



Callaway Golf Wins \$2.2 Million Dollar Verdict for False Advertising against Dunlop

CARLSBAD, Calif., Aug 12, 2004 (BUSINESS WIRE) -- A jury in Wilmington, DE, today returned a verdict of \$2.2 million in favor of Callaway Golf Company (NYSE:ELY) and against Dunlop Slazenger Group Americas Inc. (Dunlop) based on a finding that Dunlop willfully engaged in false advertising when it claimed in 2001 and 2002 that the Maxfli A10 golf ball was the "Longest Ball on Tour."

Additionally, the jury rejected Dunlop's counterclaim that Callaway Golf Company used any Dunlop trade secrets.

"We are very pleased that this hard-fought, three-year battle has resulted in a jury verdict finding that Callaway Golf did not use any of Dunlop's trade secrets in the creation of our golf balls," said William Baker, Chairman and CEO of Callaway Golf. "We also are grateful that the jury found that Dunlop falsely advertised the performance of the Maxfli A10 golf balls. This verdict demonstrates that false statements in advertising simply will not be tolerated. Our thanks go to the judge and jury for their service over the course of this 10-day trial. We also want to thank our trial team and the many other folks who helped us achieve this victory."

Callaway Golf Company makes and sells Big Bertha(R) Metal Woods and Irons, including ERC(R) Fusion(R) Drivers and Fairway Woods, Great Big Bertha(R) II Titanium Drivers and Fairway Woods, Great Big Bertha II 415 Titanium Drivers, Big Bertha Titanium Drivers and Big Bertha Stainless Steel Fairway Woods, Hawk Eye(R) VFT(R) Tungsten Injected(TM) Titanium Irons, Big Bertha Stainless Steel Irons, Steelhead(R) X-16(R) and Steelhead X-16 Pro Series Stainless Steel Irons, the Game Enjoyment System(TM) of GES(TM) Golf Clubs, Callaway Golf Forged+ Wedges and Callaway Golf Forged Wedges, and Callaway Golf Tour Blue(TM) Putter. Callaway Golf Company also makes and sells Odyssey(R) Putter, including White Hot(R), TriHot(R), DFX(R), Dual Force(R) and 2-Ball Putter. Callaway Golf Company makes and sells the Callaway Golf(R) HX(R) Tour Balls, HX Blue and HX Red Balls, Big Bertha(TM) Blue and Big Bertha Red Balls, and the Warbird(R) Balls. Callaway Golf also owns and operates The Top-Flite Golf Company, a wholly owned subsidiary that includes the Top-Flite(R) and Ben Hogan(R) brands and Bettinardi Putter. The Trade In! Trade Up!(TM) program is owned and operated by Callaway Golf Company. For more information about Callaway Golf Company, please visit our websites at www.callawaygolf.com, www.topflite.com, www.odysseygolf.com and www.tradeintradeup.com.

SOURCE: Callaway Golf Company

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