



Fourth Quarter 2009
Earnings Conference Call
Monday, February 8, 2010

WORKING TOGETHER:
the Crawford Difference

Market-Leading Global Businesses



The world's largest fully-integrated independent provider of global claims management solutions.

1 International Operations

Serves the global insurance industry and multi-national corporations

3 Broadspire

Serves large national accounts, carriers and self-insured entities

2 U.S. Property & Casualty

Serves the U.S. insurance company market

4 Legal Settlement Administration

Provides administration for class action settlements and bankruptcy matters



Forward-looking Statements and Segment Operating Earnings



Forward Looking Statements:

This presentation contains forward-looking statements, including statements about the future financial condition, results of operations and earnings outlook of Crawford & Company. Statements, both qualitative and quantitative, that are not statements of historical fact may be “forward-looking” statements as defined in the Private Securities Litigation Reform Act of 1995 and other securities laws. Forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from historical experience or Crawford & Company’s present expectations. Accordingly, no one should place undue reliance on forward-looking statements, which speak only as of the date on which they are made. Crawford & Company does not undertake to update forward-looking statements to reflect the impact of circumstances or events that may arise or not arise after the date the forward-looking statements are made. Results for any interim period presented herein are not necessarily indicative of results to be expected for the full year or for any other future period. For further information regarding Crawford & Company, and the risks and uncertainties involved in forward-looking statements, please read Crawford & Company’s reports filed with the United States Securities and Exchange Commission and available at www.sec.gov or in the Investor Relations section of Crawford & Company’s website at www.crawfordandcompany.com.

Segment Operating Earnings:

Under the Financial Accounting Standards Board’s Accounting Standards Codification Topic 280, “Segment Reporting,” segment operating earnings is the primary measure used by the Company to evaluate the results of each of its four operating segments. Segment operating earnings exclude income taxes, interest expense, amortization of customer-relationship intangible assets, stock option expense, earnings or loss attributable to non-controlling interests, and certain other nonrecurring gains and expenses.

Non-GAAP Financial Information:

For additional information about certain non-GAAP financial information presented herein, see the Appendix following this presentation.



Today's Agenda

Welcome and opening comments

Highlights of 2009 fiscal year

- Industry and economic context
- Business performance

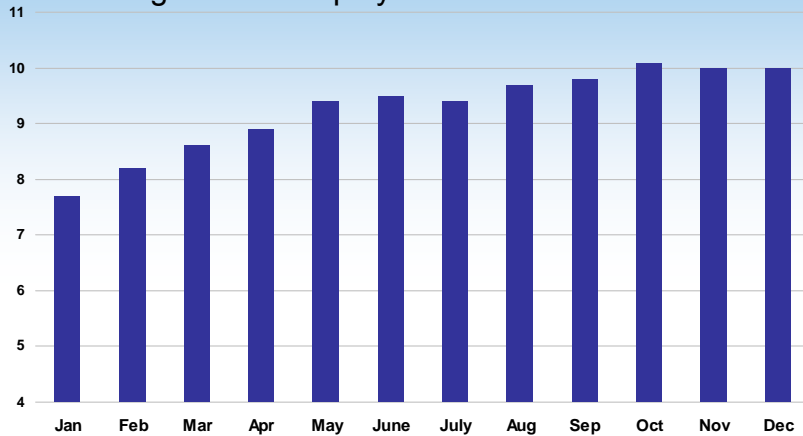
Business segment operating results

2010 focus

Factors Affecting the Insurance Claims Administration Industry



Increasing U.S. Unemployment Levels in 2009 and...

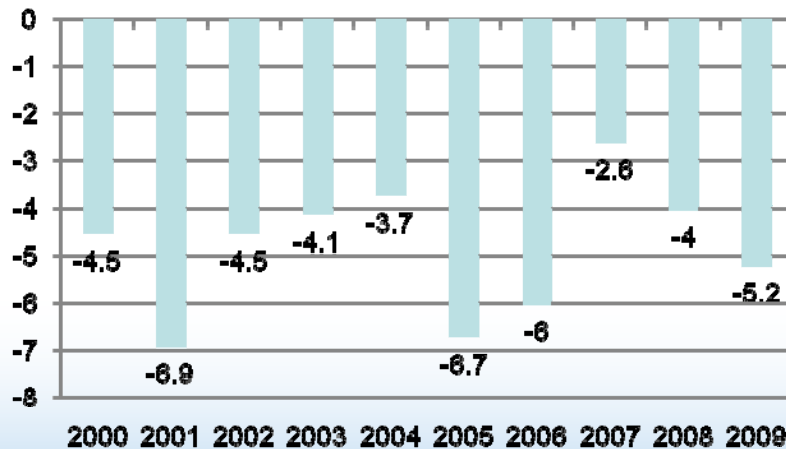


U.S. CAT activity, 2009 vs. 2008

	2009	2008
Designated catastrophes (excl. WC)	27	36
Estimated number of property losses	1.6 m	3.2 m
Estimated dollar losses	\$8.2 bn	\$24.6 bn

source: PCS

...Declining Workers Compensation Claims Frequency Year over Year



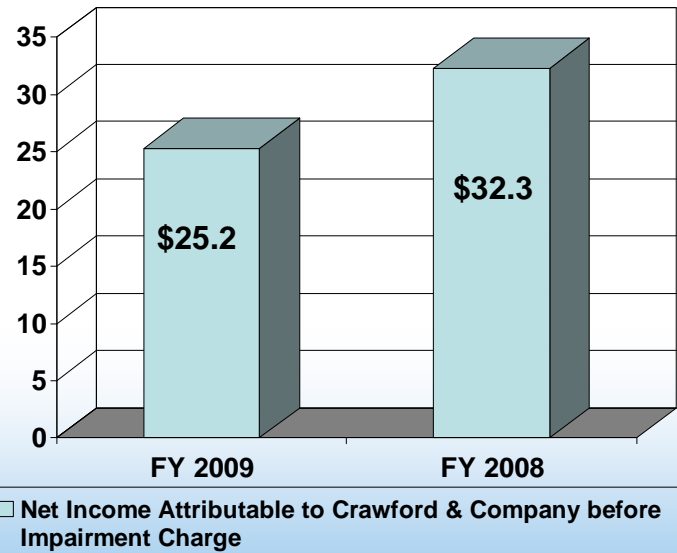
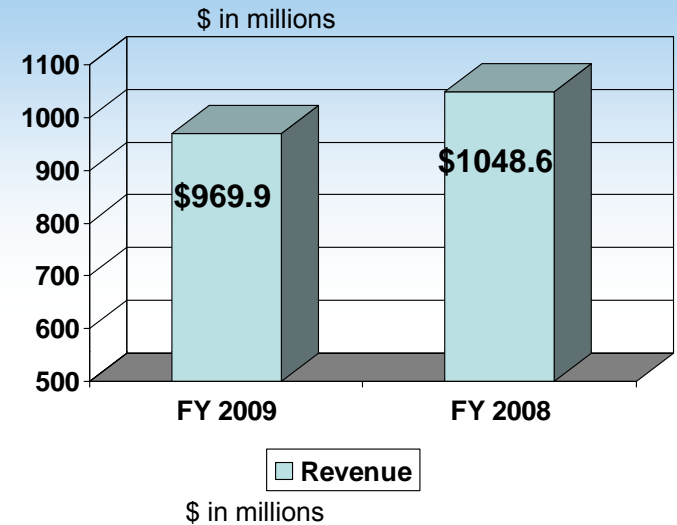
Source: NCCI and industry estimates

- Workers Compensation claims declined 5.2% in 2009, the softest year since 2006
- Aggregate decline of 11.8% from 2007 to 2009
- Unemployment increased throughout the year, reaching 10% in the 4th quarter
- CAT events were well below historic levels, affecting claim volumes in the second half of 2009

2009 Business Summary



- *Revenue declined 7.5%, reflecting industry economic factors and foreign exchange rates*
- *Earnings per share before goodwill impairment were \$0.48 versus \$0.62 in 2008*
- *Working capital management produced operating cash flow of \$51.7 million and year-end cash of \$70.4 million*
- *Solid performance aided by a lower effective tax rate was obscured by increased pension costs and effects of foreign exchange rates*



Fiscal Year 2008 to 2009 Bridge



<i>In millions, except per share amounts</i>	Revenues before Reimbursements	Net Income (Loss) Attributable to Crawford & Company	EPS
Full year 2008 results	\$1,048.6	\$32.3	\$0.62
(Less)/Add:			
Foreign currency impact in 2009	(62.5)	(3.9)	(0.08)
Increase in pension expense in 2009	-	(10.6)	(0.20)
2008 sale of Dutch subsidiary	-	(2.5)	(0.05)
2008 previously unrecognized tax credit	-	(0.9)	(0.02)
Year-over-year change in restructuring cost	-	(0.4)	(0.01)
Lower 2009 corporate interest expense	-	2.2	0.04
Certain tax benefits recognized in 2009	-	5.7	0.11
All other changes	(16.2)	3.3	0.07
Subtotal excluding impairment charge	969.9	25.2	0.48
Impairment charge in 2009, net of dilution	-	(140.9)	(2.71)
Full year 2009 results	<u>\$969.9</u>	<u>(\$115.7)</u>	<u>(\$2.23)</u>



Fourth Quarter 2009 Financial Review

WORKING TOGETHER:
the Crawford Difference

Fourth Quarter 2009 Financials



CRAWFORD & COMPANY

Income Statement Highlights

(In thousands, except earnings per share amounts and percentages)

Unaudited

<u>Three Months Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Revenues Before Reimbursements	\$238,369	\$262,889	-9%
Costs and Expenses:			
Costs of Services, before Reimbursements	175,540	194,350	-10%
Selling, General, and Administrative	49,721	55,319	-10%
Corporate Interest Expense, Net	3,915	4,216	-7%
Restructuring and Other Costs	2,244	3,300	-32%
Total Costs and Expenses before Reimbursements	<u>231,420</u>	<u>257,185</u>	-10%
Gain on Sale of Business	-	2,512	nm
Income Before Income Taxes	6,949	8,216	-15%
Provision for Income Taxes	(1,958)	(430)	355%
Net Income	<u>8,907</u>	<u>8,646</u>	3%
Less: Net Income Attributable to Noncontrolling Interests	(38)	(309)	-88%
Net Income Attributable to Crawford & Company	<u>\$8,869</u>	<u>\$8,337</u>	6%
Diluted Earnings Per Share:	<u>\$0.17</u>	<u>\$0.16</u>	6%

nm = not meaningful

Fourth Quarter 2009 Financials



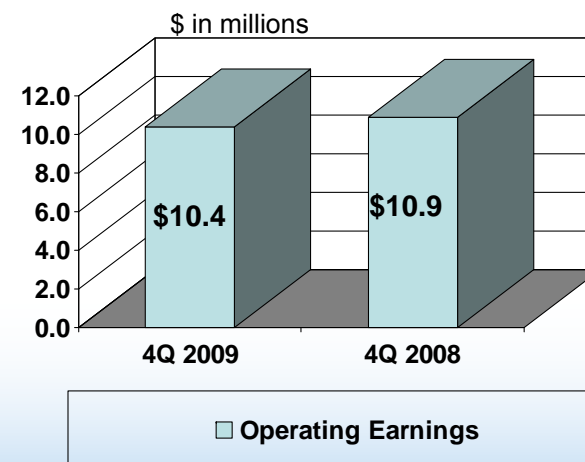
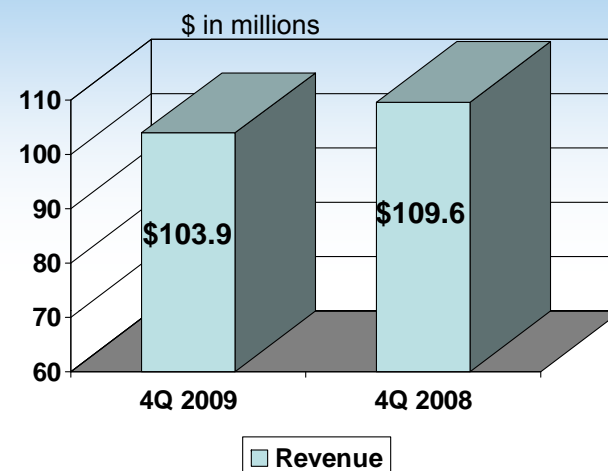
Summary Results, International Operations

For the quarters ended December 31, 2009 and 2008

In thousands, except percentages

Unaudited

	<i>Pro Forma</i> <u>2009*</u>	<u>2009**</u>	<u>2008</u>	<u>2009/2008</u> <u>% Change</u>
Revenues	\$ 105,100	\$ 103,877	\$ 109,551	-5.2%
Total Operating Expenses	94,900	93,513	98,685	-5.2%
Operating Earnings	\$ 10,200	\$ 10,364	\$ 10,866	-4.6%
Operating Margin	9.7%	10.0%	9.9%	



- √ Revenue declined 4.1% on a constant dollar basis
- √ Operating earnings declined 6.1% on constant dollar basis

*At 2008 average FX rates

**At 2009 average FX rates

Fourth Quarter 2009 Financials



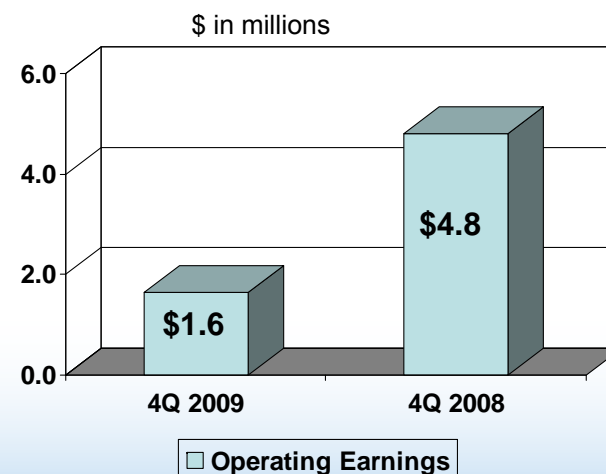
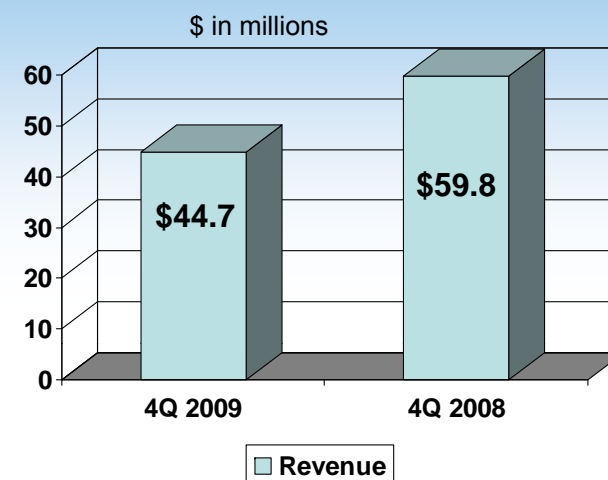
Summary Results, U.S. Property & Casualty

For the quarters ended December 31, 2009 and 2008

In thousands, except percentages

Unaudited

	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Revenues	\$ 44,746	\$ 59,818	-25.2%
Total Operating Expenses	43,104	55,026	-21.7%
Operating Earnings	<u>\$ 1,642</u>	<u>\$ 4,792</u>	-65.7%
Operating Margin	3.7%	8.0%	



- ✓ **Catastrophe revenue in 2009 was \$7.6 million below last year**
- ✓ **Overall revenue declined due to lower claims volumes**

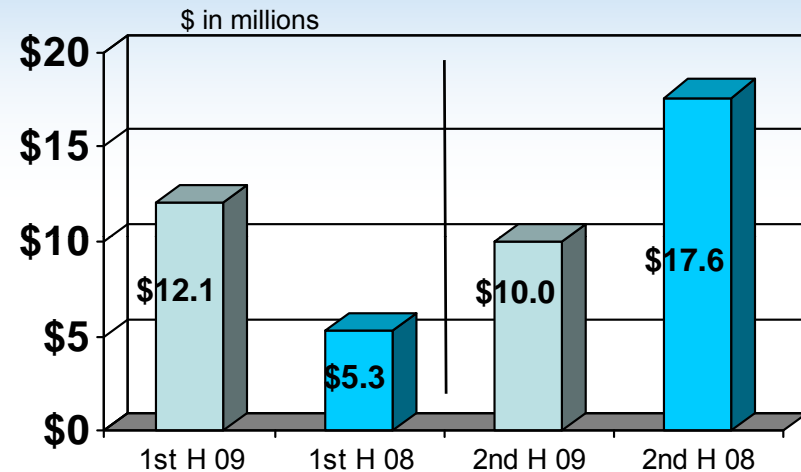
U.S. Catastrophe (CAT) Activity



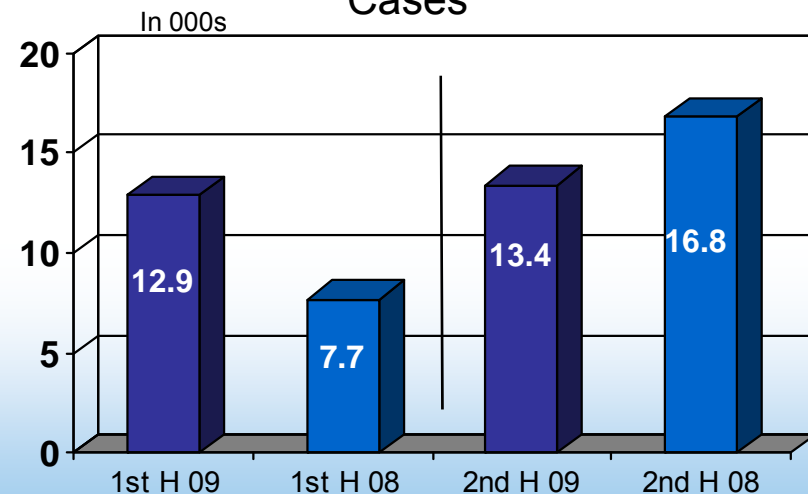
U.S. Catastrophe

- CAT revenue of \$22.1 million in fiscal 2009 compared to \$22.9 million in fiscal 2008
- CAT events totaled 27 in fiscal 2009 compared to 35 in fiscal 2008
- Second half comparisons strongly favor 2008
- 2008 fourth quarter revenue reflected completion of claims from hurricanes Gustav and Ike

Revenues



Cases



Fourth Quarter 2009 Financials



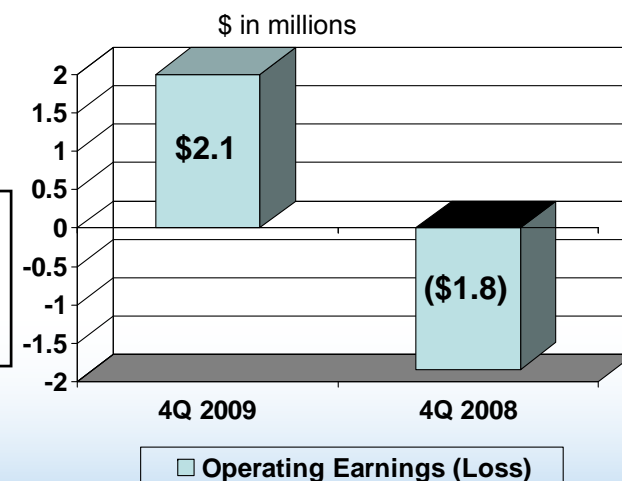
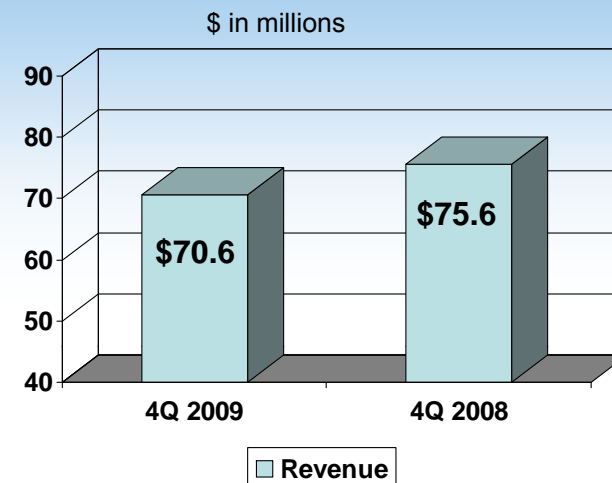
Summary Results, Broadspire

For the quarters ended December 31, 2009 and 2008

In thousands, except percentages

Unaudited

	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Revenues	\$ 70,563	\$ 75,552	-6.6%
Total Operating Expenses	68,434	77,392	-11.6%
Operating Earnings (Loss)	<u>\$ 2,129</u>	<u>\$ (1,840)</u>	nm
Operating Margin	3.0%	-2.4%	



- √ **Revenues declined due to lower workers' compensation claim referrals**
- √ **Operating earnings improvement reflects cost control activities**

Fourth Quarter 2009 Financials



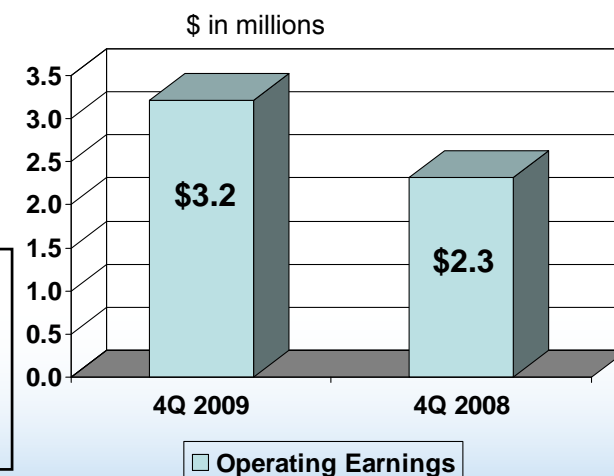
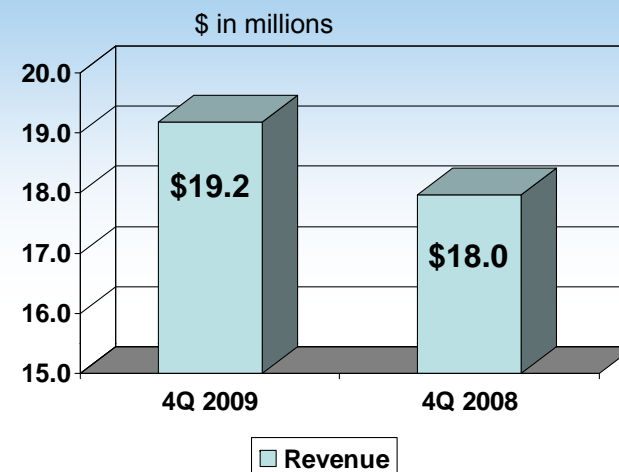
Summary Results, Legal Settlement Administration

For the quarters ended December 31, 2009 and 2008

In thousands, except percentages

Unaudited

	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Revenues	\$ 19,183	\$ 17,968	6.8%
Total Operating Expenses	15,964	15,646	2.0%
Operating Earnings	<u>\$ 3,219</u>	<u>\$ 2,322</u>	38.6%
Operating Margin	16.8%	12.9%	



- ✓ **Revenue and operating earnings increase reflects benefit of significant bankruptcy and securities class action administration cases**
- ✓ **Backlog of \$55 million versus \$42 million in 2008**

Fourth Quarter 2009 Financials



Crawford & Company Balance Sheet Highlights

As of December 31, 2009 and December 31, 2008
Unaudited

	<i>(in thousands)</i>		
	December 31, 2009	December 31, 2008	Change
Cash and cash equivalents	\$70,354	\$73,124	(\$2,770)
Accounts receivable, net	139,215	157,430	(18,215)
Work in process	93,796	99,115	(5,319)
Total receivables	233,011	256,545	(23,534)
Goodwill	123,169	251,897	(128,728)
Deferred revenues, net	82,657	95,670	(13,013)
Pension liabilities	212,507	179,542	32,965
Current portion of long-term debt, capital leases and short-term borrowings	2,346	15,650	(13,304)
Long-term debt, less current portion	178,936	181,206	(2,270)
Total debt	181,282	196,856	(15,574)
Total stockholders' equity*	61,286	180,359	(119,073)
Net debt**	110,928	123,732	(12,804)
Total debt / capitalization	75%	52%	

*Reflects retroactive adoption of ASC 810-10, "Consolidation."

**Net debt, a non-GAAP measure, is defined by the Company as long-term debt, capital leases and short-term borrowings, net of cash and cash equivalents

Fourth Quarter 2009 Financials



Crawford & Company

Free Cash Flow (a non-GAAP measure)

For the year-to-date periods ended December 31, 2009 and 2008

(In thousands)

Unaudited

	December 31, 2009	December 31, 2008	Variance
Net (Loss) Income Attributable to Crawford & Company	(\$115,683)	\$32,259	(\$147,942)
Plus: Non-Cash Goodwill and Intangible Impairment Charges	140,945	-	140,945
Plus: Depreciation and Other Non-Cash Operating Items	31,995	31,048	947
Plus: Working Capital Change	4,707	26,194	(21,487)
Less: U.S. Pension Contributions	(10,300)	(17,916)	7,616
Operating Cash Flow	51,664	71,585	(19,921)
Less: Property & Equipment Purchases, net	(9,751)	(14,552)	4,801
Less: Capitalized Software (internal and external costs)	(14,823)	(16,797)	1,974
Less: Mandatory Principal Payments	(2,100)	(2,100)	-
Free Cash Flow	\$24,990	\$38,136	(\$13,146)



2010 Focus

WORKING TOGETHER:
the Crawford Difference

2010 Focus

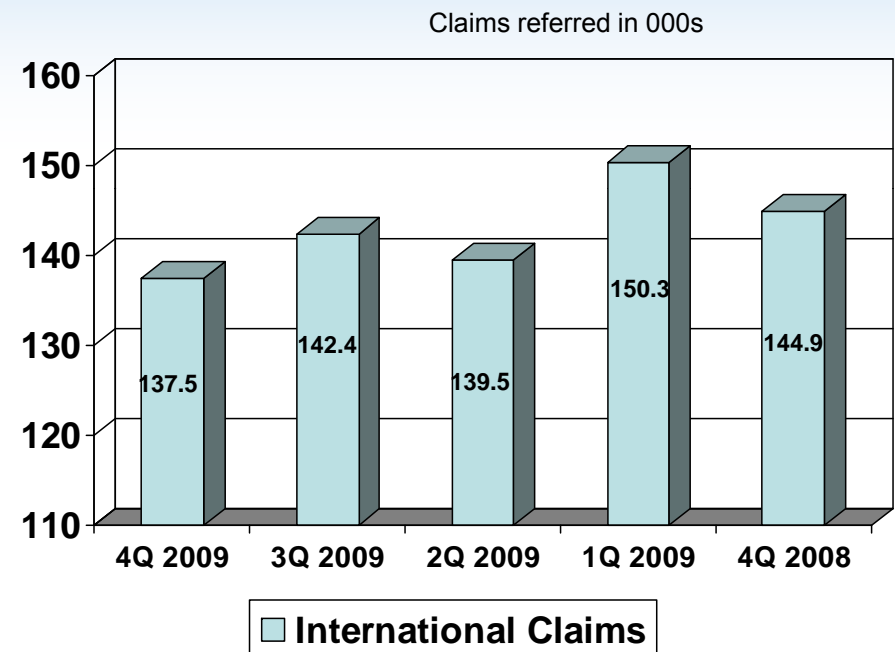


- Attract new business and retain customers
 - Key account management/cross-selling through the “System”
 - Grow Business Process Outsourcing
 - Service and quality initiatives
- Support existing business operations with technology improvements
 - Improve processes to deliver operating efficiencies
 - Better analytics
 - Leverage investment in Command Center
- Continue disciplined management of SG&A
 - Extend cost control initiatives
- Improve financial performance
 - Revenues, Operating Earnings, EPS
 - DSO and working capital

International Operations



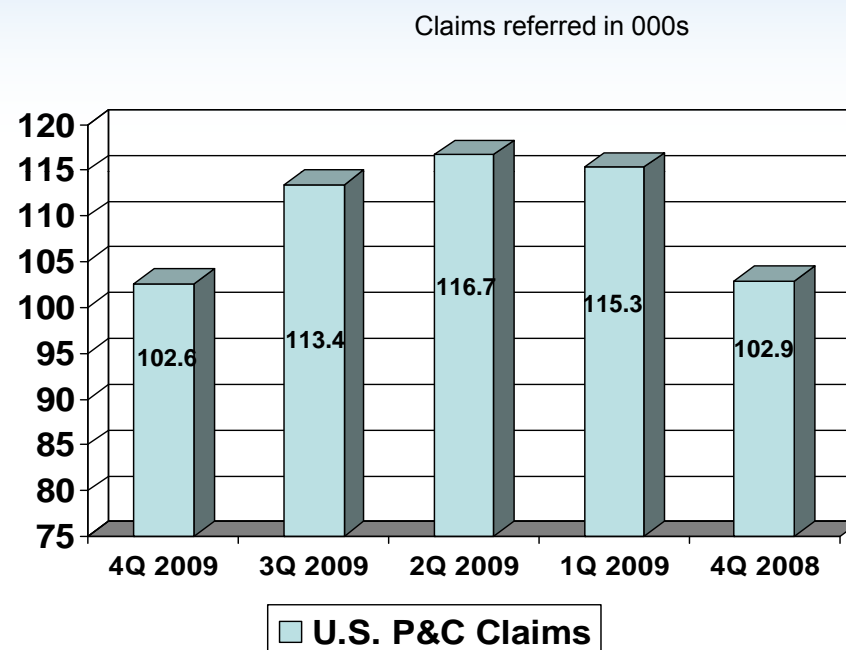
- **Grow revenue and market share**
 - New client acquisition
 - Cross-selling
 - Business Process Outsourcing
- **Additional investment in EMEA**
 - Supporting market share expansion
- **Leverage technology**
 - Additional innovative solutions
 - Enhancements to CMS2



U.S. Property & Casualty



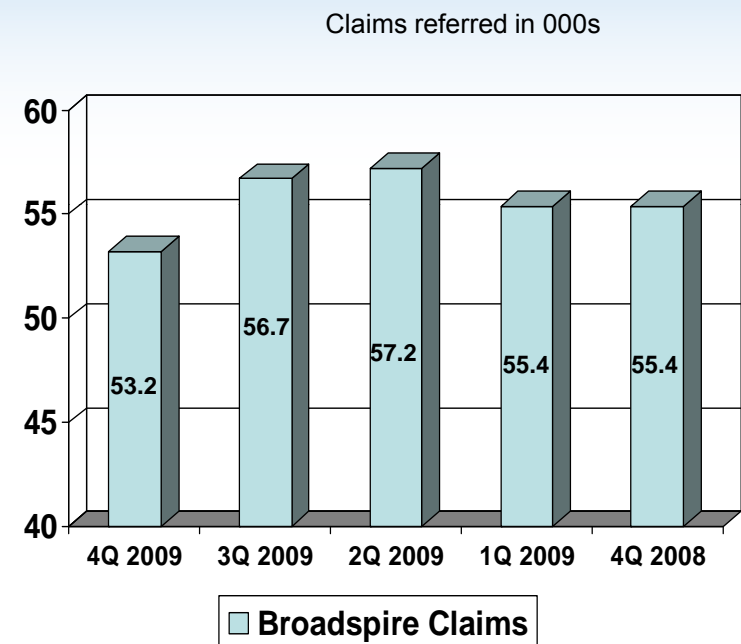
- **Grow revenue and market share**
 - **Emphasis on casualty**
 - **Expand Global Technical Services (GTS)**
 - **Business Process Outsourcing**
 - **Leverage investments in Crawford Central, Claims Alert, and Contractor Connection**
- **Improve cost control**
- **Technology**
 - **Expand Command Center**
 - **Leverage CMS2 investment**
 - **Data management and analytics**



Broadspire

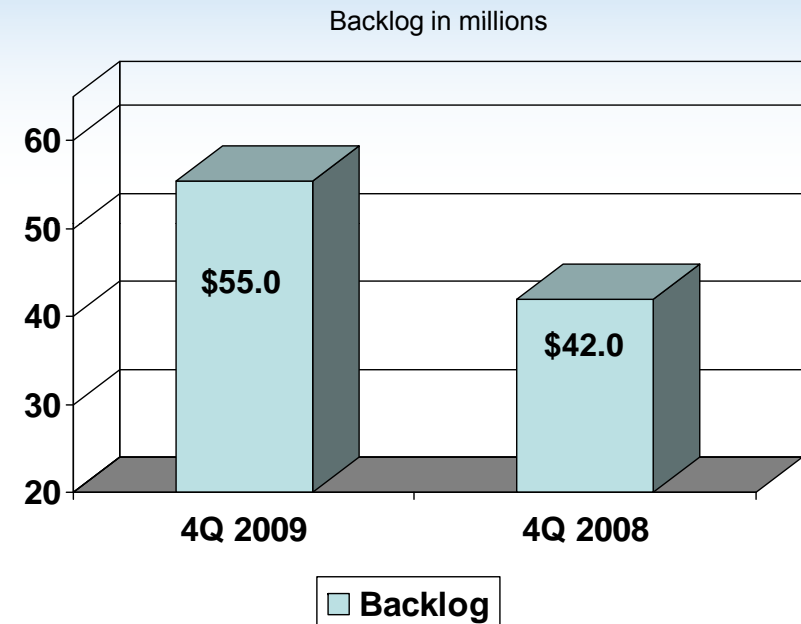


- Significant progress in 2009 fourth quarter operating earnings
- Previously-announced loss of customer is expected to limit 2010 growth
- Claims volume, linked to U.S. job growth, is expected to decline year over year
- Cross-sell to existing customers
- Target marketing
- Cost control initiatives



Legal Settlement Administration

- **Grow revenue and profitability**
 - **Challenged by pricing pressures**
 - **Consolidation in the market place**
- **Expand class action markets**
- **Increase bankruptcy business**
 - **Currently a growth market**
 - **Large market share**
- **Improve cost control**



2010 Guidance



- **Full Year 2010 Guidance:**
 - **Consolidated revenue before reimbursements between \$970 million and \$990 million**
 - **Consolidated operating earnings between \$54.3 million and \$60.3 million**
 - **Consolidated cash provided by operating activities between \$30 and \$35 million**
 - **After reflecting stock-based compensation expense, net corporate interest expense, customer-relationship intangible amortization expense, special credits and charges and income taxes, net income attributable to Crawford & Company on a GAAP basis between \$23.5 million and \$26.5 million**
 - **Earnings per share of \$0.44 to \$0.50**



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Reconciliation of Non-GAAP Items



CRAWFORD & COMPANY

(in \$000's)

	December 31, 2009	December 31, 2008
Deferred Revenues, Net		
Deferred revenues, current	\$ 53,664	\$ 59,679
Deferred revenues, noncurrent	33,524	42,795
Total deferred revenues	<u>87,188</u>	<u>102,474</u>
Less:		
Receivable held in trust included in accounts receivable	1,660	2,121
Receivable held in trust included in other noncurrent assets	2,871	4,683
Deferred revenues, net	<u>\$ 82,657</u>	<u>\$ 95,670</u>
Net Debt		
Short-term borrowings	\$ -	\$ 13,366
Current installments of long-term debt and capital leases	2,346	2,284
Long-term debt and capital leases, less current installments	178,936	181,206
Total debt	<u>181,282</u>	<u>196,856</u>
Less:		
Cash and cash equivalents	70,354	73,124
Net debt	<u>\$ 110,928</u>	<u>\$ 123,732</u>

Reconciliation of Non-GAAP Items



CRAWFORD & COMPANY
(in \$000's)

	Year Ended December 31, 2009	Year Ended December 31, 2008
Net Income Attributable to Crawford & Company Before Impairment Charge		
Net income (loss) attributable to Crawford & Company	\$ (115,683)	\$ 32,259
Impairment charge	140,945	-
Net income attributable to Crawford & Company before goodwill impairment	\$ 25,262	\$ 32,259
Weighted-average diluted earnings per share (in 000s)	52,672	
Earnings per share before goodwill impairment	\$0.48	
	Three Months Ended December 31, 2009	Three Months Ended December 31, 2008
Revenues Before Reimbursements		
Total Revenues	\$ 257,419	\$ 280,645
Reimbursements	(19,050)	(17,756)
Revenues Before Reimbursements	\$ 238,369	\$ 262,889
Costs of Services Before Reimbursements		
Total Costs of Services	\$ 194,590	\$ 212,106
Reimbursements	(19,050)	(17,756)
Costs of Services Before Reimbursements	\$ 175,540	\$ 194,350