



WESTWOOD

HOLDINGS GROUP, INC.*

February 3, 2004

Westwood Holdings Group, Inc. Announces 33% Increase in Quarterly Dividend And Reports Q4 and Fiscal Year 2003 Results

DALLAS, Feb 3, 2004 /PRNewswire-FirstCall via COMTEX/ -- Westwood Holdings Group, Inc. (NYSE: WHG) today announced that its Board of Directors has approved a 33% increase in its quarterly cash dividend to \$0.04 per common share compared to the previous quarterly dividend of \$0.03 per share. The dividend will be payable on April 1, 2004 to stockholders of record on March 15, 2004.

Westwood also today reported 2003 fourth quarter revenues of \$4.7 million, net income of \$1.1 million, and earnings per diluted share of \$0.21. This compares to revenues of \$5.0 million, and net income of \$1.4 million, or \$0.25 per diluted share in the fourth quarter of 2002. For the fiscal year ended December 31, 2003, Westwood reported revenues of \$20.1 million and net income of \$4.9 million, or \$0.90 per diluted share, compared to revenues of \$21.6 million and net income of \$5.2 million, or \$0.97 per diluted share, for the 2002 fiscal year.

Total expenses for the 2003 fourth quarter were \$2.9 million compared to \$2.8 million for the 2002 fourth quarter, and were \$12.2 million for the 2003 fiscal year compared to \$13.0 million for the 2002 fiscal year.

Assets under management were \$4.0 billion as of December 31, 2003, a decrease of 3.0% compared to \$4.1 billion on December 31, 2002. Quarterly average assets under management for the year 2003 were \$4.0 billion compared to \$4.2 billion for the year 2002. The slight decline in assets under management was primarily due to the withdrawal of assets by certain clients substantially offset by the market appreciation of assets under management and inflows from new clients.

Susan M. Byrne, Westwood's founder and Chief Executive Officer commented, "We are pleased with firm-wide results for 2003, which was our first full year as a public company. We continued to focus on expanding operational efficiencies, while our investment portfolios benefited from the stock market's best year since 1999. Although the riskiest investment styles produced the highest returns in 2003, our quality-based process was still able to produce solid returns in all of our major equity portfolios. In addition, we experienced strong growth at Westwood Trust, increasing assets under management by more than 40%. We look forward to 2004 with the belief that our clients will once again be rewarded for their commitment to our proven investment discipline."

About Westwood

Westwood Holdings Group, Inc. manages investment assets and provides services for its clients through two subsidiaries, Westwood Management Corp. and Westwood Trust. Westwood Management Corp. is a registered investment advisor and provides investment advisory services to corporate pension funds, public retirement plans, endowments and foundations, mutual funds and clients of Westwood Trust. Westwood Trust provides, to institutions and high net worth individuals, trust and custodial services and participation in common trust funds that it sponsors. Westwood Holdings Group, Inc. trades on the New York Stock Exchange under the symbol "WHG". For more information, please visit the Company's website at www.westwoodgroup.com.

Note on Forward-looking Statements

Statements that are not purely historical facts, including statements about anticipated or expected future revenue and earnings growth and profitability, as well as other statements including words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," "should," "could," "goal," "target," "designed," "on track," "continue," "comfortable with," "optimistic," "look forward to" and other similar expressions, constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results to be materially different from those contemplated by the forward-looking statements. Such factors include the risks and uncertainties referenced in our documents filed with, or furnished to, the Securities and Exchange Commission, including without limitation those identified under the caption "Forward-Looking Statements and Risk Factors" in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements.

WESTWOOD HOLDINGS GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)
(unaudited)

	Three months ended December 31,		Year ended December 31,	
	2003	2002	2003	2002
REVENUES:				
Advisory fees	\$ 3,204	\$ 3,741	\$ 14,008	\$ 16,223
Trust fees	1,324	1,076	4,794	4,508
Other revenues	178	196	1,276	893
Total revenues	4,706	5,013	20,078	21,624
EXPENSES:				
Employee compensation and benefits	1,995	2,219	8,492	9,149
Sales and marketing	112	48	563	442
Information technology	182	162	779	850
Professional services	216	84	892	1,075
General and administrative	392	309	1,472	1,444
Total expenses	2,897	2,822	12,198	12,960
Income before income taxes	1,809	2,191	7,880	8,664
Provision for income tax expense	693	828	2,996	3,453
Net income	\$ 1,116	\$ 1,363	\$ 4,884	\$ 5,211
Earnings per share:				
Basic	\$ 0.21	\$ 0.25	\$ 0.91	\$ 0.97
Diluted	\$ 0.21	\$ 0.25	\$ 0.90	\$ 0.97

Note: Quarterly numbers may not add due to rounding.

WESTWOOD HOLDINGS GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
As of December 31, 2003 and December 31, 2002
(in thousands, except par values and share amounts)
(unaudited)

	2003	2002
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,643	\$ 4,359
Accounts receivable	1,931	2,186
Investments, at market value	17,413	14,230
Total current assets	22,987	20,775
Goodwill, net of accumulated amortization of \$640	2,302	2,302
Other assets, net	948	1,043
Total assets	\$ 26,237	\$ 24,120
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 935	\$ 701
Dividends payable	167	108
Compensation and benefits payable	2,776	3,523
Income taxes payable	472	604
Total current liabilities	4,350	4,936
Other liabilities	34	61
Total liabilities	4,384	4,997
Stockholders' Equity:		
Common stock, \$0.01 par value, authorized		

10,000,000 shares, issued 5,550,472 and outstanding 5,550,119 shares at December 31, 2003; issued 5,394,522 and outstanding 5,394,145 shares at December 31, 2002	56	54
Additional paid-in capital	12,952	9,579
Treasury Stock, at cost - 353 shares at December 31, 2003 and 377 shares at December 31, 2002	(6)	(6)
Unamortized stock compensation	(2,609)	---
Notes receivable from stockholders	---	(3,598)
Retained earnings	11,460	13,094
Total stockholders' equity	21,853	19,123
Total liabilities and stockholders' equity	\$ 26,237	\$ 24,120

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