 June 2007 together with the dispatch of revised holding statements

In commenting on the proposed recommendations, the Chief Executive Officer of Globe, Mr Matt Hill said "Following the recent successful sale of Streetwear, the realigning of the asset base and the proposed share consolidation, Globe is now well positioned as a far simpler, better focused international boardsports footwear, hardgoods and apparel business."

Ends

Further information:

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