



Callaway Golf Ball Company Denies Patent Infringement; Will Attack Validity Of Bridgestone Patents

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CARLSBAD, Calif., July 25, 2000 – Officials of Callaway Golf Ball Company, a wholly-owned subsidiary of Callaway Golf Company (NYSE:ELY), today strongly denied any infringement by Callaway Golf Ball Company of golf ball patents held by Bridgestone Sports Co. Ltd., a Japanese golf ball manufacturer. Chuck Yash, President of Callaway Golf Ball Company, stated further that Callaway Golf Ball Company will attack the validity of those Bridgestone patents that are cited in the suit filed by Bridgestone in federal court in Atlanta, Georgia.

"This suit by Bridgestone has no merit," said Mr. Yash. "We have no doubt that we will prove we do not infringe on any Bridgestone patent, and that, furthermore, the patents in question are invalid. Although we approached Bridgestone shortly before the launch of our "Rule 35™" golf balls at the Orlando show to discuss various areas where we might be able to work together, and raised the idea of a license of various Bridgestone golf ball patents that could apply as we explore future products, the "Rule 35" golf balls do not infringe any Bridgestone patents. We will file our own request that the court invalidate the Bridgestone patents in question, and we look forward to getting our day in court."

Callaway Golf Ball officials noted several other questionable factors that suggest the Bridgestone lawsuit is a pre-emptive marketing ploy against a successful new entrant into the ball market. "It probably is no coincidence that this action has been taken after the Callaway "Rule 35" golf ball has gained a significant share of the U.S. premium golf ball market for a new entrant, and is about to be launched in September in Japan" Mr. Yash said. "We note that Bridgestone waited from February until now to raise any issues with us." Mr. Yash also noted that the "Rule 35" ball has been well received by touring professionals, and has been used in 10 victories on tours around the world, including wins by such stars as Annika Sorenstam and Bruce Fleisher. Golf legend Arnold Palmer, winner of 92 worldwide events, uses and endorses the "Rule 35" golf ball and so does seven-time Order of Merit winner and PGA European Tour star Colin Montgomerie who switched to the "Rule 35" golf ball earlier this month.

Callaway Golf Ball Company introduced its "Rule 35" golf balls at the PGA Merchandise Show in Orlando, Florida, on February 4, 2000. The "Rule 35" golf balls are the culmination of more than three years of research and development, and an investment of more than \$170 million dollars. There are hundreds of golf ball patents held by other companies, and Callaway Golf Ball Company is satisfied that its proprietary technology does not infringe any valid patents held by Bridgestone or any other company. In the Atlanta litigation, Callaway Golf Ball Company will prove that it does not infringe the Bridgestone patents, and will seek to invalidate those patents based on information in the public domain and Bridgestone's improper conduct.

Callaway Golf Company makes and sells Big Bertha® Metal Woods and Irons, including Great Big Bertha® Hawk Eye® Titanium Metal Woods and Hawk Eye Tungsten Injected™ Titanium Irons, Big Bertha Steelhead Plus™ Stainless Steel Metal Woods, Steelhead™ X-14™ Stainless Steel Irons, and Bobby Jones® and Carlsbad Series™ Putters. Callaway Golf Company also make and sells Odyssey® putters with Stronomic® inserts, including White Hot™ and TriForce™ Putters. Callaway Golf Ball Company, a wholly-owned subsidiary of Callaway Golf Company, makes and sells the Callaway Golf "Rule 35™" Firmfeel™ and Softfeel™ golf balls. For more information about Callaway Golf Company, please visit our Web sites at www.callawaygolf.com, www.callawaygolfball.com and www.odysseygolf.com.