

FACT SHEET



THE CONCEPT

Teddy bears are a tangible symbol of love, security and friendship. As children, teddy bears kept us warm at night and comforted us while protecting us from the monster under the bed. As we grew, they came to symbolize romance and love. At all stages of life, teddy bears represent happiness and safety and cheer us up when we are feeling lonely or sad. They are our constant friends, and the bond we develop with them is special.

Build-A-Bear Workshop[®], Where Best Friends Are Made[®] (NYSE: BBW), debuted in Saint Louis Galleria in October of 1997. It was founded as an interactive retail entertainment experience based on the enduring love and friendship that connects us all to stuffed animals, and especially to our teddy bears.



Build-A-Bear Workshop is a unique and exceptional approach to the entertainment retail industry. The teddy bear theme is carried throughout the store with original teddy bear fixtures, murals and artwork. The store associates, known as master Bear Builder[™] associates, share the experience with Guests at each phase of the bear-making process. Regardless of age, Guests enjoy the highly visual environment, the sounds and the fantasy of this special place while they create a memory with their friends and family.

HOW TO MAKE A BEAR AT BUILD-A-BEAR WORKSHOP

Guests who visit a Build-A-Bear Workshop store enter a lighthearted teddy-bear-themed environment consisting of fun bear-making stations.

CHOOSE ME[™]

At **Choose Me**, Guests are introduced to all the furry characters in the store and select one, which soon becomes their new friend. Depending on the season, there are over 30 varieties of stuffed animals including teddy bears, bunnies, dogs, kitties or a turtle as well as Collectifriend[™]. Build-A-Bear Workshop stuffed animals are very affordable, ranging in price from \$10- \$25.



HEAR ME™

At **Hear Me**, Guests may select from several sound choices to place inside their stuffed animal to further personalize their new friend. The sound chip is inserted safely inside the new friend during the stuffing process. Guests can record their own 10-second Build-A-Sound® message for \$8. Pre-recorded sounds include giggles, growls, barks, meows and other animal sounds, as well as messages such as “I Love You” or songs like “Take Me Out To The Ballgame™” Single sounds are \$3, and a six-in-one sound is \$5.

STUFF ME™ and HEART STUFF



At **Stuff Me**, with the help of master Bear Builder™ associates, Guests fill the new friend with stuffing for just the right amount of huggability. A very special step that is unique to Build-A-Bear Workshop® also happens at this station called Heart Stuff. Each Guest selects a small satin heart – a Build-A-Bear Workshop trademark, adds to it his or her own love and wishes, and carefully places it inside their new furry friend. This process brings the furry friendship to life.

STITCH ME™

At **Stitch Me**, the last seam is neatly pulled shut, nearly completing each new best friend. Before stitching the furry friend, the master Bear Builder associate inserts a barcode, allowing it to hopefully be reunited with its owner if ever lost and returned to Build-A-Bear Workshop. Thousands of furry friends have been reunited through our exclusive Find-A-Bear® ID program.

FLUFF ME™

At **Fluff Me**, the Guest brushes the animal to make sure his or her new friend is well groomed and pawfectly huggable!

DRESS ME™

At **Dress Me**, Guests may dress their new friend in the beary latest furry fashions. The bear apparel boutique features clothes and accessories for all occasions. Pawsonal shoppers, trained in the latest bear-fashion coordination, help Guests select the perfect outfits and accessories for their new best friend. Outfits range from \$5-\$15 and accessories range from \$1-\$15. Build-A-Bear Workshop® even has their own fashion expert mascot, Pawlette Coufur® Fashion Advisor to the Furry Famous.

NAME ME™

Guests then stop at the **Name Me** computer, where they answer several questions about their new furry friend, including the birth date and of course, its name. This information is used to create their personalized birth certificate and enter their friend into the Find-A-Bear ID program.



TAKE ME HOME™

Finally, Guests conclude their bear-making experience at the **Take Me Home** station, where they receive their customized birth certificate and a special Stuff Fur Stuff® club membership, a rewards program for our Guests. Each new furry friend is then placed in their very own Cub Condo® carrying case, which is designed as a handy travel carrier and new home.

BEAR LIFESTYLE & PARTNERS

Guests are able to express the true personality of their new best friend by choosing from hundreds of outfits and accessories. Build-A-Bear Workshop® stays on the cutting edge of furry style by partnering with fashion leaders. Guests can choose bear-sized Limited Too branded fashions like the styles sold in Limited Too stores. An exclusive partnership with SKECHERS® shoes makes Build-A-Bear Workshop the seller of more bear shoes, sandals, boots, and slippers than any other company worldwide. Further enhancing our furry style, Build-A-Bear Workshop works with a variety of partners, including Hello Kitty®, ©Disney and Harley Davidson® Build-A-Bear Workshop also licenses a variety of colleges and university logos which are sold on bear-sized Tiny Tees® shirts.

Furry friends can also suit up in officially licensed sports stuff. Build-A-Bear Workshop sells bear-sized MLB®, NBA and WNBA, NFL, NHL® and NASCAR®. Team specific items are sold in select markets and all merchandise is available at www.buildabear.com.

Just like human counterparts, furry fashions change seasonally, so there is always something new in store. Furry friends make wonderful gifts for every occasion because Guests can make a gift as unique as the recipient. Guests can also share the fun of making a new best friend by giving Bear Buck\$® gift cards.

BUILD-A-PARTY®

To provide the fun of making a furry friend to groups—birthday parties, scout troops, company outings and family reunions—Build-A-Bear Workshop offers a Build-A-Party® program. This exclusive service allows Guests to plan and customize their own party with pre-selected animals, clothes and accessories. For birthday parties of six or more, the Guest of Honor receives a free gift, and all party Guests receive a party favor. Guests with scout troops or class trips receive a free Build-A-Bear Workshop logo patch. Party packages start at \$10 per Guest.



THE WEB SITE

At www.buildabear.com, Guests can visit the official award-winning Web site of Build-A-Bear Workshop®. They can purchase a furry friend and all the outfits and accessories needed to customize their new best friend, choosing from the company's entire selection of animals, outfits and accessories. The Web site is an on-line version of the store with interactive games, e-cards and invitations. Guests can also get details and schedule a Build-A-Party celebration online.

BUILD-A-BEAR WORKSHOP ON TOUR

In early 2005 the company introduced Build-A-Bear Workshop On Tour, a 53-foot tractor trailer that opens into a complete 800 square foot Build-A-Bear Workshop store. This bright yellow and bear-covered mobile store brings the Build-A-Bear Workshop brand and experience to places outside the mall where families go to have fun.



Build-A-Bear Workshop On Tour is one component of the company's integrated marketing strategy which also includes TV, direct mail, online and event marketing. In 2006, the tour covered an estimated 40,000 miles to reach Guests at various sporting and family entertainment venues across the country, the teddy bear mileage of over 325 million teddy bears in length across America.

Build-A-Bear Workshop On Tour allows Guests to participate in the same bear-making process that can be found at any of the mall-based store locations. Like those stores, Guests of all ages will enjoy the highly visual environment, the cheerful sounds and the fantasy of Build-A-Bear Workshop, while creating memories with their family and friends throughout their entire experience

STADIUM LOCATIONS

Build-A-Bear Workshop and Major League Baseball® have teamed up to provide fans across the country with opportunities to support their favorite teams in unique ways. In 2006 Build-A-Bear Workshop opened ballpark stores at AT&T Park™ in San Francisco and the new Busch Stadium™ in St. Louis. These two stores bring the total number of Build-A-Bear Workshop ballpark stores to five, joining the Make Your Own Phanatic™ store that opened in Philadelphia's Citizens Bank Park™ in 2004, Make Your Own Gapper™ at Great American Ball Park™ in Cincinnati and Make Your Own Slider™ at Jacobs Field™ in Cleveland which both opened in 2005. The ballpark stores are open during the teams' home games and include the same experience and interaction of the mall-based stores with exclusive animals, outfits and accessories.



BUILD-A-BEAR WORKSHOP® AT THE ZOO

In March 2006, Build-A-Bear Workshop opened its first ever store located inside a zoo at the Saint Louis Zoo. Build-A-Bear Workshop At The Zoo, Where Wild And Wonderful Friends Are Made™, offers over 10 animals, for kids young and old to enjoy.



BUILD-A-DINO®

Build-A-Dino®, Where Best Friendosaurs Are Made™, opened in July 2006 inside T-REX Cafe™: A Prehistoric Family Adventure™, A Place to Eat, Shop and Discover™ in The Legends, a mall located in the Village West district of Kansas City, Kan. T-REX Cafe™ is operated by Landry's Restaurants Inc. Build-A-Dino offers several friendosaurs to make, from T-Rex to Pteranodon. Guests can also visit www.buildadino.com to shop, get party information and play free games. Build-A-Dino products are also available in the biggest Build-A-Bear Workshop store in the world on 5th Avenue at 46th in New York City and in Myrtle Beach, SC. An expanded selection of friendosaurs are also available at these Build-A-Bear Workshop® stores too:

Fashion Valley

San Diego, California

The Falls

Miami, Florida



BUILD-A-BEAR WORKSHOP® AND BUILD-A-DINO® AT THE ST. LOUIS SCIENCE CENTER, MYRTLE BEACH AND NEW YORK CITY

In March 2007, Build-A-Bear Workshop® and Build-A-Dino® debuted the first store ever inside a science center. The combination store at the St. Louis Science Center offers multiple furry friends and dinosaurs, plus a variety of outfits, several available exclusively at this location such as a Science Center logo tee and Sleep Under the Stars tee.

In Spring 2007, Build-A-Dino also opened within the Myrtle Beach Build-A-Bear Workshop location and on the lower level of the biggest Build-A-Bear Workshop store in the world located in NYC.



BUILD-A-BEAR WORKSHOP® AT RAINFOREST CAFE®

Building on the earlier success with T-REX Cafe™, Build-A-Bear Workshop® opened the first store located inside the Rainforest Cafe® in April 2007 with Landry's Restaurants, Inc. Build-A-Bear Workshop At Rainforest Cafe, Where Wild And Wonderful Friends Are Made™, is a unique shopping experience inside the Rainforest Cafe Retail Village. Wild stuffed animals roared onto the scene featuring: a white tiger and Rainforest Cafe's Cha! Cha! the red-eyed tree frog—exclusive to Build-A-Bear Workshop At Rainforest Cafe.

friends 2B made

The doll product line offers Guests the chance to create their very own fashionable friends and also gives them the opportunity to discover a special personality for their very own doll! Throughout this interactive process, Guests have the opportunity to create an emotional bond with their doll and have fun choosing from hip fashions and accessories. With sparkly eyes, manicured toes, super hair and most importantly a friendship to last a lifetime, these dolls are the most wonderful friends a girl could ever wish for! The merchandise is also value priced with dolls at \$12, accessories ranging from \$2-\$5 and complete outfits from \$8-\$15.®

Guests also have the opportunity to choose from eight **friends 2B made sweethearts**® dolls, which retail for \$16 each.



These dolls come with a variety of skin tones, eye and hair colors so there is something for everyone! In addition, each **friends 2B made sweethearts** doll has heart-shaped pupils, which conveys their loving personalities! The 2B colorful™ collectidoll™ series includes dolls with brightly colored hair, a signature accessory or pet, and a storybook related to each doll's special attribute.

With this line of products, the brand continues to offer the highest quality merchandise, marketing and Guest service that the Build-A-Bear Workshop brand has established. **friends 2B made** won the Chain Store Age 2004 Retail Store of the Year Design Competition-First Prize: Exterior-In-Line Store Category.

friends & made stores can be found at the following locations: Saint Louis Galleria, St. Louis, MO.; Broadway at the Beach Myrtle Beach, SC; Easton Town Center, Columbus, Ohio; Faneuil Hall Marketplace, Boston, MA; Ontario Mills, Ontario Mills, CA; The Mall at Robinson, Pittsburgh, PA; Promenade at Temecula, Temecula, CA; 5th Avenue at 46th, New York, NY; Mall of America, Bloomington, MN.



FOR A BEARY GOOD CAUSE



As a part of the company philosophy of giving back to the community, Build-A-Bear Workshop[®] has initiated several key programs to support various causes that help children, families and animals.

In 2006, the company launched Champ—a Champion Fur Kids—an adorable bear that will raise funds for children’s health and wellness issues including pediatric cancer, juvenile diabetes and autism. The money raised will be rewarded to worthy organizations through a grant process of the Build-A-Bear Workshop Bear Hugs Foundation. This bear expands on Nikki’s Bear which was originally created in 2003 to help children’s health and wellness causes.

Build-A-Bear Workshop is also part of an exciting and innovative partnership with the World Wildlife Fund (WWF), offering a series of WWF co-branded plush animals in its stores with \$1 from the sale of each animal supports efforts to protect endangered animals and their habitats. Since the partnership began in 2000, Build-A-Bear Workshop has donated over \$1 million dollars to WWF. A portion of the proceeds from the Bearemy’s Kennel Pals[®] line of dogs supports domestic pet programs and also provides funding to animals in crisis situations through a quarterly grant process. Children’s literacy is a cause the company supports through Read Teddy[®] by donating a portion of the sale to First Book, providing new books to children from low-income families and other literacy organizations around the country.



The Build-A-Bear Workshop Bear Hugs Foundation is a private foundation that funds children’s health and wellness grants, literacy grants and domestic pet program grants.



The Build-A-Bear Workshop foundation is a public foundation that supports children, families and animals along with associate assistance programs.



HUGGABLE HEROES® PROGRAM

Build-A-Bear Workshop launched the Huggable Heroes program in 2004 as a way to recognize and honor young people that have impacted their own neighborhoods, schools and communities by giving of themselves to others. It is a program that



empowers and inspires children to get involved as Build-A-Bear Workshop believes that young people can establish change in their communities. At the beginning of each year, Guests are invited to nominate a young person they know that is making a

difference and helping others. Those selected as Huggable Heroes are featured in the Build-A-Bear Workshop Huggable Heroes calendar and receive a donation to their cause.

STUFFED WITH HUGS™

Build-A-Bear Workshop® started Stuffed with Hugs™ in 2001 as a way to send special teddy bears and their hugs to children in need. Stuffed with Hugs is a one day event that takes place in May where the company invites Guests to visit any Build-A-Bear Workshop store throughout the world to make a bear for free to donate. In addition, each time a new Build-A-Bear Workshop store opens throughout the year, a Stuffed with Hugs event is held to benefit children in need. In May 2007, over 50,000 teddy bears were stuffed with extra hugs and love for the Joint Council on International Children's Services (Joint Council) to help deliver the bears to domestic and international organizations that provide permanency services for children, including adoption agencies, adoptive parent support groups, group homes for children and child welfare advocacy organizations. Since the program started, Build-A-Bear Workshop has been able to donate over 265,000 bears to children in troubled situations by partnering with organizations that included Ronald McDonald House Charities, UNICEF and the USO.



AWARD WINNING BEARS

Build-A-Bear Workshop continues to redefine the concept of mall-based entertainment retail. In doing so, the company has been recognized by the retail industry with numerous awards including:

- 2006 Best Campaign in Toys/Games
 - Furbulous Fashion Design Contest
- 2006 Best International Campaign
 - Stuffed with Hugs™
- 2006 Runner Up - Best Other Campaign
 - Mall of America Grand Opening Cele-bear-ation
- 2005 iParenting Media HOT Award Winner



- Excellent Product: Toys & Games, 8 to 10 years
- 2005 Best Campaign in Toys/Games
 - Make-your-own Rudolph The Red-Nose Reindeer®
 - 40th anniversary cele-bear-ation campaign
- Best New Business
- Community Business Awards - Sydney, Australia
- ICSC 2004 Hot Retailer Award

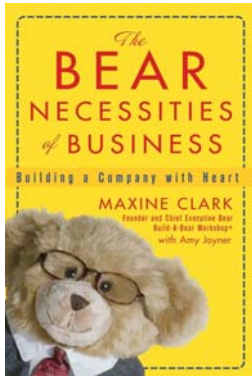
In 2005, Maxine Clark was named one of the Wonder Women of Toys by *Playthings* magazine and Women in Toys and was also the National Finalist in Retail for the Ernst & Young Entrepreneur of the Year 2004. In 2006, Maxine was inducted into the Junior Achievement Hall of Fame and received the Pinnacle Award for Sales & Marketing Executives International Academy of Achievement..

In addition, Build-A-Bear Workshop has been profiled recently in several published books focusing on innovative and breakthrough business and retail strategies including:

- *Secrets of Millionaires Moms: Learn how they turned great ideas into booming business -- and how you can too.*
- *Chocolates on the Pillow Aren't Enough : Reinventing the Customer Experience*
- *The DNO of Customer Experience: How Emotions Drive Value*
- *Revolutionize Your Customer Experience*
- *Customer Service Excellence 2004: Exemplary Practices in Retail,*
- *The Blockbuster Toy! How to Invent the Next BIG Thing*
- *Brand Child: Remarkable insights into the minds of today's global kids and their relationships with brands,*
- *Priceless: Turning Ordinary Products into Extraordinary Experiences*
- *Creating Customer Evangelists: How Loyal Customers Become a Volunteer Sales Force.*

BEAR NECESSITIES OF BUSINESS

Maxine Clark recently wrote a book, *The Bear Necessities of Business*, to help people who have the dream of building their own companies from the ground up. She drew upon her decades of business experience, and wanted to give readers an inside look of what it takes to create an incredible company for customers of all ages. And for anyone who's ever wanted to start their own business, the book offers the essential elements required to launch, nurture and run a viable company in the 21st century.



The book is for sale in Build-A-Bear Workshop stores and book retailers nationwide.

One hundred percent of the proceeds from the sales of *Bear Necessities of Business: Building A Company With Heart* will be donated to the Build-A-Bear Workshop Bear Hugs Foundation to fund programs that benefit children, families and animals through financial support for health and wellness causes and educational and literacy programs.

TRADEMARKS

We would like to thank you for your interest in covering our business. As you write your story, we would ask that you use our full Name: **Build-A-Bear Workshop®** and that when referencing the process of making stuffed animals you use the word “**make**” not “**build**”.

Build-A-Bear Workshop is our well-known trade name and our registered trademark of **Build-A-Bear Retail Management, Inc.** **Build-A-Bear Workshop®** should only be used in capital letters to refer to our products and services and should not be used as a verb.