



MEDIA RELEASE AND ASX ANNOUNCEMENT

24 August 2005

GLOBE INTERNATIONAL 2004/05 RESULTS

Board sports and streetwear apparel company, Globe International Limited, (ASX: GLB) today announced a pre-amortisation net profit after tax before minority interests of \$5.3 million and sales revenues of \$202.5 million for the financial year ended 30 June 2005.

The chief executive officer of Globe, Matt Hill, said today that the result was in line with guidance previously supplied to the market.

“As was stated last year, it was anticipated that this year’s result would be adversely impacted by the considerable investment that was taking place into strengthening and supporting our brands. Again as previously forecast, much of the sales growth that we achieved over the previous 12 months has been directed back into significant marketing initiatives designed to ensure long term growth.” Matt Hill said.

“Whilst it is positive that our sales were up approximately 10% on the previous year, this is still below our capabilities. In the North American market, growth has remained strong, particularly through the continuing strength of Globe and Gallaz shoes and the on-going resurgence of the Dwindle brands. In Europe, we are also seeing positive signs in a market that will become increasingly important to us.

DIVIDEND

Directors advised that no final dividend will be paid.

SUMMARY OF OPERATIONS

AUSTRALASIA

Australasian sales were \$110.8 million, an improvement over the previous year’s result of 8.0%. Much of this growth has occurred as a result of innovations in marketing and product placement. In general, the retail market in Australia for the last three months of the financial year was slow with winter being a particularly difficult sales season for apparel.

NORTH AMERICA

Globe North American sales, including Dwindle, were AUD \$70 million. Dwindle brands demonstrated good growth in a market that has overall been fairly flat with sales in local currency improving by 15.5% over last year.

The Globe brand in North America has also continued to perform very strongly with sales up 23.4% in local currency terms over the previous year.

GLOBE EUROPE

European sales were AUD \$21.7 million (up 9.7% on the previous year), a positive outcome in a retail environment in Europe that has in general been slow throughout the year. Current sell-through of Globe products in recent months has been positive and growth prospects remain strong, however Globe is still very much in an investment phase in this market that holds considerable potential.

OUTLOOK

Over the next 12 months, the benefit of recent Globe marketing initiatives will continue to be demonstrated. The investment in marketing ahead of sales has been an important factor in successfully re-establishing brand credentials. Significant marketing successes such as a Globe World Cup skateboarding, the signing of the Hobgood's in surf and Mark Appleyard in skate and the outstanding success of the Globe WCT surfing event have all contributed towards a solid foundation for improved sales and profit growth.

ENDS

Further information:

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Attach: Financial comparison chart

Set out below is a comparison of Globe's results for twelve months ended 30 June 2005 with the twelve months ended 30 June 2004.

<u>AUD millions</u>	<u>FY 05</u>	<u>FY 04</u>
Sales	202.5	184.2
EBITDA	10.9	19.8
Pre-amortisation NPAT before minority interests	5.3	11.6
Pre-amortisation NPAT after minority interests	4.7	11.4
Pre-amortisation EPS	1.1cents	2.7 cents
NPAT	0.4	7.1
Net Cash (Debt) (Cash less Debt)	(1.3)	17.2
Dividend (cent per share)	1.0	1.0

Summary

- In Australian dollars, sales up 10% for the year.
- All Divisions experienced sales growth
- Globe Australasian sales particularly strong in the first half (\$61.4 million) but second half impacted by adverse seasonal conditions.
- Net Cash position impacted by Dividend payments and an increase in inventory