



FOR IMMEDIATE RELEASE

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RTW Adds Solution in its Battle Against Absence

MINNEAPOLIS, MN –August 24, 2007 -- RTW, Inc. (Nasdaq: RTWI), a leading provider of products and services to manage insured and self-insured workers' compensation, disability and absence programs, today announced that it has added RTW SelectRiteSM, an electronic pre-employment screening solution designed to save employers the expense of hiring high-risk employees, particularly those who have a high probability of being absent from work. The tool provides immediate feedback to employers and has demonstrated the ability to reduce workers' compensation costs by as much as 50 percent.

Jeffrey B. Murphy, President and CEO of RTW said, "I am excited about adding this solution to our offerings. RTW SelectRite moves us to the front end of the absence spectrum by focusing on hiring the right employees. In conjunction with ID15[®] and the RTW Solution[®], RTW SelectRite provides us another solution aimed at minimizing absence and lost productivity due to workers' compensation and disability. Our customers have already indicated a strong level of interest in using the tool. We plan to market and sell RTW SelectRite to both insurance and fee-for-service clients and prospects."

About RTW, Inc.

RTW, Inc., based in Minneapolis, Minnesota, provides disability and absence management services, primarily directed at workers' compensation to: (i) employers insured through our wholly-owned insurance subsidiaries, American Compensation Insurance Company (ACIC) and Bloomington Compensation Insurance Company (BCIC); (ii) self-insured employers on a fee-for-service basis; (iii) state assigned risk plans on a percent of premium basis; (iv) other insurance companies; and (v) agents and employers on a consulting basis, charging hourly fees. The company developed two proprietary systems to manage disability and absence: (i) ID15[®], designed to quickly identify those injured employees who are likely to become inappropriately dependent on disability system benefits, including workers' compensation; and (ii) RTW Solution[®], designed to lower employers' disability costs and improve productivity by returning injured employees to work as soon as safely possible. The company supports these proprietary management systems with state-of-the-art technology and talented people dedicated to its vision of transforming people from absent or idle to present and productive. ACIC writes workers' compensation insurance for employers primarily in Minnesota, Colorado and Michigan, but is growing in new markets including Florida, Texas, Kansas, Connecticut, North Carolina and Iowa. BCIC

offers workers' compensation insurance to selected employers in Minnesota and Colorado. In addition, through its Absentia[®] division, RTW has expanded and provides non-insurance products and service offerings nationally. The company's services are effective across many industries. RTW, Inc. is traded on the Nasdaq Global Market under the symbol RTWI. For more information on RTW, Inc., please visit www.rtwi.com.

Safe Harbor Statement

Some of the statements made in this News Release, as well as statements made by us in periodic press releases and oral statements made by us to analysts and shareholders in the course of presentations about RTW, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Any forward-looking statement contained herein including statements related to our outlook for the industry and for our performance for the year 2007 and beyond, are based upon our historical performance and on current plans, estimates and expectations. The inclusion of these forward-looking statements should not be regarded as a representation by us that the future plans, estimates or expectations contemplated by us will be achieved. The following important factors, among others, in some cases have affected and in the future could affect our actual results and could cause our actual financial performance to differ materially from that expressed in any forward-looking statement: (i) our ability to retain renewing policies and write new business with a B++ (Very Good, Secure) rating from A.M. Best; (ii) adverse changes in the rating assigned to us by A.M. Best; (iii) our ability to extend our workers' compensation services to self-insured employers and other alternative markets and to operate profitably in providing these services; (iv) changes in the pricing environment including those due to the cyclical nature of the property and casualty insurance industry and the effect of competition; (v) the adequacy of our unpaid claim and claim settlement expense reserves; (vi) exposure to terrorist acts and our coverage and retention under The Terrorism Risk Insurance Extension Act of 2005 (TRIEA) and the potential expiration of TRIEA and the unpredictable nature of such events; (vii) our ability to obtain and retain reinsurance at a reasonable cost; (viii) our ability to provide our proprietary products and services to customers successfully and profitably; (ix) competition and the regulatory environment in which we operate; (x) changes in workers' compensation regulation by states, including changes in mandated benefits or insurance company regulation; (xi) investment risk, including those of our portfolio of fixed income securities and interest rate changes; (xii) general economic and business conditions; and (xiii) other factors as noted in our other filings with the Securities and Exchange Commission. This discussion of uncertainties is by no means exhaustive but is designed to highlight important factors that may affect our future performance.

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