

**ARKANSAS BEST CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended December 31		Year Ended December 31	
	2012	2011	2012	2011
	(Unaudited)			
	(\$ thousands, except share and per share data)			
<b>OPERATING REVENUES</b>	\$ 537,042	\$ 463,241	\$ 2,065,999	\$ 1,907,609
<b>OPERATING EXPENSES AND COSTS</b>	548,058	461,606	2,080,567	1,897,850
<b>OPERATING INCOME (LOSS)</b>	(11,016)	1,635	(14,568)	9,759
<b>OTHER INCOME (EXPENSE)</b>				
Interest and dividend income	185	286	808	1,069
Interest expense and other related financing costs	(1,409)	(1,054)	(5,273)	(3,953)
Other, net	(76)	1,067	2,041	2,618
	(1,300)	299	(2,424)	(266)
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	(12,316)	1,934	(16,992)	9,493
<b>INCOME TAX PROVISION (BENEFIT)</b>	(4,387)	530	(9,260)	3,160
<b>NET INCOME (LOSS)</b>	(7,929)	1,404	(7,732)	6,333
<b>LESS: NONCONTROLLING INTEREST IN NET INCOME OF SUBSIDIARY</b>	—	—	—	174
<b>NET INCOME (LOSS) ATTRIBUTABLE TO ARKANSAS BEST CORPORATION</b>	\$ (7,929)	\$ 1,404	\$ (7,732)	\$ 6,159
<b>EARNINGS PER COMMON SHARE<sup>(1)</sup></b>				
Basic	\$ (0.31)	\$ 0.05	\$ (0.31)	\$ 0.23
Diluted	\$ (0.31)	\$ 0.05	\$ (0.31)	\$ 0.23
<b>AVERAGE COMMON SHARES OUTSTANDING</b>				
Basic	25,629,309	25,421,887	25,564,752	25,403,073
Diluted	25,629,309	25,421,887	25,564,752	25,403,073
<b>CASH DIVIDENDS DECLARED PER COMMON SHARE</b>	\$ 0.03	\$ 0.03	\$ 0.12	\$ 0.12
(1) The Company uses the two-class method for calculating earnings per share. This method, as calculated below, requires an allocation of dividends paid and a portion of undistributed net income (but not losses) to unvested restricted stock for calculating per share amounts.				
<b>NET INCOME (LOSS) ATTRIBUTABLE TO ARKANSAS BEST CORPORATION</b>	\$ (7,929)	\$ 1,404	\$ (7,732)	\$ 6,159
<b>EFFECT OF UNVESTED RESTRICTED STOCK AWARDS<sup>(1)</sup></b>	(38)	(59)	(149)	(249)
<b>ADJUSTED NET INCOME (LOSS) FOR</b>	\$ (7,967)	\$ 1,345	\$ (7,881)	\$ 5,910

## CALCULATING EARNINGS PER COMMON SHARE

### ARKANSAS BEST CORPORATION CONSOLIDATED BALANCE SHEETS

	December 31 2012 (Unaudited)	December 31 2011 Note
	<i>(\$ thousands, except share data)</i>	
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 90,702	\$ 141,295
Short-term investments	29,054	33,960
Restricted cash equivalents and short-term investments	9,658	52,693
Accounts receivable, less allowances (2012 – \$5,249; 2011 – \$5,957)	180,631	149,665
Other accounts receivable, less allowances (2012 – \$1,334; 2011 – \$1,226)	6,539	7,538
Prepaid expenses	17,355	11,363
Deferred income taxes	39,245	35,481
Prepaid and refundable income taxes	5,681	6,905
Other	7,185	6,186
<b>TOTAL CURRENT ASSETS</b>	<b>386,050</b>	<b>445,086</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land and structures	243,699	242,120
Revenue equipment	589,729	569,303
Service, office, and other equipment	119,456	110,511
Software	103,164	64,229
Leasehold improvements	23,272	21,426
	1,079,320	1,007,589
Less allowances for depreciation and amortization	635,292	592,171
	444,028	415,418
<b>GOODWILL</b>	73,189	3,660
<b>INTANGIBLE ASSETS, NET</b>	79,561	2,822
<b>OTHER ASSETS</b>	51,634	49,234
	\$ 1,034,462	\$ 916,220
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Bank overdraft and drafts payable	\$ 13,645	\$ 20,836
Accounts payable	84,292	66,517
Income taxes payable	59	169
Accrued expenses	158,668	151,887
Current portion of long-term debt	43,044	24,262
<b>TOTAL CURRENT LIABILITIES</b>	<b>299,708</b>	<b>263,671</b>
<b>LONG-TERM DEBT, less current portion</b>	<b>112,941</b>	<b>46,750</b>
<b>PENSION AND POSTRETIREMENT LIABILITIES</b>	<b>104,673</b>	<b>106,578</b>
<b>OTHER LIABILITIES</b>	<b>12,832</b>	<b>13,751</b>
<b>DEFERRED INCOME TAXES</b>	<b>45,309</b>	<b>19,855</b>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, \$0.01 par value, authorized 70,000,000 shares; issued 2012: 27,296,285 shares; 2011: 27,099,819 shares	273	271
Additional paid-in-capital	289,711	286,408

Retained earnings	284,157	295,108
Treasury stock, at cost, 1,677,932 shares	(57,770)	(57,770)
Accumulated other comprehensive loss	(57,372)	(58,402)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>458,999</b>	<b>465,615</b>
	<b>\$ 1,034,462</b>	<b>\$ 916,220</b>

Note: The balance sheet at December 31, 2011 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**

	<b>Year Ended December 31</b>	
	<b>2012</b>	<b>2011</b>
	<b>(Unaudited)</b>	
	<i>(\$ thousands)</i>	
<b>OPERATING ACTIVITIES</b>		
Net income (loss)	\$ (7,732)	\$ 6,333
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	85,493	73,742
Amortization of intangibles	2,261	—
Pension settlement expense	—	1,125
Share-based compensation expense	6,068	6,450
Provision for losses on accounts receivable	1,524	2,394
Deferred income tax provision (benefit)	(10,359)	3,056
Gain on sale of property and equipment	(735)	(2,360)
Changes in operating assets and liabilities:		
Receivables	508	(6,067)
Prepaid expenses	305	(1,105)
Other assets	961	(635)
Income taxes	2,630	(776)
Accounts payable, accrued expenses, and other liabilities <sup>(1)</sup>	3,610	18,695
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>84,534</b>	<b>100,852</b>
<b>INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment, net of financings	(37,278)	(53,227)
Proceeds from sale of property and equipment	6,397	7,062
Purchases of short-term investments	(55,858)	(59,718)
Proceeds from sale of short-term investments	60,730	64,995
Business acquisition, net of cash acquired	(180,039)	—
Capitalization of internally developed software and other	(7,218)	(5,295)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(213,266)</b>	<b>(46,183)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of long-term debt	100,000	—
Repayments on long-term debt	(53,000)	(16,056)
Acquisition of noncontrolling interest	—	(4,084)
Net change in bank overdraft and other	(7,190)	7,811
Change in restricted cash equivalents and short-term investments	43,035	(1,032)
Deferred financing costs	(1,487)	(174)
Payment of common stock dividends	(3,219)	(3,180)
Proceeds from the exercise of stock options	—	763
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>78,139</b>	<b>(15,952)</b>

<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(50,593)</b>	38,717
Cash and cash equivalents at beginning of period	<b>141,295</b>	102,578
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>\$ 90,702</b>	<b>\$ 141,295</b>
<b>NONCASH INVESTING ACTIVITIES</b>		
Accruals for equipment received	<b>\$ 301</b>	<b>\$ 338</b>
Equipment financed under capital leases and notes payable	<b>\$ 37,973</b>	<b>\$ 30,410</b>

(1) 2012 includes \$18.0 million in contributions to the Company's nonunion pension plan.

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

	Three Months Ended December 31		Year Ended December 31	
	2012	2011	2012	2011
	(Unaudited)			
	(\$ thousands, except per share data)			
ARKANSAS BEST CORPORATION – CONSOLIDATED				
Net Income Attributable to Arkansas Best Corporation				
Amounts on a GAAP basis	\$ (7,929)	\$ 1,404	\$ (7,732)	\$ 6,159
Tax benefits <sup>(1)</sup>	–	–	(3,333)	–
Transaction costs, after-tax <sup>(2)</sup>	–	–	1,294	–
Non-GAAP amounts	\$ (7,929)	\$ 1,404	\$ (9,771)	\$ 6,159
Diluted Earnings (Loss) Per Share				
Amounts on a GAAP basis	\$ (0.31)	\$ 0.05	\$ (0.31)	\$ 0.23
Tax benefits <sup>(1)</sup>	–	–	(0.13)	–
Transaction costs, after-tax <sup>(2)</sup>	–	–	0.05	–
Non-GAAP amounts	\$ (0.31)	\$ 0.05	\$ (0.39)	\$ 0.23
Earnings Before Interest, Taxes, Depreciation, and Amortization				
Net income attributable to Arkansas Best Corporation	\$ (7,929)	\$ 1,404	\$ (7,732)	\$ 6,159
Interest expense	1,409	1,054	5,273	3,953
Income taxes (benefits)	(4,387)	530	(9,260)	3,160
Depreciation and amortization	23,764	19,541	87,754	73,742
Amortization of share based compensation	1,357	1,334	6,068	6,450
Amortization of actuarial losses	2,846	1,841	11,385	7,361
EBITDA	17,060	25,704	93,488	100,825
Transaction costs, pre-tax <sup>(2)</sup>	–	–	2,129	–
Adjusted EBITDA	\$ 17,060	\$ 25,704	\$ 95,617	\$ 100,825

**PREMIUM LOGISTICS & EXPEDITED FREIGHT SERVICES<sup>(3)</sup>**

<b>Earnings Before Interest, Taxes, Depreciation, and Amortization</b>				
Operating income	<b>\$ 1,118</b>	<b>\$ –</b>	<b>\$ 2,402</b>	<b>\$ –</b>
Depreciation and amortization	<b>2,473</b>	–	<b>5,438</b>	–
EBITDA	<b>\$ 3,591</b>	<b>\$ –</b>	<b>\$ 7,840</b>	<b>\$ –</b>

(1) Tax benefit adjustments related to deferred tax asset valuation allowances.

(2) Transaction costs associated with the June 15, 2012 acquisition of Panther Expedited Services, Inc.

(3) Includes the results of Panther Expedited Services, Inc., for the period of June 16 to December 31, 2012.

**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. Management believes EBITDA to be relevant and useful information as EBITDA is a standard measure commonly reported and widely used by analysts, investors and others to measure financial performance and ability to service debt obligations. However, these financial measures should not be construed as better measurements than operating income, operating cash flow, net income or earnings per share, as defined by GAAP. Other companies may calculate Adjusted EBITDA differently, and therefore the Company's Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

**ARKANSAS BEST CORPORATION**  
**FINANCIAL STATEMENT OPERATING SEGMENT DATA AND OPERATING RATIOS**

	Three Months Ended December 31		Year Ended December 31	
	2012	2011	2012	2011
	<b>(Unaudited)</b> <i>(\$ thousands)</i>			
<b>OPERATING REVENUES</b>				
Freight Transportation <sup>(1)</sup>	\$ 422,842	\$ 422,051	\$ 1,725,134	\$ 1,730,773
Premium Logistics & Expedited Freight Services <sup>(2)</sup>	61,046	—	132,326	—
Truck Brokerage & Management <sup>(3)</sup>	13,255	6,942	42,710	25,429
Emergency and Preventative Maintenance <sup>(4)</sup>	30,704	22,136	115,968	92,554
Household Goods Moving Services <sup>(5)</sup>	16,377	16,732	77,619	85,611
Total non-asset-based segments	121,382	45,810	368,623	203,594
Other revenues and eliminations	(7,182)	(4,620)	(27,758)	(26,758)
Total consolidated operating revenues	\$ 537,042	\$ 463,241	\$ 2,065,999	\$ 1,907,609

**OPERATING EXPENSES AND COSTS**

<b>Freight Transportation<sup>(1)</sup></b>									
Salaries, wages, and benefits	\$	265,520	62.8%	\$	254,073	60.2%	\$	1,073,205	62.2%
Fuel, supplies, and expenses		82,417	19.5		80,391	19.0		330,063	19.1
Operating taxes and licenses		10,823	2.6		11,133	2.6		43,337	2.5
Insurance		5,336	1.3		6,360	1.5		20,751	1.2
Communications and utilities		3,649	0.9		3,649	0.9		14,733	0.9
Depreciation and amortization		20,308	4.8		18,765	4.4		78,748	4.6
Rents and purchased transportation		46,873	11.1		43,816	10.4		176,977	10.3
Gain on sale of property and equipment		(132)	—		(426)	(0.1)		(711)	—
Pension settlement expense		—	—		1,125	0.3		—	—
Other		1,600	0.2		1,825	0.5		7,441	0.3
		436,394	103.2%		420,711	99.7%		1,744,544	101.1%

**Premium Logistics & Expedited  
Freight Services<sup>(2)</sup>**

Purchased transportation	\$	47,052	77.1%	\$	—	—	\$	101,559	76.7%	\$	—	—
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Depreciation and amortization	2,473	4.1	—	—	5,438	4.1	—	—
Salaries, benefits, insurance, and other	10,403	17.0	—	—	22,927	17.4	—	—
	59,928	98.2%	—	—	129,924	98.2%	—	—
Truck Brokerage & Management <sup>(3)</sup>	12,386		6,619		40,087		23,539	
Emergency and Preventative Maintenance <sup>(4)</sup>	30,199		21,999		114,033		89,572	
Household Goods Moving Services <sup>(5)</sup>	16,484		16,780		76,927		82,893	
Total non-asset-based segments	118,997		45,398		360,971		196,004	
Other expenses and eliminations	(7,333)		(4,503)		(24,948)		(25,318)	
Total consolidated operating expenses and costs	\$ 548,058		\$ 461,606		\$ 2,080,567		\$ 1,897,850	

Note: See the following page for footnotes.

**ARKANSAS BEST CORPORATION**  
**FINANCIAL STATEMENT OPERATING SEGMENT DATA AND OPERATING RATIOS – Continued**

	Three Months Ended December 31		Year Ended December 31	
	2012	2011	2012	2011
	(Unaudited) (\$ thousands)			
<b>OPERATING INCOME (LOSS)</b>				
Freight Transportation <sup>(1)</sup>	\$ (13,552)	\$ 1,340	\$ (19,410)	\$ 3,609
Premium Logistics & Expedited Freight Services <sup>(2)</sup>	1,118	—	2,402	—
Truck Brokerage & Management <sup>(3)</sup>	869	323	2,623	1,890
Emergency and Preventative Maintenance <sup>(4)</sup>	505	137	1,935	2,982
Household Goods Moving Services <sup>(5)</sup>	(107)	(48)	692	2,718
Total non-asset-based segments	2,385	412	7,652	7,590
Other income (loss) and eliminations	151	(117)	(2,810)	(1,440)
Total consolidated operating income (loss)	\$ (11,016)	\$ 1,635	\$ (14,568)	\$ 9,759

(1) This segment includes the results of operations of Arkansas Best's largest subsidiary, ABF Freight System, Inc.®.

(2) This segment includes the results of operations of Arkansas Best's expedited services operating as Panther Expedited Services, Inc. for the period of June 16 to December 31, 2012.

(3) This segment includes the results of operations of Arkansas Best's transportation brokerage services operating as FreightValue®.

(4) This segment includes the results of operations of Arkansas Best's roadside vehicle assistance and commercial equipment services subsidiary FleetNet America, Inc.

(5) This segment includes the results of operations of Arkansas Best's subsidiaries Albert Companies, Inc. and Moving Solutions, Inc. which provide services to the consumer, corporate, and military household goods moving market.

**ABF FREIGHT SYSTEM, INC.**  
**OPERATING STATISTICS**

	Three Months Ended December 31			Year Ended December 31		
	2012	2011	% Change	2012	2011	% Change
	(Unaudited)					
<b>Freight Transportation <sup>(1)</sup></b>						
Workdays	<b>61.5</b>	61.0		<b>252.0</b>	252.0	
Billed Revenue <sup>(2)</sup> / CWT	\$ <b>28.02</b>	\$ 28.01	—	\$ <b>28.03</b>	\$ 26.86	4.4%
Billed Revenue <sup>(2)</sup> / Shipment	\$ <b>382.40</b>	\$ 371.34	3.0%	\$ <b>380.49</b>	\$ 362.11	5.1%
Shipments	<b>1,083,615</b>	1,101,893	(1.7)%	<b>4,494,062</b>	4,745,404	(5.3)%
Shipments / Day	<b>17,620</b>	18,064	(2.5)%	<b>17,834</b>	18,831	(5.3)%
Tonnage (tons)	<b>739,418</b>	730,426	1.2%	<b>3,049,885</b>	3,198,292	(4.6)%
Tons / Day	<b>12,023</b>	11,974	0.4%	<b>12,103</b>	12,692	(4.6)%

(1) Operating statistics for the Freight Transportation segment do not include the results from ABF's Global Supply Chain Services.

(2) Billed Revenue does not include revenue deferral required for financial statement purposes under the company's revenue recognition policy.