



## CDI Corp. Announces Plan to Fuel Long-Term, Profitable Growth

### CEO Ballou aims to 'make the whole of CDI greater than the sum of its parts'

Philadelphia, Pa. (April 9, 2002) - Three months after announcing a major reorganization that restructured the company around four primary business segments, CDI Corp. (NYSE: CDI) today disclosed its strategies for fueling long-term, profitable growth.

"The linchpin of our growth strategy is to increase shareholder value by making the whole of CDI greater than the sum of its parts within three years," said CDI President and Chief Executive Officer Roger H. Ballou.

According to Ballou, CDI's overall strategic objectives are two-fold:

1. To sharpen the strategic focus of the business. CDI will derive more than 50 percent of its revenues from longer-cycle business, such as engineering and information technology solutions, which will mitigate the company's exposure to economic downturns. It will maintain or establish a top five leadership position in its targeted strategic product lines, focusing on key vertical markets.
2. To dramatically improve the efficiency of its returns. The company will reduce its break-even point to less than \$1 billion and self-fund working capital and intends to increase its consolidated revenues by 10 percent or more a year, through organic growth and acquisitions.

The company released the strategic objectives along with a set of new principles and strategic initiatives for 2002. "What we're announcing today is our strategy for creating a simpler, more profitable company focused on sustainable growth, as well as the metrics by which we-and our shareholders-will measure our progress," said Ballou.

"We intend to be very disciplined in adhering to our core competencies and managing to these objectives," said Ballou. "We are emerging from some challenging times, but CDI has some very attractive lines of business and exciting opportunities. I am confident in our ability to leverage them and deliver better value to our shareholders."

CDI's principles, key strategy objectives, and strategic initiatives for 2002 follow.

#### Conference Call/Webcast

CDI Corp. will conduct a conference call at 11 a.m. (ET) today to discuss this announcement. The conference call will be broadcast live over the Internet and can be accessed by any interested party at [www.streetevents.com](http://www.streetevents.com). An online replay will be available at [www.streetevents.com](http://www.streetevents.com) for 14 days after the call.

#### CDI's Principles for Growth

- Focus on specialized high-margin services that are greatly valued by our customers.
- Provide those services to targeted vertical markets with strong growth characteristics.
- Limit product offerings to strategic core competencies in those targeted vertical markets.
- Lower expense base to reduce break-even point while maintaining the same or better quality of service.
- Leverage investment spending throughout the organization.
- Foster customer-centric, entrepreneurial and market-based business segments.
- Add synergistic value, compliance and control at the corporate level.
- Create an environment that rewards employee accomplishment and growth.
- Create high value for our shareholders, customers and employees.

#### Key Strategy Objectives

- Achieve Return on Assets of 20%+ pre-tax within a 3-year horizon
- Redeploy assets strategically unable to hit 20% hurdle
  - Optimize balance sheet
- Reduce break-even point to less than \$1 billion
- Achieve targeted annual revenue growth rates of 10% organically and by acquisition

- Reduce exposure during economic downturns by increasing mix of long-cycle business to greater than 50%
- Increase consolidated shareholder value by making the whole of CDI more valuable than the sum of its parts within 3 years
- Maintain or establish a top five leadership position in targeted strategic product lines -Leverage complementary opportunities in profitable niche markets or services
- Self-fund working capital
  - After-tax variable contribution in excess of net working capital needed to support growth

#### Strategic Initiatives for 2002

- Raise gross margin to 27%+ (from 25.7% in 2001)
  - Move up value chain by reducing exposure to commodity staffing
- Exit under-producing business
  - Decrease economic cycle exposure by growing outsourcing in higher knowledge content and longer cycle areas
- Redeploy free cash to deliver focused growth of \$30+ million in Legal and Medical specialized staffing, AndersElite, CDI Engineering Group
- Enhance organic growth momentum through:
  - Instituting account development focus
  - Expanded sales force
  - Improved sales management tracking
  - Revised compensation plans
- Targeted variable contribution and Days Sales Outstanding facilitating move to self-funded basis on incremental volume
  - Establish business unit and line of business specific targets
- Create economic leverage through:
  - Core competencies in the areas of Human Resources (compensation and benefits), Enterprise Information Systems (network management, etc.) and Financial (back-office) Services
  - Leverage investment spending (system strategy)
  - Further margin enhancements through targeted initiatives
- Redesign compensation to increase leverage, focus on profit growth, ROA
- Enhance risk management process
  - Fixed price contract administration
  - Managed staffing contract administration
  - Implement account pricing policies and controls
  - Improved credit and collections

#### About CDI Corp.

CDI Corp. (NYSE: CDI) helps clients in targeted vertical markets improve their profitability and efficiency by providing professional project outsourcing, specialized temporary staffing and permanent placement, allowing them to focus on their core competencies. With more than 50 years of experience and an extensive network of offices, technical professionals and recruiters, CDI Corporation is a preferred provider of engineering, information technology and workforce solutions for Fortune 1,000 companies. Subsidiaries include Today's Staffing and Management Recruiters International, the world's largest executive search and recruitment organization. CDI and its franchisees operate more than 1,400 offices in 27 countries. Visit CDI on the web at [www.cdicorp.com](http://www.cdicorp.com).

#### Safe Harbor Statement

Certain information in this news release contains forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Certain forward-looking statements can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," or "anticipates" or the negative thereof or other comparable terminology, or by discussions of strategy, plans or intentions. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These include risks and uncertainties such as competitive market pressures, material changes in demand from larger customers, availability of labor, the company's performance on contracts, changes in customers' attitudes towards outsourcing, government policies or judicial decisions adverse to the staffing industry, changes in economic conditions, and delays or unexpected costs associated with implementation of computer systems. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The company assumes no obligation to update such information.

For more information, contact:

Greg Cowan  
 Executive Vice President, Chief Financial Officer  
 Tel: (215) 636-1207

E-mail: [greg.cowan@cdicorp.com](mailto:greg.cowan@cdicorp.com)

Barbara Leary  
Vice President, Corporate Communications  
Tel: (215) 636-1133  
E-mail: [barbara.leary@cdicorp.com](mailto:barbara.leary@cdicorp.com)