Case Study: Sale of Rawlings Sporting Goods Company, Inc.

> *"Not only did George K. Baum provide invaluable assistance to our Board of Directors in connection with our merger with K2 Inc., but they also assisted us in understanding the entire range of strategic options available to Rawlings and the corresponding implications for shareholder value. Ultimately, by capturing and cultivating strong interest from a number of potential acquirors, we were able to orchestrate a transaction that recognized the premium value of our brand and provided opportunity for growth as part of K2, a leader in the sports equipment market. The insight, experience and execution skill provided by GKB was instrumental in creating this positive outcome for our shareholders."*
>
> *– Stephen M. O'Hara, Chairman of the Board and Chief Executive Officer*
> *Rawlings Sporting Goods Company, Inc.*

Founded in 1887, Rawlings Sporting Goods Company, Inc. (NASDAQ: RAWL) has long held a leading position in branded sporting goods equipment for baseball and other team sports. As the exclusive supplier of baseballs to Major League Baseball, Rawlings remains one of the most recognizable and authentic brands in American team sports.

Working diligently with management, we identified and explored a number of options for enhancing value, including the pursuit of strategic acquisitions and the continued execution of the Company's multi-year operating plan. Given shifting industry dynamics and the growing importance of scale, Rawlings ultimately determined that combining with an established industry player through a merger or sale transaction was the best strategy to maximize shareholder value.

By effectively positioning Rawlings as an attractive merger or acquisition candidate with a leading position in key team sports markets and a dynamic brand, we were able to generate a high level of interest from a variety of potential strategic partners. George K. Baum managed simultaneous and complex negotiations with multiple parties on a tight timeframe. The competitive tension inherent throughout the process generated significant negotiating leverage, causing buyers to improve their proposals.

Rawlings ultimately merged with K2 Inc. (NYSE: KTO), a leading designer, manufacturer and marketer of brand name sporting goods and recreational products, in a stock-for-stock transaction where Rawlings shareholders received $9.00 per share in K2 stock. The $9.00 received by shareholders compares with Rawlings' share price of $5.25 at the time of the Firm's engagement as financial advisor.