

March 26, 2012



## **Crown Crafts to Reward Stockholders with 100% Increase in Quarterly Cash Dividend**

- **Board doubles quarterly dividend to \$0.08 per share, reflecting its confidence in the Company's operations and ability to continue to generate strong cash flow**
- **Dividend, to be paid on July 6, 2012 to stockholders of record at the close of business on June 15, 2012, represents an annualized yield of 7.4 percent**
- **CEO says Company will continue to pursue strategic acquisitions**

GONZALES, La., March 26, 2012 /PRNewswire/ -- Crown Crafts, Inc. (NASDAQ-CM: CRWS) announced today that its Board of Directors has doubled the Company's quarterly cash dividend on its Series A common stock to \$0.08 per share, compared with the previous rate of \$0.04 per share. This new rate represents a return of 7.4 percent on an annualized basis and will be paid on July 6, 2012 to stockholders of record at the close of business on June 15, 2012.

As previously announced, the Company will pay a cash dividend of \$0.04 per share to stockholders of record at the close of business on March 16, 2012.

"This action by the Board is a strong statement about its confidence in the underlying strength of our business and in our ability to continue to generate strong and sustainable free cash flow," said E. Randall Chestnut, Chairman, President and Chief Executive Officer. "We are pleased to be able to reward our stockholders with this significant dividend increase and look forward to continuing to create stockholder value."

Chestnut noted that the increased cash dividend will not preclude the Company from continuing to pursue strategic acquisitions. "With our strong operating cash flow and debt-free balance sheet, we are well positioned to continue to be an industry consolidator and acquire attractive assets that extend our portfolio and help drive our financial results," he said. "Over the past ten years, we added several key businesses to our portfolio, while simultaneously eliminating approximately \$48 million of debt from our balance sheet. We will continue to grow the business in this aggressive, yet prudent, manner."

### **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 Crown Crafts Infant Products, Inc. in California and Hamco, Inc. in Louisiana. 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 latest news about Crown Crafts can be found at [www.crowncrafts.com](http://www.crowncrafts.com).

### **Forward-Looking Statements**

*The foregoing 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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