

# CRAWFORD INVESTMENT COUNSEL

*Dividend Growth Update*

*1<sup>st</sup> Quarter, 2010*

## **The Firm**

- Founded in 1980
- 100% Employee Owned
- \$2.8 billion in total assets
- \$1.3 billion in product assets

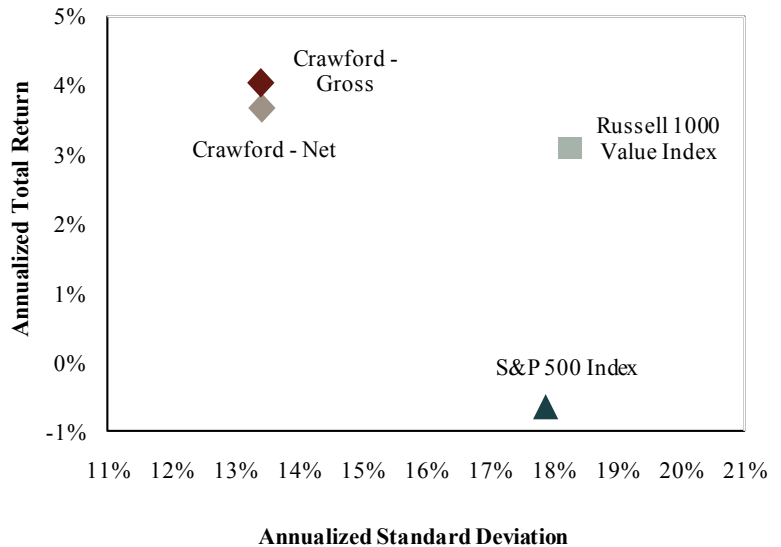
## **Investment Philosophy**

- Long-term investor
- Bottom-up, value oriented
- Fundamental research driven
- Invest in undervalued, high quality companies
- Portfolio required to have both an above average yield and dividend growth

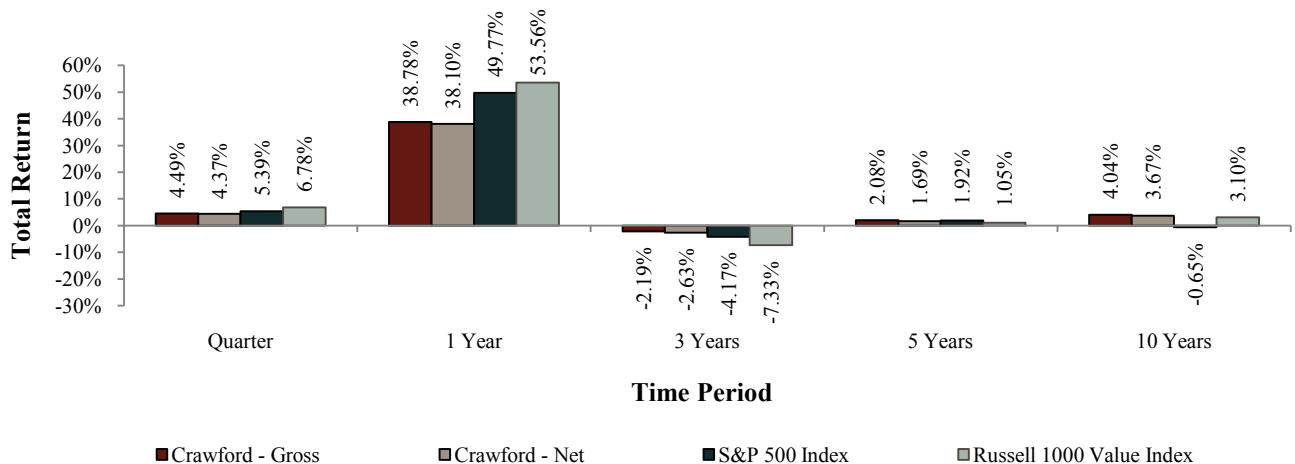
## **The Portfolio**

- 30-35 stocks
- 25-30% average annual turnover

## **Return/Risk Comparison 10 Year Period Ending March 31, 2010**



## **Performance - Periods Ending March 31, 2010**



Past performance is not indicative of future results.

Please see the composite annual disclosure presentation found on the reverse side of this fact sheet.

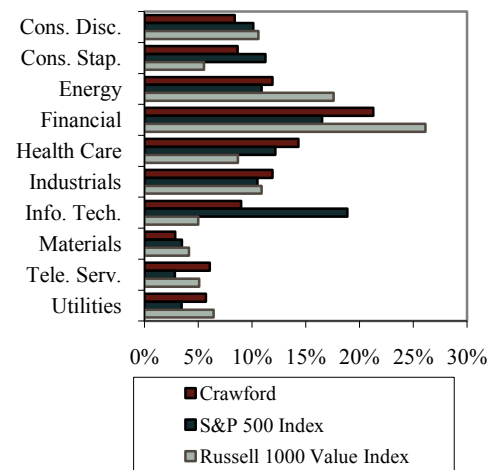
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## Top Ten Holdings

## Portfolio Characteristics

## Sector Allocation

		Crawford	S&P 500 Index	Russell 1000 Value Index
1. Intel Corp.				
2. United Parcel Services Inc.				
3. Hudson City Bancorp Inc.	Dividend Yield	2.9%	1.9%	2.1%
4. Stryker Corp.				
5. PartnerRe Ltd.	Historical 10 Year Dividend Growth Rate	12.6%	2.9%	-1.7%
6. Northern Trust Corp.	Estimated Future 5 Year EPS Growth Rate	10.2%	10.6%	8.7%
7. Verizon Communications Inc.	10 Year EPS Variability	31.3%	55.2%	69.7%
8. General Dynamics Corp.	P/E Ratio (NTM)	15.1x	17.1x	17.7x
9. Cullen/Frost Bankers Inc.	Average Market Cap.	\$58.6B	\$83.1B	\$73.0B
10. AT&T Inc.	Median Market Cap.	\$15.5B	\$43.6B	\$35.7B



Holdings are subject to change. This is not a recommendation to buy, sell or hold any of the securities listed. Dividend yield is one component of performance and should not be the only consideration for investment. Sector allocation, holdings and portfolio characteristics are shown as supplemental information to the annual disclosure presentation shown below.

## ANNUAL DISCLOSURES

Year End	Composite Assets				Asset-Weighted Annual Gross Return	Asset-Weighted Annual Net Return	Annual Composite Dispersion	S&P 500 Index	Russell 1000 Value Index
	Total Firm Assets (millions)	Composite Assets (millions)	% of Balanced Carve-Outs	# Of Accounts at Year End					
2009	\$2,631	\$514	14%	33	18.75%	18.15%	2.3%	26.46%	19.69%
2008	\$2,046	\$280	16%	30	-26.27%	-26.67%	0.6%	-37.00%	-36.85%
2007	\$2,834	\$1,121	42%	48	2.85%	2.58%	0.9%	5.49%	-0.17%
2006	\$2,921	\$1,260	42%	54	17.09%	16.77%	1.1%	15.79%	22.25%
2005	\$2,643	\$1,067	38%	52	-2.45%	-2.75%	0.8%	4.91%	7.05%
2004	\$2,258	\$715	50%	45	14.11%	13.81%	0.6%	10.88%	16.49%
2003	\$1,845	\$578	51%	31	21.36%	20.95%	0.8%	28.68%	30.03%
2002	\$1,350	\$266	74%	23	-12.57%	-12.89%	0.6%	-22.10%	-15.52%
2001	\$1,332	\$241	80%	21	1.57%	1.24%	0.9%	-11.89%	-5.59%
2000	\$1,231	\$203	81%	18	15.17%	14.82%	1.4%	-9.10%	7.01%

N/A - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

**Dividend Growth Composite** contains all fully discretionary, taxable and tax-exempt, dividend growth accounts and for comparison purposes is measured against the S&P 500 Index and Russell 1000 Value Index. The minimum account size for this composite is \$2 million. Prior to January 1, 2007, the composite was named the Value Equity Composite. Prior to October 1, 2009 the consisted only of tax-exempt accounts with a minimum account size of \$1 million.

Crawford Investment Counsel, Inc. has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

Crawford Investment Counsel, Inc. is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not necessarily indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance is calculated based on the actual fees experienced by the client. The annual composite dispersion presented is an asset weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for calculating and reporting returns is available upon request.

The investment management fee schedule for the composite is 0.75% on the first \$5 million; and 0.50% on the balance with a minimum annual fee of \$25,000. Actual investment advisory fees incurred by clients may vary.

Balanced portfolio segments are included in this composite and in periods where single asset segments exist, cash has been allocated according to the average cash position those single segment accounts held. A 5% cash allocation has been consistently applied to the composite for periods where no single asset accounts are included.

The Dividend Growth Composite was created in 1998. Crawford Investment Counsel, Inc.'s compliance with GIPS has been verified by Ashland Partners & Company, LLP for the period January 1, 1981 through September 30, 2009. A copy of the verification report is available upon request.