



The Company

Around the globe, New Balance is recognized as a leading manufacturer of high-performance athletic footwear and apparel. The company's objective is straightforward -- equip the elite and everyday athlete with footwear, apparel and accessories that provide the best performance, fit, quality and comfort.

Headquartered in Boston, MA, New Balance manufactures and markets technically innovative, width-sized performance footwear and apparel for women, men, and children. The range of product categories includes running, training, walking, basketball, tennis, cleated and kids. Work and rugged casual styles for men are available through the company's Dunham performance brand, which joined the New Balance family in Fall 1998. In Spring 2003, active lifestyle footwear for men and women debuted under the recently acquired PF Flyers brand. In Spring 2004, the company introduced Aravon, a new comfort performance brand for women, and acquired Warrior Lacrosse, the premier lacrosse equipment manufacturer, to further pursue the team sports market. In 2005, Innovative Hockey was acquired to operate as a new division called Warrior Hockey. In August 2006, New Balance acquired Brine, Inc., a recognized industry leader in soccer, lacrosse, field hockey and volleyball, based in Milford, MA. New Balance announced in December of 2007 that it had acquired the Vital Apparel Group, one of the leading active apparel companies in the United States, based in New York.

New Balance also has several licensees, including Moretz Sports, Eyewear Designs Ltd., Fitness Quest Inc., Franco Apparel Group, Packworks, and Hickory Brands.

Over the past few years New Balance's growth has significantly out-paced that of the industry. Worldwide sales have grown from \$221 million in 1992 to \$1.55 billion in 2006. As a privately held company, New Balance has remained committed to a focused set of philosophies and strengths -- including technical superiority, width-sizing, U.S. manufacturing, grassroots promotions and strong partnerships with its retailers and suppliers. Teamwork, total customer satisfaction and integrity are the core values upon which New Balance operates, and the company's tremendous success can be credited to its unyielding commitment to these values.

Corporate History

The company's heritage dates back to 1906 when the company, then owned by William Riley and known as the New Balance Arch Company, manufactured orthopedic shoes and arch supports. Throughout the fifties and sixties, an increasing number of runners turned to New Balance for custom-made shoes thanks to the company's unique expertise in handcrafting specialized footwear. In 1956 Paul Kidd bought the business and increased the shoe making sector. The demand for New Balance athletic shoes grew and soon the production of custom-made running shoes was the company's primary source of business.

On Boston Marathon Day in 1972, New Balance was purchased by its current owner, James S. Davis. At that time, the company consisted of six people making thirty pairs of "Trackster" running shoes each day. The "Trackster" was the first athletic shoe made in a wide range of sizes and widths. Since that time, New Balance has established a unique reputation for technological innovation and width sizing, and today, reigns as the industry's "fit expert" and the premiere manufacturer of performance-oriented athletic footwear.

A Unique Approach to Athletic Products

Because feet don't come in just one or two widths, and because shoes that fit better perform better, New Balance shoes are offered in up to six different widths -- from a narrow 2A to an expansive 6E. We've developed 18 different foot models -- or "lasts" -- to design our shoes around. Each last takes into account the users -- men, women and kids -- and the use. Together, they create a complete fit and size profile to design a superior shoe -- something we call 360 Fit.

New Balance also takes great pride in addressing the needs of individual athletes. The 360 Fit System utilizes a combination of innovative technologies in both our footwear and our apparel products that are developed to meet the diverse needs of athletes engaged in a variety of activities.

Marketing the New Balance Way

As a proud supporter of Team New Balance, New Balance ensures that world-class athletes play an important role in the company's continued success. New Balance's marketing approach and relationship with its athlete's centers on design, development and testing in order to provide superior performance-driven products.

In support of grassroots athletics, New Balance sponsors many races, teams, youth sports initiatives and track and field events, including – The Elite Racing Rock n Roll Marathon Series, The Paris 20K, Miami Tropical Marathon, Vancouver Sun Run, Safari Half Marathon, Standard Chartered Marathon, and the Marathon San Paulo. New Balance supports Girls on the Run, which helps adolescent girls increase their self-confidence and self-esteem through a 5K race-training program. Recently, the company further strengthened its commitment to grassroots running by becoming the naming sponsor of the New Balance Track and Field Center at the Armory in Upper Manhattan. New Balance is also the official footwear and sideline apparel sponsor of Major League Lacrosse, the premier professional outdoor lacrosse league.

New Balance is the proud sponsor of numerous charitable organizations and events worldwide, including The Susan G. Komen for the Cure® 5K series, The Breast Cancer 3 Day, the CIBC Run for the Cure (Canada), Odyssea (France), and The Moonwalk (UK), all of which raise awareness and funds for breast cancer research.

Global Reach

New Balance employs nearly 2,800 people around the globe and the company's products are sold in 120 countries on six continents. New Balance has wholly-owned subsidiaries in the United Kingdom, France, Germany, Sweden, Hong Kong, Singapore, Australia, New Zealand, Mexico, Canada, South Africa, and Brazil.

U.S. Manufacturing & Distribution

New Balance owns and operates five factories in New England – three in Maine and two in Massachusetts as well as one in Flimby, England. A seventh factory in CA, owned by one of our foreign suppliers, makes New Balance footwear exclusively. In addition, we have state-of-the-art distribution facilities on both U.S. coasts, in Lawrence, MA and Ontario, CA.

New Balance faces unique challenges in domestic manufacturing yet remains undaunted. With a high quality labor force and a focus on innovation and executional excellence, New Balance has survived and thrived, and continues to take a leadership position in an industry that has sent all of its production overseas.

In a global economy where quality components come from all over the world, New Balance continues to manufacture 25% percent of its shoes in the U.S. and increases the number of pairs produced each year. This is done by re-investing in the latest technologies and utilizing lean manufacturing techniques that are part of New Balance NBEE™ initiative. Unique modular teams are continually challenged to offer creative alternatives to foreign competition. Committed to maintaining a strong manufacturing base in the U.S., New Balance has proven that high quality, width-sized athletic footwear can be made by American workers in the U.S. for discriminating consumers.

Corporate Headquarters

New Balance Athletic Shoe, Inc.
Brighton Landing, 20 Guest St.
Boston, MA 02135-2088
Tel (617) 783-4000; Fax (617) 787-9355
For more information please visit <http://www.newbalance.com>, or call 1-800-253-SHOE.

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Updated 03/08