

Con-way Inc.
Statements of Operating Income
(Dollars in thousands except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
REVENUES				[c]
Freight	\$ 808,326	\$ 740,769	\$ 2,375,654	\$ 2,165,381
Logistics [a]	419,896	312,572	1,138,494	956,962
Truckload [b]	140,932	51,991	394,264	54,228
Other	1,015	5,961	3,023	10,630
	<u>\$ 1,370,169</u>	<u>\$ 1,111,293</u>	<u>\$ 3,911,435</u>	<u>\$ 3,187,201</u>
OPERATING INCOME (LOSS)				
Freight	\$ 61,107	\$ 60,029 [d]	\$ 174,559	\$ 179,859 [d]
Logistics	3,678	6,188	14,895	19,659
Truckload [b]	15,195	2,975	37,907	6
Vector	-	-	-	(2,699)
Other	(1,063)	(1,510)	424	(2,402)
	<u>78,917</u>	<u>67,682</u>	<u>227,785</u>	<u>194,423</u>
Other Expense, net	<u>15,169</u>	<u>5,756</u>	<u>43,247</u>	<u>11,585</u>
Income before Income Tax Provision	63,748	61,926	184,538	182,838
Income Tax Provision	<u>23,264</u>	<u>22,961</u>	<u>71,136</u>	<u>67,787</u>
Income from Continuing Operations	<u>40,484</u>	<u>38,965</u>	<u>113,402</u>	<u>115,051</u>
Discontinued Operations, net of tax				
Gain from Disposal	-	-	1,609	1,609
	<u>-</u>	<u>-</u>	<u>1,609</u>	<u>1,609</u>
Net Income	40,484	38,965	115,011	116,660
Preferred Stock Dividends	<u>1,655</u>	<u>1,693</u>	<u>5,028</u>	<u>5,172</u>
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	<u>\$ 38,829</u>	<u>\$ 37,272</u>	<u>\$ 109,983</u>	<u>\$ 111,488</u>
NET INCOME FROM CONTINUING OPERATIONS AVAILABLE TO COMMON SHAREHOLDERS	<u>\$ 38,829</u>	<u>\$ 37,272</u>	<u>\$ 108,374</u>	<u>\$ 109,879</u>
Weighted-Average Common Shares Outstanding				
Basic	45,499,208	44,976,482	45,367,459	45,414,155
Diluted	48,336,200	48,007,691	48,256,429	48,492,037
Earnings Per Common Share				
Basic				
Net Income from Continuing Operations	\$ 0.85	\$ 0.83	\$ 2.39	\$ 2.42
Gain from Disposal	-	-	0.03	0.03
	<u>\$ 0.85</u>	<u>\$ 0.83</u>	<u>\$ 2.42</u>	<u>\$ 2.45</u>
Diluted				
Net Income from Continuing Operations	\$ 0.81	\$ 0.78	\$ 2.26	\$ 2.28
Gain from Disposal	-	-	0.04	0.04
	<u>\$ 0.81</u>	<u>\$ 0.78</u>	<u>\$ 2.30</u>	<u>\$ 2.32</u>
[a] Menlo Logistics' net revenues				
Revenues	\$ 419,896	\$ 312,572	\$ 1,138,494	\$ 956,962
Purchased transportation	(291,964)	(203,015)	(757,923)	(637,371)
Net revenues	<u>\$ 127,932</u>	<u>\$ 109,557</u>	<u>\$ 380,571</u>	<u>\$ 319,591</u>

[b] Effective August 23, 2007, Con-way acquired Contract Freighters, Inc. and affiliated companies (collectively, "CFI"). Under purchase-method accounting, CFI's operating results are included in Con-way's statements of operating income only for periods subsequent to the acquisition. In 2007, includes a \$1.5 million third-quarter loss (\$0.02 per diluted share) for the closure of Con-way Truckload's former headquarters.

[c] During the fourth quarter of 2007, Con-way identified adjustments related to the first quarter of 2007. Con-way determined that those adjustments were not material to either the first or fourth quarter. However, for a more accurate presentation, Con-way elected to revise the first quarter of 2007 by decreasing net income from continuing operations. For the periods presented, the adjustments decreased 2007 year-to-date net income from continuing operations by \$4.1 million (\$0.09 per diluted share).

[d] Includes a \$5.5 million third-quarter loss (\$0.07 per diluted share) related to the business-transformation initiative at Con-way Freight.