

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Revenue				
Freight	\$ 796,237	\$ 736,018	\$ 3,247,107	\$ 3,075,064
Logistics [a]	408,865	366,981	1,589,994	1,477,988
Truckload	155,643	143,016	615,014	569,741
Other	10,231	16,616	46,685	52,890
Inter-segment Revenue Eliminations	(52,278)	(48,988)	(208,847)	(223,683)
	<u>\$ 1,318,698</u>	<u>\$ 1,213,643</u>	<u>\$ 5,289,953</u>	<u>\$ 4,952,000</u>
Operating Income (Loss) [b]				
Freight	\$ 19,559	\$ 1,773	\$ 119,779	\$ 28,908
Logistics [c] [d] [e]	21,327	6,693	54,747	26,275
Truckload	9,540	7,262	34,813	20,844
Other	(484)	109	(1,411)	2,143
	<u>49,942</u>	<u>15,837</u>	<u>207,928</u>	<u>78,170</u>
Other Expense, net	<u>16,281</u>	<u>15,144</u>	<u>59,856</u>	<u>61,613</u>
Income before Income Tax Provision (Benefit)	33,661	693	148,072	16,557
Income Tax Provision (Benefit)	<u>10,690</u>	<u>(1,694)</u>	<u>59,629</u>	<u>12,572</u>
Net Income Available to Common Shareholders	<u>\$ 22,971</u>	<u>\$ 2,387</u>	<u>\$ 88,443</u>	<u>\$ 3,985</u>
Weighted-Average Common Shares Outstanding				
Basic	55,557,816	54,663,750	55,388,297	52,507,320
Diluted	56,168,761	55,354,809	56,101,903	53,169,299
Earnings Per Common Share				
Basic	<u>\$ 0.41</u>	<u>\$ 0.04</u>	<u>\$ 1.60</u>	<u>\$ 0.08</u>
Diluted	<u>\$ 0.41</u>	<u>\$ 0.04</u>	<u>\$ 1.58</u>	<u>\$ 0.07</u>

[a] Logistics' net revenue				
Revenue	\$ 408,865	\$ 366,981	\$ 1,589,994	\$ 1,477,988
Purchased transportation expense	(251,246)	(223,157)	(988,405)	(906,389)
Net revenue	<u>\$ 157,619</u>	<u>\$ 143,824</u>	<u>\$ 601,589</u>	<u>\$ 571,599</u>

[b] Includes costs related to administrative outsourcing, the consolidation of Con-way's executive offices, and other employee-separation costs. In connection with these events, \$8.9 million of expenses were recognized for full-year 2010 by Con-way and allocated across all reporting segments, with the Freight segment incurring the predominant amount of the related expense in the third quarter of 2010.

[c] Includes a \$2.8 million prior-year first-quarter charge for the write-off of a customer-relationship intangible asset.

[d] Includes a \$16.4 million prior-year third-quarter goodwill-impairment charge.

[e] Includes a \$10.0 million current-year fourth-quarter gain resulting from a purchase-price adjustment to settle a dispute associated with the 2007 acquisition of Chic Logistics

Con-way Inc.
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
(Unaudited)

(Dollars in thousands except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Net Income Available to Common Shareholders	\$ 22,971	\$ 2,387	\$ 88,443	\$ 3,985
Before-Tax Reconciling Items				
Gain from purchase-price adjustment (Chic Logistics acquisition)	10,000	-	10,000	-
Impairment of goodwill and other intangible assets	-	-	-	(19,181)
Restructuring charges and other employee-separation costs	-	(1,147)	-	(8,928)
	<u>\$ 10,000</u>	<u>\$ (1,147)</u>	<u>\$ 10,000</u>	<u>\$ (28,109)</u>
Tax-Related Reconciling Items				
Tax effect of items above	(1,149)	447	(1,149)	4,174
Changes in annual effective tax rate [f]	26	1,287	598	1,322
Discrete tax adjustments	(576)	692	(6,610)	1,355
	<u>\$ (1,699)</u>	<u>\$ 2,426</u>	<u>\$ (7,161)</u>	<u>\$ 6,851</u>
Adjusted Non-GAAP Financial Measures:				
Net Income Available to Common Shareholders	<u>\$ 14,670</u>	<u>\$ 1,108</u>	<u>\$ 85,604</u>	<u>\$ 25,243</u>
Earnings Per Diluted Common Share	<u>\$ 0.26</u>	<u>\$ 0.02</u>	<u>\$ 1.53</u>	<u>\$ 0.47</u>
Diluted Common Shares Outstanding	56,168,761	55,354,809	56,101,903	53,169,299

Information About Non-GAAP Financial Measures:

Con-way provides adjusted net income and earnings per share as additional information to investors. These measures are not in accordance with generally accepted accounting principles in the United States ("GAAP"). Con-way's non-GAAP financial measures are intended to supplement, but not substitute for, the most directly comparable GAAP measures. Con-way believes that the non-GAAP financial measures provide meaningful information to assist investors and analysts in understanding Con-way's financial results because they exclude items that may not be indicative or are unrelated to Con-way's core operating results. However, because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures across companies. Investors are strongly encouraged to review Con-way's financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

[f] The "changes in annual effective tax rate" line quantifies the variance in the income tax provision or benefit that resulted from differences in the year-to-date effective tax rate for the period (excluding discrete tax adjustments) from the forecasted annual effective tax rate at the beginning of the year.