

ARKANSAS BEST CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2010	2009	2010	2009
	(Unaudited)			
	<i>(\$ thousands, except share and per share data)</i>			
OPERATING REVENUES	\$ 411,347	\$ 362,635	\$ 771,237	\$ 702,312
OPERATING EXPENSES AND COSTS	422,157	389,932	817,313	758,211
OPERATING LOSS	(10,810)	(27,297)	(46,076)	(55,899)
OTHER INCOME (EXPENSE)				
Interest and dividend income	274	803	608	1,733
Interest expense and other related financing costs	(434)	(344)	(999)	(685)
Other, net	(457)	1,392	211	311
	(617)	1,851	(180)	1,359
LOSS BEFORE INCOME TAXES	(11,427)	(25,446)	(46,256)	(54,540)
FEDERAL AND STATE INCOME TAXES				
Current benefit	(847)	(2,805)	(9,336)	(22,213)
Deferred (benefit) provision.....	(3,232)	(7,277)	(8,200)	1,194
	(4,079)	(10,082)	(17,536)	(21,019)
NET LOSS	(7,348)	(15,364)	(28,720)	(33,521)
LESS: NONCONTROLLING INTEREST IN				
NET INCOME OF SUBSIDIARY	96	79	116	79
NET LOSS ATTRIBUTABLE TO				
ARKANSAS BEST CORPORATION	\$ (7,444)	\$ (15,443)	\$ (28,836)	\$ (33,600)
LOSS PER SHARE				
Basic	\$ (0.30)	\$ (0.62)	\$ (1.15)	\$ (1.35)
Diluted	(0.30)	(0.62)	(1.15)	(1.35)
AVERAGE COMMON SHARES OUTSTANDING				
Basic	25,182,579	25,043,815	25,137,886	25,042,874
Diluted	25,182,579	25,043,815	25,137,886	25,042,874
CASH DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.03	\$ 0.15	\$ 0.06	\$ 0.30

ARKANSAS BEST CORPORATION
CONSOLIDATED BALANCE SHEETS

	June 30	December 31
	2010	2009
	(Unaudited)	Note
	<i>(\$ thousands, except share data)</i>	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 80,457	\$ 39,332
Short-term investment securities.....	63,487	93,861
Restricted cash equivalents and short-term investments.....	51,840	50,857
Accounts receivable, less allowances (2010 – \$3,303; 2009 – \$3,470).....	135,627	115,459
Other accounts receivable, less allowances (2010 – \$1,324; 2009 – \$1,149).....	8,113	6,749
Prepaid expenses.....	9,003	10,390
Deferred income taxes	33,427	39,035
Prepaid and refundable income taxes.....	3,643	24,726
Other	4,850	4,333
TOTAL CURRENT ASSETS	390,447	384,742
PROPERTY, PLANT AND EQUIPMENT		
Land and structures	240,316	240,185
Revenue equipment.....	516,115	514,481
Service, office and other equipment	158,833	157,885
Leasehold improvements	22,108	21,839
	937,372	934,390
Less allowances for depreciation and amortization	528,362	505,538
	409,010	428,852
OTHER ASSETS	52,376	55,952
	\$ 851,833	\$ 869,546

Note: The balance sheet at December 31, 2009 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

ARKANSAS BEST CORPORATION
CONSOLIDATED BALANCE SHEETS – continued

	June 30 2010	December 31 2009
	(Unaudited)	Note
	<i>(\$ thousands, except share data)</i>	
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Bank overdraft and drafts payable	\$ 10,097	\$ 21,941
Accounts payable	72,477	59,386
Income taxes payable	106	826
Accrued expenses	153,176	150,799
Current portion of long-term debt	7,396	3,603
TOTAL CURRENT LIABILITIES	243,252	236,555
LONG-TERM DEBT, less current portion.....	22,764	13,373
PENSION AND POSTRETIREMENT LIABILITIES.....	71,563	67,445
OTHER LIABILITIES	19,734	20,254
DEFERRED INCOME TAXES	20,013	31,023
STOCKHOLDERS' EQUITY		
Common stock, \$0.01 par value, authorized 70,000,000 shares; issued 2010: 26,873,851 shares; 2009: 26,749,265 shares.....	269	267
Additional paid-in capital	276,450	274,663
Retained earnings.....	297,558	327,948
Treasury stock, at cost, 1,677,932 shares.....	(57,770)	(57,770)
Accumulated other comprehensive loss.....	(42,000)	(44,212)
TOTAL STOCKHOLDERS' EQUITY	474,507	500,896
	\$ 851,833	\$ 869,546

Note: The balance sheet at December 31, 2009 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

ARKANSAS BEST CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30	
	2010	2009
	(Unaudited)	
	(\$ thousands)	
OPERATING ACTIVITIES		
Net loss	\$ (28,720)	\$ (33,521)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	36,096	37,916
Other amortization	133	147
Pension settlement expense.....	178	158
Share-based compensation expense	2,158	3,173
Provision for losses on accounts receivable	303	1,911
Deferred income tax provision (benefit)	(8,200)	1,194
Gain on sales of assets	(72)	(961)
Excess tax benefits from share-based compensation	(83)	-
Changes in operating assets and liabilities:		
Receivables	(20,857)	(7,620)
Prepaid expenses	1,399	926
Other assets	706	534
Accounts payable, taxes payable, accrued expenses and other liabilities ⁽¹⁾⁽²⁾	36,187	(1,740)
NET CASH PROVIDED BY OPERATING ACTIVITIES	19,228	2,117
INVESTING ACTIVITIES		
Purchases of property, plant and equipment, net of capital leases ⁽¹⁾	(3,399)	(12,730)
Proceeds from asset sales	2,676	2,922
Purchases of short-term investment securities	(27,542)	(75,288)
Proceeds from sales of short-term investment securities	57,916	64,095
Business acquisition, net of cash acquired.....	-	(4,873)
Capitalization of internally developed software and other.....	(2,293)	(2,621)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES.....	27,358	(28,495)
FINANCING ACTIVITIES		
Payments on long-term debt	(3,011)	(1,360)
Proceeds from issuance of long-term debt.....	11,416	-
Net change in bank overdraft.....	(11,844)	(3,236)
Change in restricted cash equivalents and short-term investments	(983)	-
Payment of common stock dividends	(1,554)	(7,740)
Excess tax benefits from share-based compensation	83	-
Proceeds from the exercise of stock options and other	432	152
NET CASH USED IN FINANCING ACTIVITIES	(5,461)	(12,184)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	41,125	(38,562)
Cash and cash equivalents at beginning of period	39,332	100,880
CASH AND CASH EQUIVALENTS AT END OF PERIOD.....	\$ 80,457	\$ 62,318

(1) Does not include \$6.0 million and \$5.4 million of equipment which was received but not yet paid for at June 30, 2010 and 2009, respectively.

(2) 2010 includes \$31.5 million in federal and state income tax refunds related to taxes paid in prior years.

ARKANSAS BEST CORPORATION
FINANCIAL STATEMENT OPERATING SEGMENT DATA
AND OPERATING RATIOS

	Three Months Ended June 30				Six Months Ended June 30				
	2010		2009		2010		2009		
	(Unaudited) (\$ thousands)								
OPERATING REVENUES									
ABF Freight System, Inc. ⁽¹⁾	\$	379,443	\$	343,805	\$	712,468	\$	666,918	
Other revenues and eliminations.....		31,904		18,830		58,769		35,394	
Total consolidated operating revenues	\$	411,347	\$	362,635	\$	771,237	\$	702,312	
OPERATING EXPENSES AND COSTS									
ABF Freight System, Inc.⁽¹⁾									
Salaries, wages and benefits	\$	248,985	65.6%	\$ 245,226	71.3%	\$ 485,424	68.1%	\$ 478,723	71.8%
Fuel, supplies and expenses...		64,729	17.1	52,733	15.3	125,641	17.6	103,261	15.5
Operating taxes and licenses		10,718	2.8	10,553	3.1	21,209	3.0	21,067	3.2
Insurance		5,929	1.6	6,417	1.9	10,111	1.4	9,920	1.5
Communications and utilities.....		3,313	0.9	3,563	1.0	7,179	1.0	7,534	1.1
Depreciation and amortization.....		16,908	4.5	17,861	5.2	34,706	4.9	36,471	5.5
Rents and purchased transportation.....		39,849	10.5	32,357	9.4	73,941	10.4	60,243	9.0
Gain on sale of property and equipment		(126)	–	(244)	(0.1)	(424)	(0.1)	(961)	(0.1)
Other		1,734	0.3	2,161	0.7	2,958	0.5	4,325	0.5
		392,039	103.3%	370,627	107.8%	760,745	106.8%	720,583	108.0%
Other expenses and eliminations.....		30,118		19,305		56,568		37,628	
Total consolidated operating expenses and costs	\$	422,157		\$ 389,932		\$ 817,313		\$ 758,211	
OPERATING INCOME (LOSS)									
ABF Freight System, Inc. ⁽¹⁾ ..	\$	(12,596)		\$ (26,822)		\$ (48,277)		\$ (53,665)	
Other income (loss) and eliminations.....		1,786		(475)		2,201		(2,234)	
Total consolidated operating loss	\$	(10,810)		\$ (27,297)		\$ (46,076)		\$ (55,899)	

(1) Includes U.S., Canadian, and Puerto Rican operations of ABF affiliates.