



**Crawford**  
**Press Release**

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

**FOR IMMEDIATE RELEASE**

**Date: July 20, 2001**  
**From: Grover L. Davis**  
**Chief Executive Officer**

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**Crawford Reports Second Quarter Results**

Grover L. Davis, Chief Executive Officer of Crawford & Company, announced the Company's financial results for the quarter ended June 30, 2001. Second quarter revenues grew to \$186.5 million in 2001, increasing 1% over the \$184.4 million reported for the second quarter of 2000. Operating income (income before amortization of goodwill, net corporate interest and taxes) in the quarter totaled \$16.5 million, down 13% from \$19.0 million in the 2000 second quarter. Net income per share declined from \$0.22 per share in the 2000 second quarter to \$0.18 per share in 2001.

Domestic revenues grew over 3%, from \$134.6 million in the second quarter of 2000 to \$139.2 million in the current quarter. Second quarter international revenues declined 5%, from \$49.9 million in 2000 to \$47.3 million in 2001. Excluding the adverse impact of exchange rate fluctuations due to the strong U.S. dollar, international revenues would have increased by 3% in the quarter.

Revenues for the first six months of 2001 were up 1% as compared with 2000 revenues, from \$361.9 million in 2000 to \$366.0 million in 2001. Year-to-date operating income totaled \$31.8 million, decreasing 16% from \$37.8 million in 2000. For the six months ended June 30, 2001 net income per share totaled \$0.35, a 19% decline from the \$0.43 reported for 2000.

Domestic revenues grew nearly 3% in the six-month period, from \$263.0 million in 2000 to \$270.6 million in 2001. International revenues decreased 4%, to \$95.3 million in 2001 from \$98.9 million in the 2000 period. Excluding the adverse impact of exchange rate fluctuations due to the strong U.S. dollar, international revenues would have increased by 5% in the year-to-date period.



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Mr. Davis stated, "Domestically, we continue to enjoy increased revenues from the insurance company market where our revenues grew over 7%, from \$71.1 million in the second quarter of 2000 to \$76.4 million for the current quarter. Revenues from surveillance services more than doubled over the year earlier quarter, to \$2.3 million. We also benefited from a surge in weather-related claims during the quarter due to Tropical Storm Allison, which struck the Southeastern U.S. coast causing over \$1.2 billion in insured damages, as well as a series of storms which struck from Texas to Pennsylvania resulting in \$1.7 billion in losses. The Property Claims Service, an insurance industry data-gathering organization, recently reported that the second quarter of 2001 was the second worst quarter in terms of insured property damage in the past 10 years. We currently have over 400 catastrophe adjusters deployed and anticipate that we will retain this level of deployment throughout the third quarter."

Mr. Davis concluded, "Domestic revenues from self-insured clients decreased slightly during the quarter, from \$50.0 million in 2000 to \$49.0 million in 2001, while revenues from class action services increased slightly to \$13.7 million. We intend to continue to aggressively pursue revenue-growth opportunities in both the self-insured and class action markets."

Further information regarding the Company's financial position and operating results for the quarter and six months ended June 30, 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).



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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 and six months ended June 30, 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."

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, July 23, 2001, to discuss its quarterly earnings and other business developments, will be recorded and available for replay through July 30, 2001. You may dial 1-800-615-3210 (703-326-3020 international) to listen. The access code is 5394678.

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)*

<b><u>Six Months Ended June 30</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>% Change</u></b>
Revenues	\$365,982	\$361,868	1%
Costs and Expenses:			
Costs of Services	273,940	263,521	4%
Selling, General, and Administrative	60,234	60,593	-1%
Corporate Interest, net	2,496	2,063	21%
Amortization of Goodwill	1,747	1,561	12%
Total Costs and Expenses	<u>338,417</u>	<u>327,738</u>	3%
Income Before Income Taxes	27,565	34,130	-19%
Income Taxes	10,585	13,106	-19%
Net Income	<u>\$16,980</u>	<u>\$21,024</u>	-19%
Net Income Per Share:			
Basic	<u>\$0.35</u>	<u>\$0.43</u>	-19%
Diluted	<u>\$0.35</u>	<u>\$0.43</u>	-19%
Weighted Average Shares Outstanding:			
Basic	<u>48,453</u>	<u>49,235</u>	
Diluted	<u>48,534</u>	<u>49,353</u>	



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COMPARATIVE STATEMENTS OF INCOME**

*(In Thousands Except Per Share Data)*

<b><u>Quarter Ended June 30</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>% Change</u></b>
Revenues	<b>\$186,527</b>	\$184,436	1%
Costs and Expenses:			
Costs of Services	<b>140,451</b>	135,528	4%
Selling, General, and Administrative	<b>29,569</b>	29,877	-1%
Corporate Interest, net	<b>1,315</b>	1,196	10%
Amortization of Goodwill	<b>918</b>	800	15%
Total Costs and Expenses	<b><u>172,253</u></b>	<u>167,401</u>	3%
Income Before Income Taxes	<b>14,274</b>	17,035	-16%
Income Taxes	<b>5,481</b>	6,542	-16%
Net Income	<b><u>\$8,793</u></b>	<u>\$10,493</u>	-16%
Net Income Per Share:			
Basic	<b><u>\$0.18</u></b>	<u>\$0.22</u>	-18%
Diluted	<b><u>\$0.18</u></b>	<u>\$0.22</u>	-18%
Weighted Average Shares Outstanding:			
Basic	<b><u>48,453</u></b>	<u>48,436</u>	
Diluted	<b><u>48,532</u></b>	<u>48,543</u>	



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

**Six Months Ended June 30, 2001**

*(In Thousands Except Percentages)*

	Domestic		International		Total	
	2001	2000	2001	2000	2001	2000
Revenues	\$270,649	\$262,963	\$95,333	\$98,905	\$365,982	\$361,868
Compensation & Benefits	167,674	158,689	62,716	61,365	230,390	220,054
<i>% of Revenues</i>	<i>62.0%</i>	<i>60.4%</i>	<i>65.7%</i>	<i>62.0%</i>	<i>62.9%</i>	<i>60.8%</i>
Expenses Other than Compensation & Benefits	79,617	77,365	24,167	26,695	103,784	104,060
<i>% of Revenues</i>	<i>29.4%</i>	<i>29.4%</i>	<i>25.4%</i>	<i>27.0%</i>	<i>28.4%</i>	<i>28.8%</i>
Operating Income (1)	\$23,358	\$26,909	\$8,450	\$10,845	\$31,808	\$37,754
<i>% of Revenues</i>	<i>8.6%</i>	<i>10.2%</i>	<i>8.9%</i>	<i>11.0%</i>	<i>8.7%</i>	<i>10.4%</i>

**Quarter Ended June 30, 2001**

*(In Thousands Except Percentages)*

	Domestic		International		Total	
	2001	2000	2001	2000	2001	2000
Revenues	\$139,179	\$134,571	\$47,348	\$49,865	\$186,527	\$184,436
Compensation & Benefits	86,115	80,459	31,590	30,687	117,705	111,146
<i>% of Revenues</i>	<i>61.9%</i>	<i>59.8%</i>	<i>66.7%</i>	<i>61.6%</i>	<i>63.2%</i>	<i>60.3%</i>
Expenses Other than Compensation & Benefits	40,802	40,632	11,513	13,627	52,315	54,259
<i>% of Revenues</i>	<i>29.3%</i>	<i>30.2%</i>	<i>24.3%</i>	<i>27.3%</i>	<i>28.0%</i>	<i>29.4%</i>
Operating Income (1)	\$12,262	\$13,480	\$4,245	\$5,551	\$16,507	\$19,031
<i>% of Revenues</i>	<i>8.8%</i>	<i>10.0%</i>	<i>9.0%</i>	<i>11.1%</i>	<i>8.8%</i>	<i>10.3%</i>

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



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**CONDENSED COMPARATIVE BALANCE SHEETS**  
**June 30, 2001 and December 31, 2000**

(In Thousands)

<b>Assets</b>	<b>June 30 2001</b>	<b>December 31 2000</b>
Current Assets:		
Cash and Cash Equivalents	\$13,566	\$22,136
Accounts Receivable, Net	138,454	137,378
Unbilled Revenues	96,524	87,067
Prepaid Expenses and Other Current Assets	18,120	17,144
Total Current Assets	<u>266,664</u>	<u>263,725</u>
Property and Equipment, at Cost	148,968	149,842
Less Accumulated Depreciation	<u>(109,064)</u>	<u>(107,045)</u>
Net Property and Equipment	<u>39,904</u>	<u>42,797</u>
Other Assets	<u>152,828</u>	<u>151,829</u>
Total Assets	<u><u>\$459,396</u></u>	<u><u>\$458,351</u></u>
<b>Liabilities and Shareholders' Investment</b>		
Current Liabilities:		
Short-Term Borrowings	\$36,205	\$44,420
Accounts Payable	26,733	25,628
Accrued Liabilities	73,978	64,022
Deferred Revenues	21,548	23,353
Current Installments of Long-Term Debt	271	216
Total Current Liabilities	<u>158,735</u>	<u>157,639</u>
Noncurrent Liabilities	<u>80,710</u>	<u>82,945</u>
Shareholders' Investment:		
Class A Common Stock, \$1.00 Par Value	23,762	23,754
Class B Common Stock, \$1.00 Par Value	24,697	24,697
Retained Earnings	187,168	183,664
Accumulated Other Comprehensive Income	<u>(15,676)</u>	<u>(14,348)</u>
Total Shareholders' Investment	<u>219,951</u>	<u>217,767</u>
Total Liabilities and Shareholders' Investment	<u><u>\$459,396</u></u>	<u><u>\$458,351</u></u>