



MEDIA RELEASE AND ASX ANNOUNCEMENT

GLOBE INTERNATIONAL LIMITED RESULTS FOR THE YEAR ENDED 30 JUNE 2009

MELBOURNE, 25 August 2009: Globe International Limited (GLB) today announced that the cost reduction and restructuring initiatives undertaken over the past twelve months have led to improved results for the second half of the financial year.

FINANCIAL PERFORMANCE

Net sales of \$116.9 million for the period were below the prior corresponding period (PCP) by 3%. In constant currency terms net sales were below the PCP by 14%, as the company felt the impact of the global economic downturn in all regions. In North America and Europe net sales were lower by 20% and 7% in local currency respectively, and in Australasia sales decreased by 4.4% (after adjusting for retail store closures).

Net Profit after Tax ("NPAT"), for the financial year was a loss of \$8.9 million, with a first half loss of \$9.3 million being followed by a second half profit of \$0.4 million.

The loss for the financial year was driven by declining revenues, \$3.2 million of one-off restructuring costs and by the derecognition of \$4.7 million of tax assets associated with carry forward tax losses. The derecognition of these assets has no cash flow impact in the current or future periods. This accounting treatment does not impact the underlying value of the losses, which are available to carry forward indefinitely against future taxable profits in the relevant jurisdictions.

Globe International Limited Chief Executive Officer Matt Hill said "At the announcement of the Company's first half results in February this year, we outlined the operational restructuring and cost rationalisation plans that were being implemented. It is therefore pleasing to have seen the positive impact of these initiatives in the second half of the year despite difficult trading conditions."

FINANCIAL POSITION

At 30 June 2009, the Group's financial position is sound. Globe reported positive cash flows from operating activities of \$6.7 million for the full year. As a result, the Group has cash assets of \$11.3 million at 30 June 2009, healthy working capital balances and no borrowings.

OUTLOOK

Matt Hill said "It is difficult to predict when a recovery will take effect, and as a result we maintain conservative expectations of trading conditions as we enter the 2010 financial year. Now though, as a business we are in a better position to deal with these trading conditions due to the changes that have been implemented over the past twelve months."

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