

Con-way Inc.
CONSOLIDATED FINANCIAL SUMMARIES
STATEMENTS OF OPERATING RESULTS
(Dollars in Thousands Except per Share Data)
Quarter Ended
(UNAUDITED)

	2004			2005			2006			2007			
	Sep 30	Dec 31	March 31	June 30	Sep 30	Dec 31	March 31	June 30	Sep 30	Dec 31	March 31	June 30	Sep 30
REVENUES													
Freight	\$ 651,266	\$ 631,786	\$ 627,950	\$ 701,637	\$ 726,610	\$ 705,823	\$ 694,965	\$ 749,424	\$ 730,960	\$ 677,560	\$ 679,690	\$ 744,922	\$ 740,769
Truckload	-	-	279	-	62	271	500	2,152	2,622	1,871	948	1,289	51,991
Logistics	305,479	318,597	301,949	317,036	354,797	365,892	349,862	345,699	340,869	318,871	320,481	323,909	312,572
Other	1,997	2,144	5,417	2,892	2,988	1,972	665	2,777	2,356	325	1,072	3,597	5,961
	<u>958,742</u>	<u>952,527</u>	<u>935,595</u>	<u>1,021,565</u>	<u>1,084,457</u>	<u>1,073,958</u>	<u>1,045,992</u>	<u>1,100,052</u>	<u>1,076,807</u>	<u>998,627</u>	<u>1,002,191</u>	<u>1,073,717</u>	<u>1,111,293</u>
OPERATING INCOME (LOSS)													
Freight [A]	71,750	59,993	64,367	95,322	93,648	74,497	66,169	99,932	93,740	61,363	54,231	72,152	60,029
Truckload	-	-	(217)	559	1,478	1,654	378	1,928	1,398	(663)	(663)	(2,306)	2,975
Logistics	5,710	6,673	5,030	5,634	7,889	8,119	6,185	6,093	5,462	7,909	6,536	6,935	6,188
Vector [B]	2,699	10,174	4,035	3,419	3,379	5,228	4,194	4,665	1,999	41,741	(2,699)	-	-
Other	(635)	(1,560)	635	(822)	(2,638)	(270)	982	(785)	(284)	196	(1,732)	840	(1,510)
	<u>79,524</u>	<u>75,280</u>	<u>73,850</u>	<u>104,112</u>	<u>103,756</u>	<u>89,228</u>	<u>77,908</u>	<u>111,833</u>	<u>102,315</u>	<u>109,772</u>	<u>55,673</u>	<u>77,621</u>	<u>67,682</u>
OTHER INCOME (EXPENSE)													
Investment Income	2,112	3,238	4,627	5,535	5,668	6,900	6,942	6,680	5,399	5,760	5,448	5,854	5,118
Interest Expense	(10,959)	(11,389)	(10,466)	(9,688)	(8,426)	(8,921)	(8,148)	(8,317)	(8,761)	(8,980)	(8,551)	(8,773)	(10,603)
Miscellaneous, Net	(412)	744	(1,092)	(1,493)	(732)	(502)	482	174	(511)	(239)	(225)	418	(271)
	<u>(9,259)</u>	<u>(7,407)</u>	<u>(6,931)</u>	<u>(5,646)</u>	<u>(3,490)</u>	<u>(2,523)</u>	<u>(724)</u>	<u>(1,463)</u>	<u>(3,873)</u>	<u>(3,459)</u>	<u>(3,328)</u>	<u>(2,501)</u>	<u>(5,756)</u>
Income from Continuing Operations before Taxes	70,265	67,873	66,919	98,466	100,266	86,705	77,184	110,370	98,442	106,313	52,345	75,120	61,926
Income Tax Provision [B]	27,115	26,610	25,456	29,622	35,244	31,659	29,191	34,418	33,664	22,705	21,626	25,670	22,961
Income from Continuing Operations	<u>43,150</u>	<u>41,263</u>	<u>41,463</u>	<u>68,844</u>	<u>65,022</u>	<u>55,046</u>	<u>47,993</u>	<u>75,952</u>	<u>64,778</u>	<u>83,608</u>	<u>30,719</u>	<u>49,450</u>	<u>38,965</u>
Discontinued Operations, net of tax													
Income (Loss) from Discontinued operations	3,208	9,339	(612)	(688)	(549)	(545)	(753)	(1,176)	-	-	-	-	-
Gain (Loss) from Disposal	(260,490)	(18,259)	(9,776)	2,951	3,335	(2,729)	(806)	(4,044)	-	580	2,919	(1,310)	-
	<u>(257,282)</u>	<u>(8,920)</u>	<u>(10,388)</u>	<u>2,263</u>	<u>2,786</u>	<u>(3,274)</u>	<u>(1,559)</u>	<u>(5,220)</u>	<u>-</u>	<u>580</u>	<u>2,919</u>	<u>(1,310)</u>	<u>-</u>
Preferred Stock Dividends	2,075	2,120	1,989	2,036	1,816	1,887	1,763	1,808	1,748	1,835	1,714	1,765	1,693
Net Income (Loss) Applicable to Common Shareholders	<u>\$ (216,207)</u>	<u>\$ 30,223</u>	<u>\$ 29,086</u>	<u>\$ 69,071</u>	<u>\$ 65,992</u>	<u>\$ 49,885</u>	<u>\$ 44,671</u>	<u>\$ 68,924</u>	<u>\$ 63,030</u>	<u>\$ 82,353</u>	<u>\$ 31,924</u>	<u>\$ 46,375</u>	<u>\$ 37,272</u>
Earnings (Loss) Per Share													
Basic													
Net Income (Loss) Applicable to Common Shareholders	<u>(\$4.27)</u>	<u>\$0.59</u>	<u>\$0.56</u>	<u>\$1.32</u>	<u>\$1.27</u>	<u>\$0.96</u>	<u>\$0.86</u>	<u>\$1.39</u>	<u>\$1.32</u>	<u>\$1.76</u>	<u>\$0.69</u>	<u>\$1.02</u>	<u>\$0.83</u>
Diluted													
Net Income from Continuing Operations	\$0.75	\$0.70	\$0.70	\$1.20	\$1.13	\$0.96	\$0.84	\$1.40	\$1.24	\$1.65	\$0.60	\$0.99	\$0.78
Income (Loss) from Discontinued Operations	0.05	0.17	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	-	-	-	-	-
Gain (Loss) from Disposal	(4.70)	(0.33)	(0.17)	0.05	0.06	(0.05)	(0.02)	(0.08)	-	0.01	0.05	(0.03)	-
Net Income (Loss) Applicable to Common Shareholders	<u>(\$3.90)</u>	<u>\$0.54</u>	<u>\$0.52</u>	<u>\$1.24</u>	<u>\$1.18</u>	<u>\$0.90</u>	<u>\$0.81</u>	<u>\$1.30</u>	<u>\$1.24</u>	<u>\$1.66</u>	<u>\$0.65</u>	<u>\$0.96</u>	<u>\$0.78</u>
Effective Income Tax Provision Rate	38.59%	39.21%	38.04%	30.08%	35.15%	36.51%	37.82%	31.18%	34.20%	21.36%	41.31%	34.17%	37.08%
Average Shares -													
Basic	50,670,398	51,363,137	52,348,984	52,166,814	52,081,891	52,175,586	51,921,645	49,676,912	47,601,175	46,721,894	45,990,811	45,286,315	44,976,482
Diluted	55,408,636	56,208,868	56,610,719	56,016,513	55,966,289	55,879,482	55,381,912	53,104,005	50,857,496	49,904,367	49,145,454	48,415,928	48,007,691
OPERATING MARGIN													
Freight	11.0%	9.5%	10.3%	13.6%	12.9%	10.6%	9.5%	13.3%	12.8%	9.1%	8.0%	9.7%	8.1%
Truckload	NM	NM	-77.8%	NM	NM	NM	75.6%	89.6%	53.3%	-76.9%	-69.9%	NM	5.7%
Logistics	1.9%	2.1%	1.7%	1.8%	2.2%	2.2%	1.8%	1.8%	1.6%	2.5%	2.0%	2.1%	2.0%
Other	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Total	8.3%	7.9%	7.9%	10.2%	9.6%	8.3%	7.4%	10.2%	9.5%	11.0%	5.6%	7.2%	6.1%

NM = Not Meaningful

Con-way adopted SFAS 123R, "Share-Based Payment," effective January 1, 2006. Con-way adopted SFAS 123R under the modified-prospective method, and accordingly, prior-period financial statements have not been adjusted.

Effective August 23, 2007, Con-way acquired Contract Freighters, Inc. and affiliated companies (collectively, "CFI"), and on September 5, 2007, Con-way acquired Cougar Express Logistics and affiliated companies (collectively, "Cougar"). Under purchase-method accounting, CFI's and Cougar's operating results are included in Con-way's statements of operating results only for periods subsequent to the acquisition.

[A] Results in 2006 include a \$6.2 million gain from the sale of Con-way Expedite in July.
Results in 2007 include a \$5.5 million third-quarter loss related to the reorganization initiative at Con-way Freight.

[B] Results in 2006 reflect the effect of a \$41.0 million gain in December from the sale of MW's equity investment in Vector. The tax on the sale-related gain was offset by the utilization of a capital-loss carryforward.