



**Billabong  
International  
Limited**

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## ASX ANNOUNCEMENT

### BILLABONG INTERNATIONAL LIMITED ANNOUNCES SUCCESSFUL COMPLETION OF THE INSTITUTIONAL COMPONENT OF ITS ENTITLEMENT OFFER

**GOLD COAST, 26 February 2014:** Billabong International Limited ("Billabong") is pleased to announce today the successful completion of the institutional component ("Institutional Entitlement Offer") of its pro-rata accelerated institutional, tradeable retail entitlement offer ("Entitlement Offer").

Under the Institutional Entitlement Offer, Billabong raised approximately A\$19 million through the issue of approximately 68 million shares.

Under the Entitlement Offer, eligible shareholders were invited to participate pro-rata to their existing holdings by subscribing for 3 new Billabong ordinary shares ("New Shares") for every 8 existing Billabong ordinary shares ("Entitlement"), at a price of A\$0.28 ("Offer Price") per New Share, to raise approximately A\$50 million. Per the agreement between Billabong and the C/O Consortium, the C/O Consortium did not take up or sell their rights in respect of the Placement shares, and these shares did not form part of the shortfall bookbuild.

The Institutional Entitlement Offer attracted strong demand from Billabong's institutional shareholders, with eligible institutional shareholders electing to take up approximately 95% of the New Shares available to them as part of the Institutional Entitlement Offer.

Approximately 10 million Entitlements were sold through the institutional shortfall bookbuild, which was conducted on Tuesday, 25 February 2014. This included Entitlements not taken up by eligible institutional investors and Entitlements that would have been offered to ineligible institutional shareholders. The bookbuild was well supported with a clearing price of A\$0.63 per Entitlement, a premium of A\$0.35 to the Offer Price and a 3% discount to TERP of A\$0.65. The proceeds in excess of the Offer Price will be remitted proportionally to renouncing institutional shareholders (net of any applicable withholding tax).

New Shares issued pursuant to the Institutional Entitlement Offer will rank pari passu with existing shares of Billabong. Settlement of the Institutional Entitlement Offer is scheduled for 5 March 2014 and the New Shares offered under the Institutional Entitlement Offer are expected to be issued on 6 March 2014. Trading in New Shares on the Australian Securities Exchange ("ASX") is expected to commence on that same day.

The retail component of the Entitlement Offer ("Retail Entitlement Offer") is expected to take place from Thursday, 27 February 2014 to 5.00pm (Sydney time) Tuesday, 18 March 2014. During this period, retail shareholders eligible to participate under the terms of the Retail Entitlement Offer ("Eligible Retail Shareholders") may take up their Entitlements by subscribing for New Shares or, alternatively, elect to sell all or part of their Entitlements on ASX or directly to another eligible person. Entitlements not taken up, sold or transferred by Eligible Retail Shareholders and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through a retail shortfall bookbuild, and those shareholders will receive any amount paid above the Offer Price in that bookbuild in respect of those Entitlements (net of any applicable withholding tax).

Further details about the Retail Entitlement Offer are set out in the Prospectus, which Billabong lodged with ASX today, Wednesday, 26 February 2014. Eligible Retail Shareholders should carefully read the Prospectus and the accompanying personalised Entitlement and Acceptance form that will be sent to them. Copies of the Prospectus will also be available on Billabong's website ([www.billabongbiz.com](http://www.billabongbiz.com)) from today.

Billabong's shares are expected to resume trading on the ASX today.

**MARIA MANNING**  
COMPANY SECRETARY





This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Neither the Entitlements, nor the New Shares, have been, nor will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this announcement nor any other documents relating to the offer of New Shares may be sent or distributed to persons in the United States.

To the extent this announcement contains certain "forward-looking statements", the words "expect", "expected", "plan", "will" and similar expressions are intended to identify such forward-looking statements. Indications of future performance are also forward-looking statements, as are any statements in this announcement regarding the conduct and outcome of the entitlement offer. You are cautioned not to place undue reliance on forward-looking statements. While due care and attention has been used in the preparation of any forward-looking statements, any such statements, opinions and estimates in this announcement, are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates.

Any forward-looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Billabong, and may involve significant elements of subjective judgement and assumptions as to future events, which may or may not be correct. Actual results, performance or achievements may vary materially from any forward-looking statements and the assumptions on which such statements are based. Investors should consider any forward-looking statements contained in this announcement in light of those disclosures. Any forward-looking statements are based on information available to Billabong as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), Billabong undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

In order to exercise Entitlements, holders of Entitlements must meet certain eligibility criteria set out in the Prospectus. In particular, persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to purchase or trade Entitlements on ASX or take up or exercise Entitlements purchased on ASX or transferred from another person. It is the responsibility of purchasers of Entitlements on ASX to inform themselves of the eligibility criteria for exercise of Entitlements. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to take up or exercise the Entitlements and, as a result, they may receive no value for them.