



**Billabong  
International  
Limited**

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# ASX ANNOUNCEMENT

## BILLABONG INTERNATIONAL LIMITED RESULTS FOR THE FINANCIAL YEAR TO 30 JUNE 2008

### Highlights:

- 18% Group sales revenue growth in constant currency terms
- 13% Group net profit after tax growth in constant currency terms
- 10% full year dividend growth

**GOLD COAST, 22 AUGUST 2008:** Billabong International Limited today announced a net profit after tax (NPAT) of \$176.4 million for the financial year to 30 June 2008.

The result is up 12.6% in constant currency terms and 5.5% in reported terms, the difference predominantly reflecting the strength of the Australian dollar against the United States dollar. Underlying NPAT in constant currency terms, when excluding the prior year's one-off tax benefits of \$7.8 million, lifted an impressive 18.5%.

Group sales revenue for the year lifted 17.6% in constant currency terms, or 10.2% in reported terms, to \$1.35 billion. In constant currency terms, full year sales revenue in the Americas was up 16.1%, Europe was up 20.3% and Australasia was up 18.1%. EBITDA of \$292.0 million was up 19.9% in constant currency terms, or 12.7% in reported terms, earnings per share of 85.7 cents per share increased 5.5% and Group EBITDA margins lifted to 21.7% (from 21.2%).

Billabong Chief Executive Officer Derek O'Neill said the result reflected the strength of the Company's brands and products.

"To deliver underlying NPAT growth of 18.5% is a very pleasing result in any climate, let alone in the prevailing economic conditions," said Mr O'Neill.

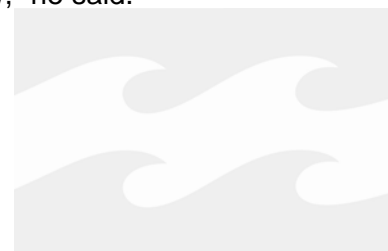
"This again demonstrates the resilience of our business model and the heightened global demand for the Group's brands.

"The second half in isolation was a highlight. In constant currency terms, sales revenue in the Americas grew 18.6%, sales revenue in Europe grew 20.8% and sales revenue in Australasia grew 19.8%, with even stronger Group EBITDA growth of 28.5% on the back of good demand for each of the Group's brands.

"We continue to build and shape this business to achieve solid growth into the future and this latest result again demonstrates our Group's capacity to execute on this strategy."

Mr O'Neill said he remained confident in the Group's prospects for the 2008-09 financial year, with good growth evident in the early forward orders in the US and Europe and more moderate growth in Australasia.

"While there is understandable caution among retailers the world over, we remain confident that our multi-brand, multi-region business model will deliver healthy growth and our forward orders support this view," he said.





“That said, short-term forecasting is getting more difficult given major fluctuations in currencies and volatile economic conditions. However, based on existing market conditions and assuming current exchange rates, in particular an AUD/USD exchange rate of approximately US88 cents and an AUD/Euro exchange rate of approximately €59 cents, the Group expects to deliver full year EPS growth in the range of 8% to 12% in the 2008-09 financial year.”

Directors declared a fully franked final ordinary dividend of 28.5 cents a share. This takes the full year dividend to 55.5 cents, an increase of approximately 10% on the prior year. As flagged at the half year result in February 2008, the continued strong growth of the Group’s international business, combined with likely increased dividends in the future, will result in future dividends being partially unfranked.

The Company also announced the introduction of a dividend reinvestment plan ahead of the payment of the final dividend on 24 October 2008.

**MARIA MANNING**  
COMPANY SECRETARY