

ARKANSAS BEST CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended December 31		Year Ended December 31	
	2009	2008	2009	2008
	(Unaudited)			
	(\$ thousands, except share and per share data)			
OPERATING REVENUES	\$ 371,631	\$ 391,211	\$ 1,472,901	\$ 1,833,052
OPERATING EXPENSES AND COSTS ⁽¹⁾	472,201	407,013	1,641,607	1,784,528
OPERATING INCOME (LOSS)	(100,570)	(15,802)	(168,706)	48,524
OTHER INCOME (EXPENSE)				
Interest and dividend income	454	1,178	2,853	5,937
Interest expense and other related financing costs	(1,348)	(300)	(2,389)	(1,181)
Other, net	379	(2,196)	2,724	(3,370)
	(515)	(1,318)	3,188	1,386
INCOME (LOSS) BEFORE INCOME TAXES	(101,085)	(17,120)	(165,518)	49,910
FEDERAL AND STATE INCOME TAXES ⁽²⁾				
Current (benefit) provision.....	(7,540)	(20,538)	(33,054)	8,171
Deferred (benefit) provision.....	(4,873)	14,391	(4,942)	12,571
	(12,413)	(6,147)	(37,996)	20,742
NET INCOME (LOSS)	(88,672)	(10,973)	(127,522)	29,168
LESS: NONCONTROLLING INTEREST IN NET INCOME OF SUBSIDIARY	44	-	367	-
NET INCOME (LOSS) ATTRIBUTABLE TO ARKANSAS BEST CORPORATION	\$ (88,716)	\$ (10,973)	\$ (127,889)	\$ 29,168
EARNINGS (LOSS) PER SHARE ⁽³⁾				
Basic	\$ (3.54)	\$ (0.44)	\$ (5.12)	\$ 1.14
Diluted	(3.54)	(0.44)	(5.12)	1.14
AVERAGE COMMON SHARES OUTSTANDING				
Basic	25,054,389	25,023,794	25,052,303	24,976,412
Diluted	25,054,389	25,023,794	25,052,303	25,110,539
CASH DIVIDENDS DECLARED AND PAID PER COMMON SHARE	\$ 0.15	\$ 0.15	\$ 0.60	\$ 0.60

(1) The three months and year ended December 31, 2009 include a \$64.0 million goodwill impairment charge.

(2) Effective tax benefit rates for the three months and year ended December 31, 2009 were impacted by the goodwill impairment charge which is not tax deductible.

(3) Effective January 1, 2009, the Company adopted new accounting guidance that requires an allocation of dividends paid and a portion of undistributed net income to unvested restricted stock for calculating per share amounts. As a result, per share amounts for periods prior to 2009 have been retrospectively adjusted to be consistent with the 2009 presentation.

ARKANSAS BEST CORPORATION
CONSOLIDATED BALANCE SHEETS

	December 31	December 31
	2009	2008
	(Unaudited)	Note
	<i>(\$ thousands)</i>	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 39,332	\$ 100,880
Short-term investment securities.....	93,861	117,855
Restricted cash equivalents and short-term investments.....	50,857	2,299
Accounts receivable, less allowances (2009 – \$3,470; 2008 – \$3,513).....	115,459	111,452
Other accounts receivable, less allowances (2009 – \$1,149; 2008 – \$1,001)	6,749	6,611
Prepaid expenses.....	10,390	10,670
Deferred income taxes	39,035	36,079
Prepaid and refundable income taxes.....	24,726	17,661
Other	4,333	4,683
TOTAL CURRENT ASSETS	384,742	408,190
PROPERTY, PLANT AND EQUIPMENT		
Land and structures	240,185	235,861
Revenue equipment.....	514,481	514,503
Service, office and other equipment	157,885	150,524
Leasehold improvements	21,839	21,697
	934,390	922,585
Less allowances for depreciation and amortization	505,538	473,010
	428,852	449,575
OTHER ASSETS	52,292	50,636
GOODWILL	3,660	63,897
	\$ 869,546	\$ 972,298

Note: The balance sheet at December 31, 2008 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

	December 31	December 31
	2009	2008
	(Unaudited)	Note
	<i>(\$ thousands)</i>	
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Bank overdraft and drafts payable	\$ 21,941	\$ 15,189
Accounts payable	59,386	51,646
Income taxes payable	826	758
Accrued expenses	150,799	147,540
Current portion of long-term debt	3,603	159
TOTAL CURRENT LIABILITIES	236,555	215,292
LONG-TERM DEBT, less current portion	13,373	1,457
PENSION AND POSTRETIREMENT LIABILITIES	67,445	89,472
OTHER LIABILITIES	20,254	17,314
DEFERRED INCOME TAXES	31,023	24,017
STOCKHOLDERS' EQUITY		
Common stock, \$.01 par value, authorized 70,000,000 shares; issued 2009: 26,749,265 shares; 2008: 26,702,222 shares	267	267
Additional paid-in capital	274,663	268,396
Retained earnings	327,948	471,360
Treasury stock, at cost, 1,677,932 shares	(57,770)	(57,770)
Accumulated other comprehensive loss	(44,212)	(57,507)
TOTAL STOCKHOLDERS' EQUITY	500,896	624,746
	\$ 869,546	\$ 972,298

Note: The balance sheet at December 31, 2008 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

	Year Ended December 31	
	2009	2008
	(Unaudited)	
	(\$ thousands)	
OPERATING ACTIVITIES		
Net income (loss).....	\$ (127,522)	\$ 29,168
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	75,226	76,872
Other amortization	1,278	293
Goodwill impairment charge	63,958	-
Pension settlement expense	4,588	1,540
Share-based compensation expense	6,157	6,106
Provision for losses on accounts receivable	2,587	1,623
Deferred income tax provision (benefit)	(4,942)	12,571
Gain on sales of assets	(1,409)	(3,720)
Excess tax benefits from share-based compensation	-	(692)
Changes in operating assets and liabilities:		
Receivables	(3,735)	30,568
Prepaid expenses	429	573
Other assets	790	11,087
Accounts payable, taxes payable, accrued expenses and other liabilities	(5,615)	(60,652)
NET CASH PROVIDED BY OPERATING ACTIVITIES	11,790	105,337
INVESTING ACTIVITIES		
Purchases of property, plant and equipment, net of capital leases	(48,044)	(58,729)
Proceeds from asset sales	4,913	17,073
Purchases of short-term investment securities	(109,806)	(146,655)
Proceeds from sales of short-term investment securities	133,800	107,404
Business acquisition, net of cash acquired	(4,873)	-
Capitalization of internally developed software and other.....	(5,176)	(5,325)
NET CASH USED BY INVESTING ACTIVITIES	(29,186)	(86,232)
FINANCING ACTIVITIES		
Payments on long-term debt	(1,433)	(295)
Proceeds from issuance of long-term debt	14,958	-
Net change in bank overdraft	6,752	(59)
Change in restricted cash equivalents and short-term investments	(48,558)	-
Deferred financing costs	(817)	-
Payment of common stock dividends	(15,523)	(15,344)
Excess tax benefits from share-based compensation	-	692
Proceeds from the exercise of stock options and other	469	2,976
NET CASH USED BY FINANCING ACTIVITIES	(44,152)	(12,030)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(61,548)	7,075
Cash and cash equivalents at beginning of period	100,880	93,805
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 39,332	\$ 100,880

ARKANSAS BEST CORPORATION
FINANCIAL STATEMENT OPERATING SEGMENT DATA
AND OPERATING RATIOS

	Three Months Ended December 31				Year Ended December 31				
	2009		2008		2009		2008		
	(Unaudited) (\$ thousands)								
OPERATING REVENUES									
ABF Freight System, Inc. ⁽¹⁾	\$	347,738	\$	375,188	\$	1,384,419	\$	1,758,780	
Other revenues and eliminations.....		23,893		16,023		88,482		74,272	
Total consolidated operating revenues	\$	371,631	\$	391,211	\$	1,472,901	\$	1,833,052	
OPERATING EXPENSES AND COSTS									
ABF Freight System, Inc. ⁽¹⁾									
Salaries, wages and benefits	\$	243,865	70.1%	\$ 246,818	65.8%	\$ 970,523	70.1%	\$ 1,048,779	59.6%
Fuel, supplies and expenses...		59,714	17.2	68,914	18.4	221,732	16.0	341,826	19.4
Operating taxes and licenses		10,657	3.1	11,310	3.0	42,314	3.1	47,088	2.7
Insurance		4,308	1.2	5,471	1.5	20,356	1.5	21,370	1.2
Communications and utilities.....		3,404	1.0	3,721	1.0	14,393	1.0	15,102	0.9
Depreciation and amortization.....		18,071	5.2	18,681	5.0	72,180	5.2	74,000	4.2
Rents and purchased transportation.....		39,007	11.2	34,715	9.3	136,826	9.9	158,943	9.0
Gain on sale of property and equipment		(197)	(0.1)	(726)	(0.2)	(1,412)	(0.1)	(3,723)	(0.2)
Pension settlement expense.....		4,430	1.3	—	—	4,588	0.4	691	—
Other		1,331	0.4	1,435	0.2	7,426	0.5	6,269	0.4
Goodwill impairment charge.....		63,958	18.4	—	—	63,958	4.6	—	—
		448,548	129.0%	390,339	104.0%	1,552,884	112.2%	1,710,345	97.2%
Other expenses and eliminations.....		23,653		16,674		88,723		74,183	
Total consolidated operating expenses and costs	\$	472,201	\$	407,013	\$	1,641,607	\$	1,784,528	
OPERATING INCOME (LOSS)									
ABF Freight System, Inc. ⁽¹⁾	\$	(100,810)	\$	(15,151)	\$	(168,465)	\$	48,435	
Other income (loss) and eliminations.....		240		(651)		(241)		89	
Total consolidated operating income (loss)	\$	(100,570)	\$	(15,802)	\$	(168,706)	\$	48,524	

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

ARKANSAS BEST CORPORATION
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES

	Three Months Ended December 31		Year Ended December 31	
	2009	2008	2009	2008
(Unaudited)				
<i>(\$ thousands, except per share data)</i>				
ABF Freight System, Inc.				
Operating Income (Loss)				
Amounts on a GAAP basis	\$ (100,810)	\$ (15,151)	\$ (168,465)	\$ 48,435
Goodwill impairment charge, pre-tax and after-tax are the same	63,958	–	63,958	–
Pension settlement expense, pre-tax	4,430	–	4,588	691
Non-GAAP amounts.....	\$ (32,422)	\$ (15,151)	\$ (99,919)	\$ 49,126
Operating Ratio				
Amounts on a GAAP basis	129.0%	104.0%	112.2%	97.2%
Goodwill impairment charge, pre-tax and after-tax are the same	18.4	–	4.6	–
Pension settlement expense, pre-tax	1.3	–	0.4	–
Non-GAAP amounts.....	109.3%	104.0%	107.2%	97.2%
Arkansas Best Corporation - Consolidated				
Operating Income (Loss)				
Amounts on a GAAP basis	\$ (100,570)	\$ (15,802)	\$ (168,706)	\$ 48,524
Goodwill impairment charge, pre-tax and after-tax are the same	63,958	–	63,958	–
Pension settlement expense, pre-tax	4,430	–	4,588	1,540
Non-GAAP amounts.....	\$ (32,182)	\$ (15,802)	\$ (100,160)	\$ 50,064
Net Income (Loss) Attributable to Arkansas Best Corporation				
Amounts on a GAAP basis	\$ (88,716)	\$ (10,973)	\$ (127,889)	\$ 29,168
Goodwill impairment charge, pre-tax and after-tax are the same	63,958	–	63,958	–
Pension settlement expense, after-tax	2,692	–	2,788	936
Non-GAAP amounts.....	\$ (22,066)	\$ (10,973)	\$ (61,143)	\$ 30,104
Diluted Earnings (Loss) Per Share				
Amounts on a GAAP basis	\$ (3.54)	\$ (0.44)	\$ (5.12)	\$ 1.14
Goodwill impairment charge, pre-tax and after-tax are the same	2.55	–	2.55	–
Pension settlement expense, after-tax	0.11	–	0.11	0.04
Non-GAAP amounts.....	\$ (0.88)	\$ (0.44)	\$ (2.46)	\$ 1.18

Non-GAAP Financial Measures. The company reports its financial results in accordance with generally accepted accounting principles (“GAAP”). However, management believes that certain non-GAAP performance measures and ratios utilized for internal analysis provide financial statement users meaningful comparisons between current and prior period results, as well as important information regarding performance trends. Certain information discussed in the scheduled conference call could be considered non-GAAP measures. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the company’s reported results.