



## Press Release

CRAWFORD & COMPANY 5620 GLENRIDGE DRIVE, N.E. P.O. BOX 5047 ATLANTA, GEORGIA 30302 (404) 256-0830

**FOR IMMEDIATE RELEASE**

**Date: April 19, 2001**  
**From: Grover L. Davis**  
**Chief Executive Officer**

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### **Crawford Reports First Quarter Results**

Grover L. Davis, Chief Executive Officer of Crawford & Company, announced the Company's financial results for the quarter ended March 31, 2001. First quarter revenues grew to \$179.5 million in 2001, increasing 1% over the \$177.4 million reported for the first quarter of 2000. Operating income (income before amortization of goodwill, net corporate interest and taxes) in the quarter totaled \$15.3 million, down 18% from \$18.7 million in the 2000 first quarter. Net income per share declined from \$0.21 per share in 2000 to \$0.17 per share in 2001.

Domestic revenues grew 2%, from \$128.4 million in the first quarter of 2000 to \$131.5 million in the current quarter. First quarter international revenues declined 2%, from \$49.0 million in 2000 to \$48.0 million in 2001. Excluding the adverse impact of exchange rate fluctuations due to the strong U.S. dollar, international revenues would have increased by 7% in the quarter.

Mr. Davis stated, "Domestically, we enjoyed a rebound in revenues from the insurance company market where our revenues grew nearly 8%, from \$64.2 million in the first quarter of 2000 to \$69.1 million for the current quarter. This growth came despite the continued lack of significant weather-related claims activity in the quarter. Revenues from surveillance services more than quadrupled over the year earlier quarter, to \$2.2 million, as we rapidly expand this business throughout our branch network. We are targeting surveillance services revenues of more than \$10 million for 2001, up from \$5 million in 2000. Continued growth in managed care services as a result of our strategic partnership with a large domestic insurer also helped us increase our penetration in the insurance company market."

"Domestic revenues from self-insured clients decreased slightly during the quarter, from \$50.6 million in 2000 to \$50.1 million in 2001, while revenues from class action services were down 10%, to \$12.3 million." Mr. Davis continued, "Class action revenues can fluctuate based on the



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timing of project awards. We have already been awarded several major projects that will contribute to revenues over the next two quarters and a number of other potential awards are awaiting final court settlement.”

Concluding, he said, “I am not satisfied with our operating margin for the quarter, which declined from 10.6% in 2000 to 8.5% in 2001, due primarily to lower than anticipated revenues. We intend to manage our costs carefully over the balance of the year in order to improve our operating performance.”

Further information regarding the Company’s financial position and operating results for the quarter ended March 31, 2001 is shown on the attached statements.

Crawford & Company is the world's largest independent provider of diversified services to insurance companies, self-insured corporations and governmental entities. Services provided include claims and risk management, loss adjustment, healthcare management, class action administration and risk information services.

Crawford & Company is based in Atlanta, Georgia. It has approximately 10,000 employees worldwide, and operates over 700 offices in 65 countries. The Corporation’s shares are publicly traded on the New York Stock Exchange under the symbols CRDA and CRDB. Its web address is [crawfordandcompany.com](http://crawfordandcompany.com).

Except for historical information contained herein, the matters discussed in this news release are forward-looking statements that involve risks and uncertainties. The results achieved in the quarter ended March 31, 2001 are not necessarily indicative of future prospects for the Company. Actual results in future quarters may differ materially. For a complete discussion regarding factors which could affect the Company’s financial performance, see the Company’s Form 10-K for the year ended December 31, 2000 filed with the Securities and Exchange Commission, in particular the information under the headings “Business”, “Legal Proceedings” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”



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The Company undertakes no obligation to publicly release any revisions to any forward-looking statements contained herein to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. The Company's actual results may differ materially from those projected in forward-looking statements made by, or on behalf of, the Company.

Crawford & Company's conference call with analysts on Monday, April 23, 2001 will be recorded and available for replay through April 30, 2001. You may dial 1-888-313-0238 (402-220-0909 international) to listen.

FOR FURTHER INFORMATION REGARDING THIS PRESS RELEASE, PLEASE CALL JOHN GIBLIN AT (404) 847-4571.



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**CRAWFORD & COMPANY**  
**COMPARATIVE STATEMENTS OF INCOME**  
*(In Thousands Except Per Share Data)*

<u>Quarter Ended March 31</u>	<u>2001</u>	<u>2000</u>	<u>% Change</u>
Revenues	<b>\$179,455</b>	\$177,432	1%
Costs and Expenses:			
Costs of Services	<b>133,489</b>	127,993	4%
Selling, General, and Administrative	<b>30,665</b>	30,716	0%
Corporate Interest, net	<b>1,181</b>	867	36%
Amortization of Goodwill	<b>829</b>	761	9%
Total Costs and Expenses	<u><b>166,164</b></u>	<u>160,337</u>	4%
Income Before Income Taxes	<b>13,291</b>	17,095	-22%
Income Taxes	<b>5,104</b>	6,564	-22%
Net Income	<u><b>\$8,187</b></u>	<u>\$10,531</u>	-22%
Net Income Per Share:			
Basic	<u><b>\$0.17</b></u>	<u>\$0.21</u>	-19%
Diluted	<u><b>\$0.17</b></u>	<u>\$0.21</u>	-19%
Weighted Average Shares Outstanding:			
Basic	<u><b>48,452</b></u>	<u>50,034</u>	
Diluted	<u><b>48,525</b></u>	<u>50,164</u>	

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**CRAWFORD & COMPANY  
SUMMARY RESULTS BY OPERATING SEGMENT**

**Quarter Ended March 31, 2001**  
*(In Thousands Except Percentages)*

	Domestic		International		Total	
	2001	2000	2001	2000	2001	2000
Revenues	\$131,470	\$128,392	\$47,985	\$49,040	\$179,455	\$177,432
Compensation & Benefits	81,559	78,230	31,126	30,678	112,685	108,908
% of Revenues	62.1%	60.9%	64.9%	62.6%	62.8%	61.3%
Expenses Other than Compensation & Benefits	38,815	36,733	12,654	13,068	51,469	49,801
% of Revenues	29.5%	28.6%	26.3%	26.6%	28.7%	28.1%
Operating Income (1)	\$11,096	\$13,429	\$4,205	\$5,294	\$15,301	\$18,723
% of Revenues	8.4%	10.5%	8.8%	10.8%	8.5%	10.6%

(1) Income before amortization of goodwill, net corporate interest, and taxes.



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### CRAWFORD & COMPANY CONDENSED COMPARATIVE BALANCE SHEETS

March 31, 2001 and December 31, 2000

(In Thousands)

<u>Assets</u>	<u>March 31</u> <u>2001</u>	<u>December 31</u> <u>2000</u>
Current Assets:		
Cash and Cash Equivalents	<b>\$23,259</b>	\$22,136
Accounts Receivable, Net	<b>135,482</b>	137,378
Unbilled Revenues	<b>92,342</b>	87,067
Prepaid Expenses and Other Current Assets	<b>16,846</b>	17,144
Total Current Assets	<b>267,929</b>	263,725
Property and Equipment, at Cost	<b>148,505</b>	149,842
Less Accumulated Depreciation	<b>(107,299)</b>	(107,045)
Net Property and Equipment	<b>41,206</b>	42,797
Other Assets	<b>153,567</b>	151,829
Total Assets	<b>\$462,702</b>	\$458,351
<u>Liabilities and Shareholders' Investment</u>		
Current Liabilities:		
Short-Term Borrowings	<b>\$47,879</b>	\$44,420
Accounts Payable	<b>27,370</b>	25,628
Accrued Liabilities	<b>64,438</b>	64,022
Deferred Revenues	<b>21,556</b>	23,353
Current Installments of Long-Term Debt	<b>230</b>	216
Total Current Liabilities	<b>161,473</b>	157,639
Noncurrent Liabilities	<b>82,237</b>	82,945
Shareholders' Investment:		
Class A Common Stock, \$1.00 Par Value	<b>23,755</b>	23,754
Class B Common Stock, \$1.00 Par Value	<b>24,697</b>	24,697
Retained Earnings	<b>185,068</b>	183,664
Accumulated Other Comprehensive Income	<b>(14,528)</b>	(14,348)
Total Shareholders' Investment	<b>218,992</b>	217,767
Total Liabilities and Shareholders' Investment	<b>\$462,702</b>	\$458,351