



**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

MEDIA REPORTING OF CENTERBRIDGE AND OAKTREE CORRESPONDENCE

GOLD COAST, 18 July, 2013: On 16 July 2013, Billabong International Limited ("Billabong" or the "Company") announced that it had entered into agreements with entities advised by Altamont and entities sub-advised by GSO Capital Partners¹ (the credit arm of the Blackstone Group, and together with Altamont, the "Altamont Consortium") which will allow Billabong to immediately repay in full its existing syndicated debt facilities. The Company has also entered into commitment letters with the Altamont Consortium and GE Capital to provide a long term financing package for Billabong.

The Company notes various media reports of an "offer" received by the Company from Centerbridge Partners and Oaktree Capital (the "Centerbridge/Oaktree Consortium"), the secured financiers under the Company's syndicated debt facilities and who will be repaid in full under the transactions announced with the Altamont Consortium.

The position is as follows:

1. The Company has received today a proposal from the Centerbridge/Oaktree Consortium.
2. This proposal was received by the Company after the Company had entered into the binding bridge facility and DaKine sale agreement with the Altamont Consortium announced on 16 July 2013, which themselves followed an exhaustive process undertaken by the Company.
3. Prior to the Company entering into the transactions with the Altamont Consortium, the Company made numerous requests to the Centerbridge/Oaktree Consortium to submit a refinancing proposal. Despite those requests, the Centerbridge/Oaktree Consortium failed to do so.
4. The proposal that has now been received from the Centerbridge/Oaktree Consortium is not an offer that is capable of acceptance. The proposal is subject to conditions, a number of which are incapable of satisfaction, and others which would make any refinancing far less certain than under the Altamont Consortium transactions.

Media or investor related queries should be directed to Chris Fogarty, Group Executive Corporate Affairs on mobile +61 420 928 824.

MARIA MANNING
COMPANY SECRETARY

¹ The entities sub-advised by GSO Capital Partners are FS Investment Corp I and FS Investment Corp II; they are advised by FB Income Advisors, LLC.

