

# Letter from the CEO

## To Our Employees, Clients and Shareholders

**T**wenty years ago, I was given the opportunity to lead a business my father started in 1966. Since then, Swish Sports Inc. has grown into one of the country's most prosperous sporting goods suppliers. Based in Boston, Swish Sports Inc. began as a sporting goods supplier and sponsor for a local high school basketball team.

Today, Swish Sports Inc. is reporting nearly \$95 million in annual sales and is a well-renowned sponsor of the National Basketball Association (NBA).

Our sales have increased by nearly 10 percent since 2006, up from \$85.5 million. We remain at the top of the market in sporting goods sales. On a GAAP basis, our operating income decreased by five percent from \$30 million to \$28.5 million. Earnings per share decreased 24 percent to 85 cents from \$1.12 in fiscal 2006. Profits for 2007 decreased 15 percent due to accounting costs for a legal investigation.



### **2008: Looking Ahead**

This year, we expanded on our board of directors committee by adding Jacqueline Johnston and Geoffrey Beck to our team. September 6, 2007 Johnston became the new chairwoman after Joseph Craig retired.

With the addition of the newest board members, we hope to expand our business and improve upon the sustained values, creativity, and innovation. I thank all of you for your support this past year and I hope we can continue to *Rise Above*.

*David B. Starnes*

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Chief Executive Officer

Dec. 4, 2007