



Mark S. Davis

President & Chief Executive Officer

November 15, 2004

Dear Employees and Partners:

A year. I cannot believe the time has passed so quickly.

November 10th marked my first anniversary with EMSI. It has been a very busy and rewarding year for me and our Company.

Before we get into the holiday season, I want to share with you some of our accomplishments. There have been many. I also would like to give you a vision for our Company going forward.

As you may know, this year marks the 30th anniversary for EMSI. This is no small accomplishment. We have been very successful over the years and EMSI has emerged as the major player in the markets we serve. EMSI is one of the nation's largest full-service providers of underwriting, risk management and claim investigation services to the insurance industry. We can all be very proud.

But the past has just positioned us for the future.

This Year – Many Improvements

What have we accomplished?

- Established a "One Company" culture throughout our three business units. We are focused on "Best Practices" and an attitude of winning.
- Reorganized the leadership and organizational structure of the Company to align operations to the "One Company" approach.
- Implemented a Quality and Performance Excellence program Company wide.
- Introduced a more aggressive strategy in our Medical Records Retrieval and Exam Divisions.
- Re-designed "HOT" tickets to our branch partners for Home Office directed service orders.
- Strengthened our management team across the Company. For example, Chad Gross, our Chief Information Officer, has already deployed important improvements to our IT reliability, continuity, and speed of service. Lynda Johnson Lorenz, Senior Vice President of Strategic Accounts, has developed key relationships that have brought us closer to our largest customers, including MetLife, Northwestern Mutual, and UICI. Our restructured Account Management program under Kami Myers, Vice President of Account Management, has expanded our relationship with State Farm and others.
- The Company is exceeding its Fiscal Year 2005 revenue growth and operating budget for the first time in several years.
- We are now the exclusive claims investigator for several customers.
- Our Health Services Division continues to grow at an impressive rate, gathering many new customers for clinical trials and epidemiology studies. Tickets in Workplace Services are up 20.8% and Clinical 136% YTD.
- We have made great strides in improving our technology with the introduction and release of our new web site, the construction of our new world class data center, and initiatives to improve brokerage connectivity.
- We have new National Service Center offices in Dallas, Texas that are efficient and professional.

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The Future – “Good to Great”

We have accomplished so much. Our challenge now is to take our Company from “Good” to “Great”. The way we will do this is to continually challenge ourselves to improve and focus with passion on execution of our business plans.

We have already begun our Fiscal Year 2006 planning. I recently met with our Leadership Team to discuss the Five Year Business Plan and Strategy for EMSI. As many of you know, the leaders of our various divisions are meeting with their division management to develop tactical plans to execute our Company strategy.



In an enclosed photo, you can see me discussing my vision with the Medical Records Retrieval management team during their tactical planning session. I had a similar meeting with the Exam Division management and will meet with others.

It was important for me to listen and participate in these planning sessions because I wanted to hear what our leaders had to say, how they will take our company to a new level, and how they will execute.

In January, I will be discussing our plans with several of our Branch Partners during our Partners Advisory Council (PAC) meeting.

In the coming weeks and months, your division leadership and operations management will share more about how we will move from good to great. We will take bold new steps that will make you proud to be part of a great organization like EMSI. We will strengthen our position in our markets and break out into new areas that represent opportunity for us.

We are approaching Thanksgiving. We all have much to be thankful for – our families, our communities, our nation.

Thank you for what you have done so far and thank you for what you will do to make this a great and successful company.

Sincerely Yours,

Mark S. Davis

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President and CEO