



Callaway Golf And Frogtrader Announce Launch Of "Trade In, Trade Up" Program And www.callawaygolfpreowned.com

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CARLSBAD, CA., September 18, 2001 – Callaway Golf Company (NYSE: ELY) today announced that its wholly-owned subsidiary, Callaway Golf Sales Company, is teaming up with Tadpole Golf Corp., a wholly-owned subsidiary of FrogTrader Inc., to give consumers the opportunity to "Trade In, Trade Up," and purchase quality, previously-owned Callaway Golf clubs over the Internet.

Callaway Golf's new "Trade In, Trade Up" program allows consumers to trade in their preowned golf clubs in exchange for a credit with leading golf club retailers in several test markets. Consumers will also be able to purchase "Certified Preowned" Callaway Golf clubs from Tadpole Golf at the www.callawaygolfpreowned.com Web site. The golf club models featured on the site will include many of Callaway Golf's recent product lines, as well as classic, collectable clubs like the Hickory Stick.

"We believe Callaway Golf's "Trade In, Trade Up" program and Tadpole Golf's www.callawaygolfpreowned.com will directly benefit Callaway Golf consumers in two ways," said Mick McCormick, Executive Vice President of Global Sales for Callaway Golf. "First, our 'Trade In, Trade Up' program gives current owners of Callaway Golf products even more opportunity to enjoy our newest products with our best technology. Second, Tadpole Golf's Web site gives new Callaway Golf consumers access to our excellent prior products, knowing that they are buying an authentic Callaway Golf product."

Under Callaway Golf's "Trade In, Trade Up" program, consumers may take Callaway Golf products to participating retailers and receive a fixed credit on the purchase of any new Callaway Golf clubs. The test markets for the program will be Edwin Watts and Golfsmith stores in Atlanta, Georgia, Denver, Colorado, Dallas and Austin, Texas, and Columbus, Ohio. At the Tadpole Golf Web site, consumers may purchase "Certified Preowned" Callaway Golf clubs. All "Certified Preowned" clubs will go through a rigorous inspection process before being accepted and warranted by Tadpole Golf. As part of this process, Tadpole Golf will verify serial number authenticity as well as shaft, head and grip condition, photograph each club, and give each club a unique Certificate of Authenticity to protect its quality and value.

"We are extremely excited to be working with the golf brand leader in facilitating this new service," said David Schofman, CEO of FrogTrader. "The Callaway `Golf Trade In, Trade Up' program creates a significant opportunity for Callaway Golf's retailers to generate goodwill with new and existing customers, and at the same time accelerate new club sales."

Tadpole Golf Corp. is a subsidiary of FrogTrader Inc., the leading asset recovery and reverse logistics company for the sporting goods industry. We form long-term strategic partnerships with retailers and manufacturers to create a more cost-effective method of handling and disposing of distressed inventory. With FrogTrader as a business partner, companies can focus on their core competencies while gaining a higher ROI through better supply chain management.

Callaway Golf Company makes and sells Big Bertha® Metal Woods and Irons, including Big Bertha ERC® II Forged Titanium Drivers, Big Bertha Hawk Eye® VFT™ and Big Bertha Hawk Eye VFT Pro Series Titanium Drivers and Fairway Woods, Big Bertha Steelhead Plus™ Stainless Steel Drivers and Fairway Woods, Hawk Eye VFT Tungsten Injected™ Titanium Irons, Steelhead™ X-14® and Steelhead X-14 Pro Series Stainless Steel Irons. Callaway Golf Company also makes and sells Odyssey® Putters, including White Hot®, TriHot™, and Dual Force® Putters. Callaway Golf Company makes and sells the Callaway Golf® Rule 35®

Firmfeel™ and Softfeel™ golf balls, and the CB1™ Red and CB1 Blue golf balls. For more information about Callaway Golf Company, please visit our Web sites at www.callawaygolf.com and www.odysseygolf.com.

FrogTrader and Tadpole Golf are entities separate from Callaway Golf and Callaway Golf Sales Company. Callaway Golf owns and operates the "Trade In, Trade Up" program. Tadpole Golf owns and operates the callawaygolfpreowned.com Web site.