July 19, 2010

CrownCrafts™

Crown Crafts Urges Shareholders to Stay Focused on the Facts and Support Its Slate of Truly Independent, Highly Qualified Director Candidates

Proxy Contest Yet Another Example of Dissident Investor's History of Misrepresentations and "Self-Serving, Short-Sighted Agenda" at Expense of all Shareholders

GONZALES, La., July 19, 2010 (GLOBE NEWSWIRE) -- Crown Crafts, Inc. (the "Company") (Nasdaq:CRWS) today issued a letter to all shareholders in connection with the election of directors at the Company's annual meeting of shareholders to be held on August 10, 2010.

Commenting on the current proxy fight instigated by the New York-based investment fund Wynnefield Partners Small Cap Value L.P. and certain affiliates (the "Wynnefield Group"), E. Randall Chestnut, the Company's Chairman, President and Chief Executive Officer, said, "Crown Crafts continued to build on its successful strategic trajectory in fiscal 2010, which was a great year for Crown Crafts despite the recession-related challenges that impacted retail markets. Among other things, (1) we maintained a stable top line while generating strong cash flows from operations, (2) we instituted a new quarterly dividend payout of $0.02 per share, further strengthened our enviable balance sheet and raised shareholders' equity by 23%, and (3) we increased Adjusted EBITDA* to $10.5 million, the highest level since 1998.

* Please see discussion of non-GAAP financial measures at the end of the attached letter.

"We are proud of the positive momentum we have created for our shareholders, and we enter fiscal 2011 with great enthusiasm for the value creation opportunities that are now before us. This is why the ongoing, misleading antics by the Wynnefield Group to advance their own narrow, self-serving, short-sighted agenda are so frustrating and counterproductive."

In 2007, the Wynnefield Group pursued a costly and distracting proxy fight in which only one of their candidates was elected. In 2008, the Wynnefield Group threatened a similar campaign before the Company agreed to allow the dissident investor to add a handpicked director to the Company's Board.

Chestnut noted that neither individual appears to have the support of the Wynnefield Group anymore because their 2010 slate does not include their nominee who was elected in 2007 and whose term is expiring, and they have suggested that their director appointed in 2008 step down from the Board. "Additionally, the dissident investor's current nominees have

absolutely no experience in our industry and are lacking in relevant qualifications when compared to the Company's slate," he said.

The following is the letter the Company's Board sent to Crown Crafts shareholders:

AN IMPORTANT MESSAGE FROM YOUR BOARD OF DIRECTORS

July 19, 2010

Dear Fellow Crown Crafts Shareholders:

On August 10, 2010, we will host our annual meeting of shareholders in Gonzales, Louisiana. Despite the steady progress your Board of Directors and management have made in creating greater value for Crown Crafts shareholders (see our letter of July 15, 2010 accompanying the proxy materials we sent to you previously), Wynnefield Partners Small Cap Value, L.P. and certain of its affiliates (the Wynnefield Group) are insistent on continuing their efforts to embroil your Company in an unnecessary, distracting and costly proxy battle to drive their self-serving agenda. Your Board strongly urges all Crown Crafts shareholders to vote FOR all of the Company's nominees on the enclosed WHITE proxy card today. We urge you to discard and not return any gold proxy card you may receive from the Wynnefield Group.

DOES THE WYNNEFIELD GROUP TRULY WANT INDEPENDENT DIRECTORS?

In its proxy materials, the Wynnefield Group conveniently ignores the fact that their two handpicked Board members -- Frederick Wasserman and Joseph Kling -- have overwhelmingly supported the very business strategy for long-term value creation that the Wynnefield Group criticizes, while offering no alternatives. They also fail to tell you that Mr. Kling supports our agenda, our strategic plan and our nominees, not theirs.

In Board votes during their tenures, Mr. Wasserman has voted with the majority more than 92% of the time, and Mr. Kling has voted with the majority more than 94% of the time. This time, the Wynnefield Group has chosen not to re-nominate Mr. Wasserman, whose term is expiring this year, even though he has gained a thorough understanding of the Company and its business during his three years on the Board. Also, the Wynnefield Group proposed to the Board earlier this year that the Board use its best efforts to request Mr. Kling to resign and that the Board elect a different handpicked representative of the Wynnefield Group to serve as a director in his place.

Could it be that the Wynnefield Group became disillusioned with Messrs. Wasserman and Kling because, as fully informed directors having a fiduciary obligation to act in the best interest of all shareholders, they overwhelmingly supported the very business strategy that the Wynnefield Group is so critical of? Ask yourself -- does the Wynnefield Group truly want INDEPENDENT directors for the Company?

YOU CANNOT VOTE THE GOLD CARD AND VOTE FOR YOUR CEO

The Wynnefield Group's proxy card permits you to vote for their nominees, Melvin L. Keating and Jon C. Biro, but not for any of the Company's Class I nominees, including E. Randall Chestnut. The Wynnefield Group states that they are not seeking authority to vote for such individuals and will not exercise any such authority. As a result, you cannot vote the gold proxy card provided by the Wynnefield Group and also vote for Mr. Chestnut. This means that if you vote for the Wynnefield Group's nominees, then your Chief Executive Officer, the person primarily responsible for managing the Company's business and implementing its strategy, may no longer be a member of the Board. Do you want to run this risk?

THE WYNNEFIELD GROUP IS WRONG ON THE FACTS

As they did in their previous proxy challenge in 2007, the Wynnefield Group is relying largely on fictitious assertions and misleading allegations to support their case. We believe the consistent misstatements made by the Wynnefield Group demonstrate their clear lack of knowledge both about us and our industry, and we must question the integrity of those who so willingly play fast and loose with the facts. Following are some of the Wynnefield Group's more egregious claims:

THE WYNNEFIELD GROUP'S CLAIM

"The Wynnefield Group has been a stockholder of the Company since 1996, and like oth
suffered from the diminution of value of its shares."

THE WYNNEFIELD GROUP'S CLAIM TH

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"The Company continues to underperform its peers in the infant and juvenile products industry."

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"Failure to publicly disclose a non-emergency CEO succession plan, we believe, is ev
maintain the status quo and its deference to Mr. Chestnut as Chairman and CEO."

THE WYNNEFIELD GROUP'S CLAIM

"Despite our urgings over many years in this regard, and the Company's obligation to
Standstill Agreement, which required a comprehensive review of all strategic option
has not publicly communicated to its stockholders the nature and extent of any stra
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"...[T]here is a lack of willingness of the current management-endorsed members of t
necessary to address, in the opinion of the Wynnefield Group, deficiencies in the C
strategic analysis, corporate governance and alignment of compensation practices wi

THE WYNNEFIELD GROUP'S CLAIM

"We [Wynnefield] believe that the current executive compensation arrangements and ch
with rich Board annual cash retainers, fail to align the financial interests of man
stockholders."

THE COMPANY'S NOMINEES ARE EXPERIENCED, INDEPENDENT AND FIRMLY COMMITTED TO ENHANCING VALUE FOR ALL CROWN CRAFTS SHAREHOLDERS

Your Board is comprised of respected business leaders with extensive professional experience and knowledge of our industry. This Board led an unprecedented turnaround at Crown Crafts that has resulted in significant increases in shareholder value. In addition to their experience and knowledge, the incumbent nominees have demonstrated a commitment to our shareholders that is vital to the stability and success of Crown Crafts. The Wynnefield Group's suggestion that its nominees be added to the Board to build shareholder value and that they alone -- not the Board -- are capable of doing this is an unwarranted and misguided attack on the highly qualified, dedicated and experienced members of your Board.

Consider the following qualifications of our Class I nominees, against whom the Wynnefield Group's nominees are running:

- E. Randall Chestnut joined Crown Crafts in January 1995 and has been President, Chief Executive Officer and Chairman of the Company since 2001. He has overseen the successful transformation and complete financial turnaround of the Company. Prior to joining Crown Crafts, Mr. Chestnut served as President of Beacon Manufacturing Company, a producer of adult and infant blankets, from December 1988 to January 1995 and as Vice Chairman of Wiscassett Mills Company, a yarn manufacturer, from 1990 to 1994.
- William T. Deyo, Jr. has served the Company as a director since its successful reorganization in 2001. He has been a principal of Goddard Investment Group, LLC, a real estate investment firm, since 1999. From 1966 to 1999, he held various positions with Wachovia Bank in Atlanta, Georgia, serving last as Executive Vice President. Mr. Deyo's more than 30 years in the banking industry give him significant insight into issues faced by the Company that relate to lending and financing activities.
- Richard L. Solar brings extensive industry, financial, M&A, public company and licensing experience to the Company, including serving as a director and as Chairman of the Audit Committee of Marvel Entertainment, Inc. until its sale to The Walt Disney Company in 2009 in a transaction

valued at more than $4 billion. From 1996 to June 2002, Mr. Solar served as Senior Vice President, Director and Chief Financial Officer of Gerber Childrenswear, a publicly-traded infant and children's consumer products company. He also co-led the acquisition of the company prior to its going public and served the company as a consultant from June 2002 to February 2003.

The Company is also running a highly qualified Class II nominee in Sidney Kirschner. Mr. Kirschner, who previously served as a director of the Company for almost nine years, brings a valuable understanding of its business and industry. During a successful and varied career, he has held top executive officer positions with a former Fortune 500 company and has served on the boards of other successful companies, including companies in the textile and manufacturing industries.

In its proxy materials, the Wynnefield Group again criticizes the Company's staggered board structure, asserting that it adversely affects shareholder democracy. However, all Board members are subject to the same fiduciary duties to the Company and its shareholders without regard to the length of their term of service or the frequency of their standing for re-election. Moreover, a staggered board means that the majority of your Board at any given time will have experience in the Company's business and affairs, promoting continuity and stability of the Company's business strategies and policies.

All members of your Board, other than Mr. Chestnut, are independent. In addition, because the Board believes that strong, independent board leadership is a critical aspect of effective corporate governance, the Board has established the position of lead director, currently held by Zenon S. Nie. The lead director, who is elected by the independent directors and must be independent himself, presides over executive sessions of the independent directors, consults with the Chairman, oversees the flow of information to the Board and acts as liaison between the non-employee directors and management. As the primary interface between the CEO and the Board, he provides a valuable counterweight to the Company's combined Chairman and CEO role.

WE HAVE OUR OWN QUESTIONS ABOUT

THE WYNNEFIELD GROUP'S CURRENT NOMINEES

We believe that the experience and qualifications of the Wynnefield Group's nominees -- Melvin L. Keating and Jon C. Biro -- raise certain red flags for shareholders.

Mr. Keating's experience, in particular, causes concern. For example, Mr. Keating was President and Chief Executive Officer of Alliance Semiconductor Corporation from December 2005 until September 2008 when Alliance's Board decided to liquidate the company. This was after Alliance, under Mr. Keating's leadership, had sold virtually all of its operating assets and had invested $59.4 million of the cash proceeds in short-term, high-risk, high-yield securities that were later completely written off. Mr. Keating also has served on the boards of a number of troubled companies, including Plymouth Rubber Co., which delisted itself from the American Stock Exchange in 2004 following sustained operating losses, and Kitty Hawk, Inc., which filed for Chapter 11 bankruptcy reorganization in 2007.

Mr. Biro is a certified public accountant whose public company experience appears to be

limited to approximately two years as a CFO with a printing company, about 13 years in various positions, including serving as a director for a resin manufacturer, and seven months as a director (with Mr. Keating) for Aspect Medical Systems, Inc. prior to its sale to United States Surgical Corporation. This lack of breadth and depth in relevant expertise for our industry is not comparable to the highly qualified Company-nominated candidates who have been fully vetted by the Board.

We believe that Messrs. Biro and Keating stand in marked contrast to the Company's Class I nominees against whom they are running when considering relevant industry experience. Your Board-supported nominees -- E. Randall Chestnut, William T. Deyo, Jr., Sidney Kirschner and Richard L. Solar -- are highly qualified stewards of your investment and are fully committed to diligently pursuing our successful growth strategy and acting in the best long-term interests of all shareholders.

SUPPORT YOUR BOARD'S NOMINEES AND YOUR COMPANY

Your Board firmly believes that the best path to maximize value for all shareholders is the continued execution of our strategic plan. This is not the time to disrupt our operations or distract our employees with concerns about their future and that of Crown Crafts. This is the time to grow our Company with the leadership of an experienced Board and management team.

Your vote is very important to us, no matter the size of your holdings. We urge you to vote your shares today by signing, dating and returning the enclosed WHITE proxy card by mailing it in the enclosed pre-addressed, stamped envelope. You can also vote by internet or telephone by following the instructions on the WHITE proxy card. Please do not sign or return any gold proxy card sent to you by the Wynnefield Group -- as a reminder, you cannot vote the gold proxy card and also vote for Mr. Chestnut or any other Class I nominee. If you have any questions or need any assistance voting your shares, do not hesitate to contact Georgeson, who is assisting us in this matter, toll free at 1-888-605-7561.

On behalf the Board of Directors and the dedicated men and women of Crown Crafts, we thank you for your ongoing support.

Sincerely,

E. Randall Chestnut Zenon S. Nie

Chairman of the Board, President Independent Lead Director

and Chief Executive Officer

YOUR VOTE IS IMPORTANT

- To vote FOR your Company's nominees, you MUST execute a WHITE proxy card.
- The Board of Directors urges you to DISCARD any gold proxy cards that you may have received from the Wynnefield Group. A "WITHHOLD AUTHORITY" vote on the Wynnefield Group's gold proxy card is NOT a vote for the Company's nominees.
- If you have voted on a gold proxy card but wish to support your

Company's nominees, please sign, date and mail the enclosed WHITE proxy card in the postage-paid envelope provided as soon as possible. You can also vote by internet or telephone by following the instructions on the WHITE proxy card.

-- Remember -- ONLY YOUR LATEST DATED PROXY WILL DETERMINE HOW YOUR SHARES ARE TO BE VOTED AT THE MEETING.

-- If any of your shares are held in the name of a bank, broker or other nominee, please contact the party responsible for your account and direct them to vote your shares FOR your Company's nominees on the WHITE proxy card.

If you have any questions or need assistance in voting your shares,

please contact our proxy solicitor.

Georgeson

199 Water Street, 26th Floor

New York, NY 10038

Banks and Brokers (212) 440-9800

Shareholders Call Toll Free (888) 605-7561

* Crown Crafts, Inc. and Subsidiaries

Non-GAAP Reconciliation of Net Income to Adjusted EBITDA

In Thousands

	Fiscal Year Ended March 28, 2010
Net income	$ 4,780
Interest expense	692
Interest income	(17)
Income tax expense on continuing operations	3,103
Income tax benefit on discontinued operations	(69)
Depreciation	286
Amortization	1,544
Impairment charge - assets held for sale	154
Adjusted EBITDA	$10,473

In addition to the Company's disclosure of its financial position and results of operations in conformity with accounting principles generally accepted in the United States of America ("GAAP"), the Company has also disclosed certain measures of its financial position and results of operations which are not determined in accordance with GAAP. These non-GAAP financial measures include Adjusted EBITDA, which is used by the Company internally to monitor the Company's operating results and cash flow and to evaluate the performance of its businesses. The Company believes that its presentation of Adjusted EBITDA is useful in that it is an important indicator of the Company's ability to generate cash sufficient to reduce debt, make strategic acquisitions and investments in capital expenditures, pay dividends and meet its working capital requirements and other obligations as they become due. The items excluded to calculate Adjusted EBITDA are significant components in understanding and assessing the Company's financial performance. The non-GAAP financial measures are presented as supplemental information and should be considered in addition to, and not as a substitute for, the Company's GAAP financial measures, including its net income, cash flow provided by or used in operating, investing or financing activities, and other measures of the Company's financial performance and liquidity. Because non-GAAP financial measures, by definition, are not determined in accordance with GAAP, companies calculate them in varying ways. Therefore, the non-GAAP financial measures presented by the Company may not be comparable to similarly titled measures of other companies.

END OF SHAREHOLDER LETTER

About Crown Crafts, Inc.

Crown Crafts, Inc. designs, markets and distributes infant, toddler and juvenile consumer products, including crib and toddler bedding and blankets; nursery and bath accessories; reusable and disposable bibs and floor mats; burp cloths; room decor; and disposable placemats, toilet seat covers and changing mats. The Company's operating subsidiaries include Hamco, Inc. in Louisiana and Crown Crafts Infant Products, Inc. in California. Crown Crafts is America's largest producer of infant bedding, bibs and bath items. The Company's products include licensed and branded collections as well as exclusive private label programs for certain of its customers. The Company's website is www.crowncrafts.com.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such statements are based upon management's current expectations, projections, estimates and assumptions. Words such as "expects," "believes," "anticipates" and variations of such words and similar expressions identify such forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause future results to differ materially from those suggested by the forward-looking statements. These risks include, among others, general economic conditions, including changes in interest rates, in the overall level of consumer spending and in the price of oil, cotton and other raw materials used in the Company's products, changing competition, changes in the retail environment, the level and pricing of future orders from the Company's customers, the extent to which the Company's business is concentrated in a small number

of customers, the Company's dependence upon third-party suppliers, including some located in foreign countries, customer acceptance of both new designs and newly-introduced product lines, actions of competitors that may impact the Company's business, disruptions to transportation systems or shipping lanes used by the Company or its suppliers, and the Company's dependence upon licenses from third parties. Reference is also made to the Company's periodic filings with the Securities and Exchange Commission for additional factors that may impact the Company's results of operations and financial condition. The Company does not undertake to update the forward-looking statements contained herein to conform to actual results or changes in our expectations, whether as a result of new information, future events or otherwise.

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