



Arnold Palmer And Callaway Golf Announce New Endorsement Agreement

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CARLSBAD, Calif./June 19, 2000/Callaway Golf Company (NYSE:ELY) and Arnold Palmer announced today a new agreement between the world's leading golf equipment manufacturer and the most popular and inspirational player in the history of the game. Under the terms of this new agreement, which will run through the year 2012, Mr. Palmer will endorse and use the new Callaway Golf "Rule 35™" golf ball.

"I am very pleased to be associated with a great group of people like the team at Callaway Golf," announced Mr. Palmer. "I have been using Callaway Golf golf balls for several months now, beginning with The Senior Skins Game in February. I believe that the new "Rule 35" golf ball reflects a real beneficial breakthrough in golf ball technology. The Callaway Golf ball comes closer to giving me complete performance satisfaction than any other ball I have played, and it does help me enjoy the game more. Over the next few months I will be analyzing all of Callaway Golf's other equipment, and I fully expect to find clubs that I will like very much."

"It gives us great pleasure to affiliate with such a fine and popular spokesman for the game of golf," said Ely Callaway, Founder, Chairman and CEO of Callaway Golf. "Arnold has been a major force behind the growth of the game worldwide because of his great skills as a golfer and his exceptionally magnetic personal qualities. We are very proud that Arnold has chosen to use our new "Rule 35" golf balls."

Callaway Golf is the world's largest premium golf club company, with net sales in 1999 of over \$714 million, worldwide. Earlier this year Callaway Golf launched its new golf ball – the Callaway Golf "Rule 35" golf ball in Firmfeel™ and Softfeel™ models. Callaway Golf staff professionals have already won six professional tour events so far in 2000 using the "Rule 35" golf ball. Its operating units include wholly-owned sales subsidiaries in the United States, Canada, the United Kingdom, Japan and Korea.

Mr. Palmer has won 92 championships in competitions of national or international stature, with 60 victories on the U.S. PGA Tour. He has won seven "major" professional championships, including four wins at the Masters Tournament (1958, 1960, 1962, and 1964), two wins at the British Open (1961 and 1962), and one U.S. Open Championship (1960). He won 29 times during a four-year stretch from 1960-1963. In 1960 Mr. Palmer received the Hickock Athlete of the Year and Sports Illustrated's Sportsman of the Year trophies. He was named "Athlete of the Decade" for the 1960s in a national Associated Press poll. Mr. Palmer has been inducted into the World Golf Hall of Fame, the American Golf Hall of Fame, and the PGA Hall of Fame.

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. Through its wholly-owned subsidiary, Callaway Golf Ball Company, Callaway Golf Company makes the Callaway Golf "Rule 35™" Firmfeel™ and Softfeel™ golf balls. For more information about Callaway Golf Company, please visit our websites at www.callawaygolf.com, www.callawaygolfball.com and www.odysseygolf.com.