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CNF INC. REPORTS FIRST-QUARTER EARNINGS

PALO ALTO, California – April 18, 2001 – CNF Inc. today reported first-quarter 2001 net income for common shareholders of \$13.5 million, or 26 cents per diluted share. This compares with net income for common shareholders of \$33.4 million, or 62 cents per diluted share in the first quarter of 2000, which included the effects of an accounting change.

First-quarter 2001 operating income was \$33.7 million, compared with \$71.5 million in the same quarter a year ago. Revenue for the first quarter of 2001 was \$1.28 billion compared with \$1.32 billion in first-quarter 2000. Revenue in the most recent quarter included one less working day than the first quarter of 2000. The effective tax rate was 40.0 percent, compared with 42.5 percent a year ago.

All revenue and operating income numbers for 2000 have been restated to exclude discontinued operations and to reflect the cumulative effect (a \$2.7 million, or 5 cents per diluted share loss) of a change in the way the company accounts for revenue from in-transit freight. Net income from continuing operations for the first quarter of 2000 included a \$2.6 million non-recurring gain (3 cents per diluted share) from the sale of securities.

“All of CNF’s businesses were affected by the continuing downturn in the U.S. economy,” said Gregory L. Quesnel, president and chief executive officer.

Con-Way Transportation Services reported first-quarter operating income of \$36.7 million, compared with \$56.7 million in the first quarter of 2000. Its revenue of \$469.0 million in first-quarter 2001 compares to revenue of \$508.4 million in first-quarter 2000, which was Con-Way’s record first quarter and included \$24.0 million of revenue from Con-Way’s truckload operation, which was sold in August of 2000.

“Con-Way’s drop in earnings was attributable to tonnage declines from the faltering U.S. economy. Despite those declines, Con-Way improved its productivity during the quarter,” Quesnel said.

Con-Way’s total and LTL regional carrier tonnage per day declined 4 percent in the first quarter.

During the quarter, Con-Way announced the formation of Con-Way Air Express, a domestic air freight forwarding company that is scheduled to begin operations on May 14.

Emery Worldwide reported a \$6.5 million first-quarter operating loss compared with operating income of \$6.8 million in the same quarter a year ago. Revenue totaled \$583.2 million, down 2 percent from the prior-year period.

“The decline in airfreight business for Emery’s North America segment has been steep and significant. The decline is primarily attributable to the economy,” Quesnel said.

“Emery is focusing on managing its cost structure to meet the challenges presented by the current economy and is considering alternatives for solving the longer-term issues facing the company,” said Quesnel.

North America airfreight revenue per day was down 12 percent in the first quarter while international revenue per day increased by 3 percent. North America tonnage per day fell 19 percent while international tonnage per day declined by 4 percent in the first quarter. North America yield increased 10 percent.

Menlo Logistics reported first-quarter operating income of \$8.2 million, up 7 percent from the first quarter of 2000. Revenue at Menlo was \$222.6 million, an increase of 6 percent from the first quarter of 2000.

“While Menlo was not immune to the economic slowdown, it succeeded in increasing both revenue and profits.” Quesnel said. “We have maintained for some time that our less-asset-intensive businesses provide somewhat of a hedge against cyclical downturns and Menlo has demonstrated that.”

CNF’s “Other” operations reported an operating loss of \$4.6 million. This segment primarily includes the startup costs of Vector SCM, CNF’s joint venture company with General Motors, which is on track as it begins to assume the management of significant elements of GM’s global supply chain.

Outlook

So far in 2001, tonnage levels at both Con-Way and Emery have deteriorated from the prior year more steeply each month through April. The company sees no evidence that this trend is changing. If these volume trends continue, the company expects Con-Way to have a decline in year-over-year

earnings, and Emery to report a larger loss for the second quarter. At Menlo, revenue and operating income are expected to increase at about first quarter levels. Startup costs for Vector SCM are expected to be approximately \$4-5 million in the second quarter.

CNF's tax rate is expected to remain at about 40%.

Forward-Looking Statements

Certain statements in this news release constitute "forward-looking statements" and are subject to a number of risks and uncertainties, and should not be relied upon as predictions of future events. All statements other than statements of historical fact are forward-looking statements including any projections and objectives of management for future operations, any statements concerning proposed new products or services, any statements regarding future economic conditions or performance, statements of belief and any statements or assumptions underlying the foregoing. Specific factors that could cause actual earnings, results of operations and other matters to differ materially from those discussed in such forward-looking statements include: changes in general business and economic conditions, increasing competition and pricing pressure, changes in fuel prices, uncertainties regarding Emery Worldwide Airlines' (EWA) claims under its former Priority Mail contract with the United States Postal Service (USPS), uncertainties regarding EWA's existing Express Mail contract with the USPS, labor matters, enforcement of and changes in governmental regulations, environmental and tax matters (including claims made by the Internal Revenue Service with respect to aircraft maintenance tax matters), the Department of Transportation investigation relating to Emery Worldwide's handling of hazardous materials and aircraft maintenance, the February 2000 crash of an EWA aircraft and related litigation, and matters relating to the company's 1996 spin-off of Consolidated Freightways Corporation. The factors included here and in Item 7 of our 2000 Annual Report on Form 10-K as well as other filings with the Securities and Exchange Commission could cause actual results and other matters to differ materially from those in such forward-looking statements. As a result, no assurance can be given as to future financial position or results of operations.

Conference Call

CNF will host a conference call for shareholders and the investing community to discuss first-quarter results at 11:00 a.m. Eastern time (8:00 a.m. Pacific) on April 18. The call can be accessed by dialing (877) 209-9919 and is expected to last approximately one hour. Callers are requested to dial in at least five minutes before the start of the call. The call will also be available through a live webcast at www.streetevents.com and in the investor relations section of the CNF web site at

www.cnf.com. An audio replay will be available for 48 hours following the call at (800) 475-6701, confirmation # 577025. The replay will also be available for 48 hours on demand at the websites providing access to the live call.

CNF (NYSE:CNF) is a \$6 billion management company of global supply chain services with businesses in regional trucking, air freight, ocean freight, customs brokerage, global logistics management and trailer manufacturing.

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CNF INC.
CONDENSED STATEMENTS OF CONSOLIDATED INCOME
(Dollars in thousands except per share amounts)

	Three Months Ended March 31,		
	2001	2000	[b]
REVENUES			
Con-Way Transportation Services	\$ 468,970	\$ 508,404	
Emery Worldwide	583,198	597,735	
Menlo Logistics	222,595	209,903	
Other	3,702	5,852	
	\$ 1,278,465	\$1,321,894	
OPERATING INCOME (LOSS)			
Con-Way Transportation Services	\$ 36,735	\$ 56,696	
Emery Worldwide	(6,547)	6,824	
Menlo Logistics	8,171	7,638	
Other	(4,631)	311	
	33,728	71,469	
OTHER EXPENSE, NET	(7,800)	(5,013)	[c]
Income from continuing operations before income taxes	25,928	66,456	
Income taxes	10,371	28,244	
INCOME FROM CONTINUING OPERATIONS BEFORE ACCOUNTING CHANGE	15,557	38,212	
Cumulative effect of accounting change, net of tax	-	(2,744)	
Net Income	15,557	35,468	
Preferred stock dividends	2,040	2,034	
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$ 13,517	\$ 33,434	
Average Common Shares Outstanding			
Basic	48,658,337	48,417,660	
Diluted [a]	56,432,452	56,073,670	
Earnings Per Common Share			
Basic			
Income from continuing operations	\$ 0.28	\$ 0.75	[c]
Cumulative effect of accounting change, net of tax	-	(0.06)	
Net income available to common shareholders	\$ 0.28	\$ 0.69	
Diluted [a]			
Income from continuing operations	\$ 0.26	\$ 0.67	[c]
Cumulative effect of accounting change, net of tax	-	(0.05)	
Net income available to common shareholders	\$ 0.26	\$ 0.62	

[a] Includes the dilutive effect of stock options, Series B (TASP) preferred stock and Series A "TECONS", Series A "TECONS", convertible preferred stock of subsidiary trust.

[b] Results for the quarter ended March 31, 2000 were restated for discontinued Priority Mail operations and a change in accounting method for revenue recognition on in-transit freight.

[c] Includes a \$2.6 million net gain (\$0.03 per basic and diluted share) from the sale of securities.

CNF INC.

CONDENSED BALANCE SHEETS
(Dollars in thousands)

	March 31, 2001	December 31, 2000
ASSETS		
Current assets	\$ 1,234,160	\$ 1,240,335
Property, plant and equipment, net	1,124,947	1,106,522
Other assets [a]	857,546	898,084
Total Assets	\$ 3,216,653	\$ 3,244,941
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities [b]	\$ 885,564	\$ 958,909
Long-term debt and guarantees	545,994	534,649
Other long-term liabilities and deferred credits	587,996	564,461
Preferred stock - Subsidiary Trust	125,000	125,000
Shareholders' equity	1,072,099	1,061,922
Total Liabilities and Shareholders' Equity	\$ 3,216,653	\$ 3,244,941

[a] Includes net non-current assets of discontinued operations of \$122.7 million and \$173.5 million as of March 31, 2001 and December 31, 2000, respectively.

[b] Includes net current liabilities of discontinued operations of \$24.0 million and \$68.2 million as of March 31, 2001 and December 31, 2000, respectively.