



**Billabong
International
Limited**

ABN 17 084 923 946



1 Billabong Place
Burleigh Heads
QLD 4220 Australia

P O Box 283
Burleigh Heads
QLD 4220 Australia

Tel: +61 7 5589 9899
Fax: +61 7 5589 9654

www.billabongbiz.com

ASX ANNOUNCEMENT

PROCESS UPDATE

GOLD COAST, 20 September, 2012: On Thursday, 6 September 2012, the Board of Billabong announced that it had received an indicative, non-binding and conditional proposal from a party interested in acquiring all of the shares in the company for “a cash consideration value of around \$1.45 per share”. This proposal was in addition to the proposal from TPG International LLC announced on Tuesday, 24 July 2012.

The Board also announced on 6 September that it considers the interests of shareholders will be best served by a formal process to thoroughly evaluate whether a change of control offer, at a price and on terms that the Board would recommend, can be secured.

Billabong today announces that the party referred to in the 6 September announcement has withdrawn from the formal process. Billabong further advises that the previously announced formal process is continuing.

The Board of Billabong reiterates there is no guarantee that, following this formal process, a transaction will be agreed or that the Board will recommend any proposal.

Billabong has established and grown many of the leading brands in the global board sports market. Those brands, which include Billabong, RVCA, Element and DaKine among many others, are internationally recognised and globally distributed. On Monday, 27 August 2012, Billabong announced its Transformation Strategy which provides a clear pathway to unlocking the inherent value within the company.

In any control transaction, the Board of Billabong will seek to ensure that the medium to long-term prospects of the company and its unique brands are reflected in the value realised by Billabong’s shareholders.

MARIA MANNING
COMPANY SECRETARY

