



YRC WORLDWIDE
FOURTH QUARTER 2019
EARNINGS CONFERENCE CALL



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and we caution you not to rely unduly on them. We have based those forward-looking statements on our current expectations and assumptions about future events, and while our management considers those expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those we discuss in the “Risk Factors” section of our Annual Report on Form 10-K and in other reports we file with the Securities and Exchange Commission.

This presentation includes the presentation of Adjusted EBITDA, a non-GAAP financial measure. Adjusted EBITDA is not a measure of financial performance in accordance with generally accepted accounting principles and may exclude items that are significant in understanding and assessing our financial results. Therefore, this measure should not be considered in isolation or as an alternative to net income from operations, cash flows from operations, earnings per fully-diluted share or other measures of profitability, liquidity or performance under generally accepted accounting principles. We believe our presentation of

Adjusted EBITDA is useful to investors and other users as these measures represent key supplemental information our management uses to compare and evaluate our core underlying business results both on a consolidated basis and across our business segments, particularly in light of our leverage position and the capital-intensive nature of our business. Additionally, Adjusted EBITDA helps investors to understand how the company is tracking against our financial covenants in our term loan credit agreement as this measure is calculated as prescribed therein and serves as a driving component of our key financial covenants. You should be aware that this presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies. Further, the way we define Adjusted EBITDA has recently changed. Adjusted EBITDA as used herein is defined as Consolidated EBITDA in our new term loan facility entered into September 11, 2019. Please refer to our most recent Form 10-Q for additional information and a copy of the new term loan. A reconciliation of this measure to the most comparable measures presented in accordance with generally accepted accounting principles has been included in this presentation.

MULTI-YEAR STRATEGY

2019 COMPLETED FOUNDATIONAL COMPONENTS

- Ratified new 5-year labor contract
- Refinanced our term loan with improved and more flexible terms
- Reorganized our leadership team
- Reorganized our enterprise-wide sales force

2020 NEXT PHASE IS FOCUSED ON TRANSFORMATION

- Operational Optimization: Structurally improve the network to increase asset utilization, expand service offerings and leverage the flexibilities gained with our new labor contract.
- Technology Migration: Improve our customer experience, operational flexibility and ability to execute our strategic objectives by consolidating disparate company systems into a single platform.
- Facility Evaluation: Rationalize the number of physical locations in the network while maintaining geographic coverage and service levels.



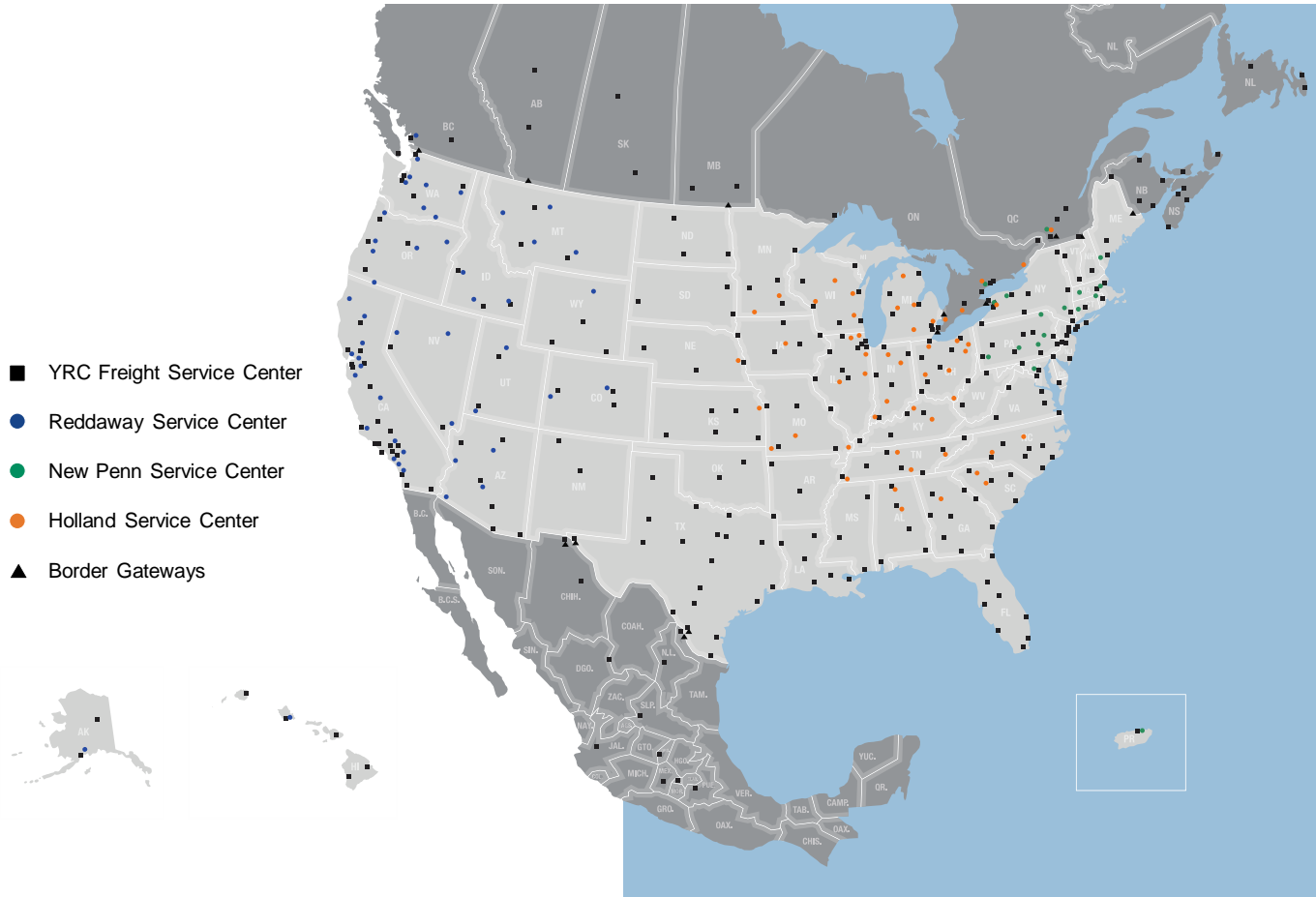
ENTERPRISE TRANSFORMATION

ENHANCE CUSTOMER
EXPERIENCE

BUILD DENSITY

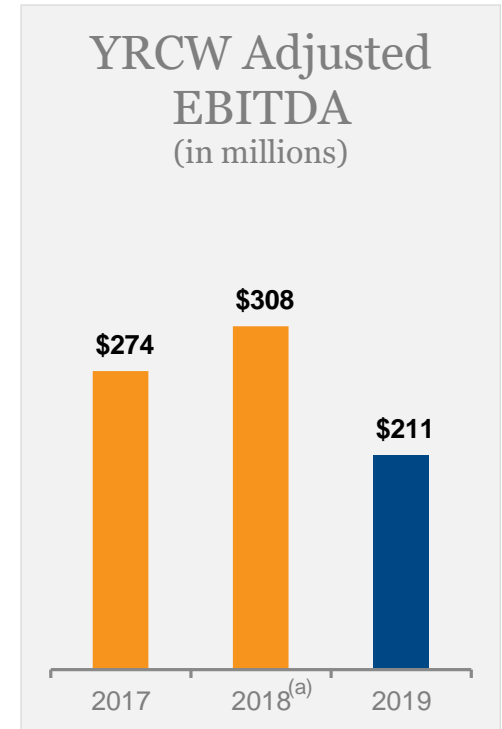
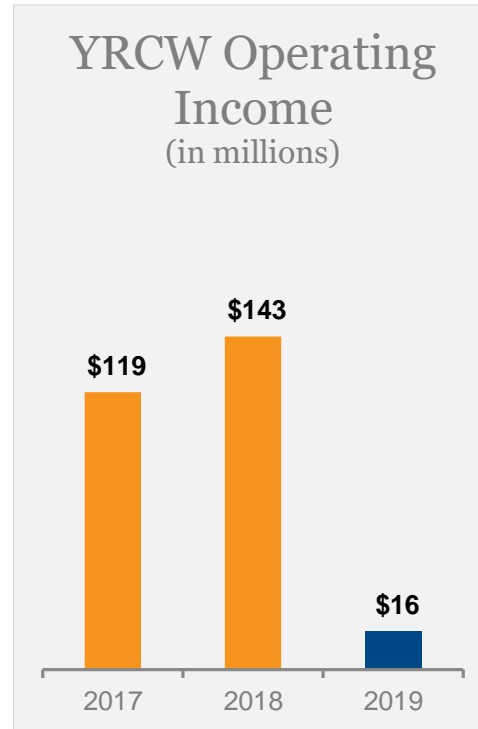
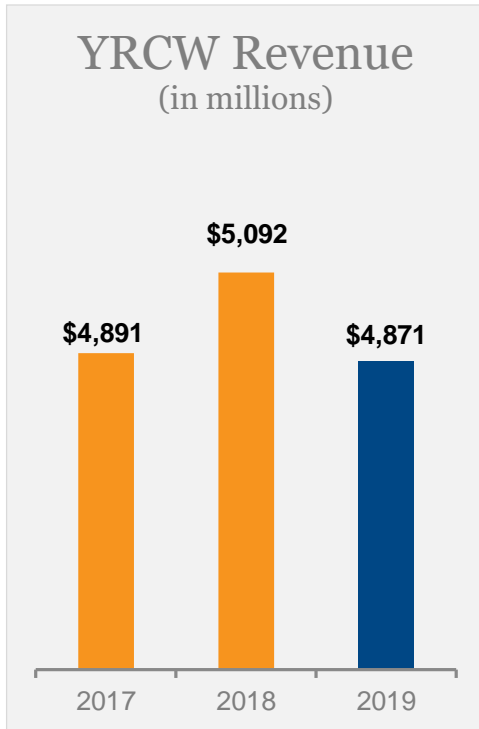
DRIVE EFFICIENCY

IMPROVE ASSET
UTILIZATION



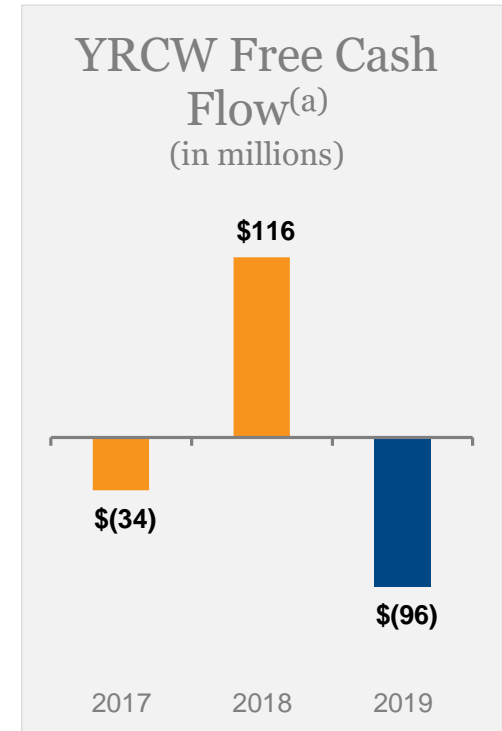
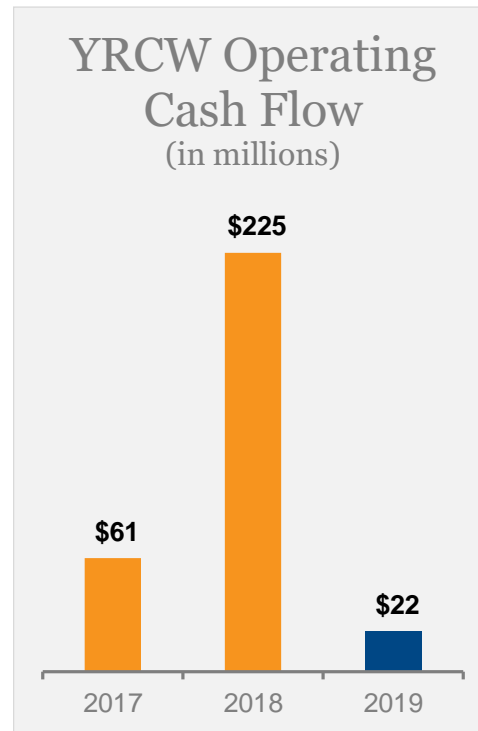
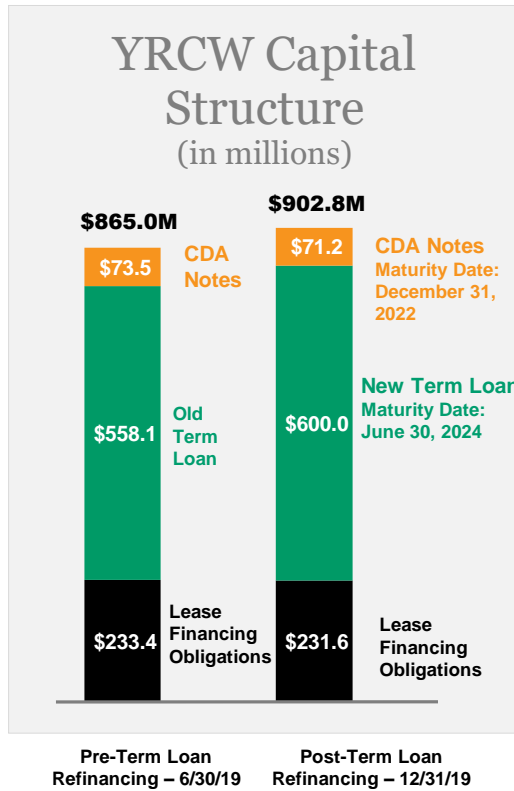
Serving our customers coast-to-coast

CONSOLIDATED



(a) Adjusted EBITDA calculated pursuant to New Term Loan Agreement

CAPITAL STRUCTURE



New Term Loan introduces a minimum LTM Adjusted EBITDA requirement of \$200 million

YRCW's credit ratings as of December 31, 2019:

Standard & Poor's Corporate Family Rating was B- with Stable Outlook

Moody's Investor Service Corporate Family Rating was B2 with Stable Outlook

YRCW Consolidated

Net Cash (used) / provided in operating activities
 Acquisition of property and equipment
 Proceeds from disposal of property and equipment
Free Cash Flow

	FY 2017	FY 2018	FY 2019
Net Cash (used) / provided in operating activities	\$ 60.7	\$ 224.8	\$ 21.5
Acquisition of property and equipment	(103.3)	(145.4)	(143.2)
Proceeds from disposal of property and equipment	8.8	36.4	25.9
Free Cash Flow	\$ (33.8)	\$ 115.8	\$ (95.8)

(a) Free cash flow = operating cash flow less acquisitions of property and equipment, cash proceeds from disposals

KEY SEGMENT INFORMATION

	YRC Freight			Regional Transportation		
	4Q19	4Q18	YoY % (a)	4Q19	4Q18	YoY % (a)
Workdays	61.5	61.5		62.5	61.5	
Total LTL tonnage (in thousands)	1,127	1,207	(6.6)	1,331	1,415	(5.9)
Total LTL tonnage per day (in thousands)	18.33	19.63	(6.6)	21.30	23.00	(7.4)
Total LTL shipments (in thousands)	2,218	2,425	(8.5)	2,109	2,253	(6.4)
Total LTL shipments per day (in thousands)	36.06	39.42	(8.5)	33.75	36.64	(7.9)
Total picked up LTL revenue/cwt.	\$ 29.88	\$ 30.19	(1.1)	\$ 14.57	\$ 14.67	(0.7)
Total picked up LTL revenue/cwt. (excl. FSC)	\$ 26.33	\$ 26.33	0.0	\$ 12.88	\$ 12.85	0.2
Total picked up LTL revenue/shipment	\$ 304	\$ 301	1.0	\$ 184	\$ 184	(0.2)
Total picked up LTL revenue/shipment (excl. FSC)	\$ 268	\$ 262	2.1	\$ 163	\$ 161	0.7
Total LTL weight/shipment (in pounds)	1,017	996	2.1	1,262	1,256	0.5
Total tonnage (in thousands)	1,466	1,473	(0.4)	1,637	1,767	(7.4)
Total tonnage per day (in thousands)	23.84	23.95	(0.4)	26.19	28.74	(8.9)
Total shipments (in thousands)	2,255	2,458	(8.3)	2,153	2,303	(6.5)
Total shipments per day (in thousands)	36.66	39.96	(8.3)	34.45	37.45	(8.0)
Total picked up revenue/cwt.	\$ 24.71	\$ 26.47	(6.6)	\$ 12.78	\$ 12.74	0.4
Total picked up revenue/cwt. (excl. FSC)	\$ 21.86	\$ 23.12	(5.4)	\$ 11.31	\$ 11.16	1.3
Total picked up revenue/shipment	\$ 321	\$ 317	1.3	\$ 194	\$ 195	(0.6)
Total picked up revenue/shipment (excl. FSC)	\$ 284	\$ 277	2.6	\$ 172	\$ 171	0.3
Total weight/shipment (in pounds)	1,301	1,199	8.5	1,520	1,534	(0.9)

	YRC Freight - YoY % (a)			Regional Transportation - YoY % (a)		
	Oct-19	Nov-19	Dec-19	Oct-19	Nov-19	Dec-19
Total LTL tonnage per day	(4.5)	(10.2)	(4.7)	(5.7)	(11.2)	(6.0)
Total tonnage per day	1.2	(2.9)	0.7	(7.2)	(12.6)	(7.4)

(a) Percent change based on unrounded figures and not the rounded figures presented

KEY SEGMENT INFORMATION

	YRC Freight			Regional Transportation		
	YTD 2019	YTD 2018	YoY % (a)	YTD 2019	YTD 2018	YoY % (a)
Workdays	251.5	252.0		251.5	252.0	
Total LTL tonnage (in thousands)	4,739	5,040	(6.0)	5,663	6,027	(6.0)
Total LTL tonnage per day (in thousands)	18.84	20.00	(5.8)	22.52	23.92	(5.8)
Total LTL shipments (in thousands)	9,434	9,982	(5.5)	8,989	9,588	(6.3)
Total LTL shipments per day (in thousands)	37.51	39.61	(5.3)	35.74	38.05	(6.1)
Total picked up LTL revenue/cwt.	\$ 29.97	\$ 29.22	2.6	\$ 14.59	\$ 14.46	0.9
Total picked up LTL revenue/cwt. (excl. FSC)	\$ 26.43	\$ 25.58	3.3	\$ 12.90	\$ 12.71	1.5
Total picked up LTL revenue/shipment	\$ 301	\$ 295	2.1	\$ 184	\$ 182	1.2
Total picked up LTL revenue/shipment (excl. FSC)	\$ 266	\$ 258	2.8	\$ 163	\$ 160	1.8
Total LTL weight/shipment (in pounds)	1,005	1,010	(0.5)	1,260	1,257	0.2
Total tonnage (in thousands)	6,034	6,136	(1.7)	6,969	7,574	(8.0)
Total tonnage per day (in thousands)	23.99	24.35	(1.5)	27.71	30.05	(7.8)
Total shipments (in thousands)	9,579	10,122	(5.4)	9,177	9,808	(6.4)
Total shipments per day (in thousands)	38.09	40.17	(5.2)	36.49	38.92	(6.3)
Total picked up revenue/cwt.	\$ 25.27	\$ 25.70	(1.7)	\$ 12.79	\$ 12.51	2.2
Total picked up revenue/cwt. (excl. FSC)	\$ 22.35	\$ 22.52	(0.8)	\$ 11.31	\$ 11.00	2.8
Total picked up revenue/shipment	\$ 318	\$ 312	2.2	\$ 194	\$ 193	0.5
Total picked up revenue/shipment (excl. FSC)	\$ 282	\$ 273	3.1	\$ 172	\$ 170	1.1
Total weight/shipment (in pounds)	1,260	1,212	3.9	1,519	1,544	(1.6)

(a) Percent change based on unrounded figures and not the rounded figures presented

With the launch of HENRY Logistics in late 2018, year-over-year revenue per hundredweight metrics that we have historically presented for YRC Freight, which includes the results of operations for HENRY Logistics, have been impacted by shipments over 10,000 pounds. Therefore, the Company updated its presentation of operating metrics to separately present less-than-truckload (LTL) operating statistics, which represents shipments less than 10,000 pounds. Shipments greater than 10,000 pounds are primarily transported using third-party purchased transportation.

EBITDA RECONCILIATION (CONSOLIDATED)

(\$ in millions)

YRCW Consolidated	2017	2018	2019	4Q 2018	4Q 2019
Reconciliation of net income (loss) to adjusted EBITDA^(a)					
Net income (loss)	\$ (10.8)	\$ 20.2	\$(104.0)	\$ 17.5	\$ (15.3)
Interest expense, net	102.4	104.5	109.9	27.3	27.9
Income tax (benefit) expense	(7.3)	11.1	(4.3)	8.9	(3.2)
Depreciation and amortization	147.7	147.7	152.4	37.5	36.7
EBITDA	232.0	283.5	154.0	91.2	46.1
Adjustments pursuant to Term Loan Agreement:					
Gains on property disposals, net	(0.6)	(20.8)	(13.7)	(28.1)	(10.1)
Noncash reserve changes	-	-	16.1	-	2.1
Impairment charges	-	-	8.2	-	-
Letter of credit expense	6.8	6.6	6.5	1.6	1.7
Permitted dispositions and other	1.2	0.3	(0.9)	-	0.1
Transaction costs related to the issuances of debt	10.3	-	-	-	-
Equity-based compensation expense	6.5	6.3	6.3	0.8	1.1
Loss on extinguishment of debt	-	-	11.2	-	-
Non-union pension settlement charge	7.6	10.9	1.8	3.7	0.1
Other, net ^(b)	2.3	0.1	2.9	(1.1)	0.6
Expense amounts subject to 10% threshold ^(c)	8.1	20.9	18.2	9.4	4.1
Adjusted EBITDA prior to 10% threshold	274.2	307.8	210.6	77.5	45.8
Adjustments pursuant to TTM calculation ^(c)	-	-	-	-	1.5
Adjusted EBITDA	<u>\$ 274.2</u>	<u>\$ 307.8</u>	<u>\$ 210.6</u>	<u>\$ 77.5</u>	<u>\$ 47.3</u>

- (a) Certain reclassifications and adjustments have been made to prior years to conform to the new calculation and presentation of Adjusted EBITDA furnished in our Current Report on Form 8-K filed on September 11, 2019.
- (b) As required under both our Prior Term Loan Agreement and New Term Loan Agreement, Other, net shown above consists of the impact of certain items to be included in Adjusted EBITDA.
- (c) Pursuant to the New Term Loan Agreement, Adjusted EBITDA limits certain adjustments in aggregate to 10% of the trailing-twelve-month ("TTM") consolidated Adjusted EBITDA, prior to the inclusion of amounts subject to the 10% threshold, for each period ending. Such adjustments include, but are not limited to, restructuring charges, integration costs, severance, and non-recurring charges. The limitation calculation is updated quarterly based on TTM Adjusted EBITDA, and any necessary adjustment resulting from this limitation, if applicable, will be presented here.

EBITDA RECONCILIATION (SEGMENT)

(\$ in millions)

YRC Freight Segment	2017	2018	2019	4Q 2018	4Q 2019
Reconciliation of operating income to adjusted EBITDA^(a)					
Operating income	\$ 60.7	\$ 85.0	\$ 38.3	\$ 40.4	\$ 11.8
Depreciation and amortization	84.8	82.2	86.5	20.7	21.0
Gains on property disposals, net	(2.2)	(20.3)	(9.8)	(26.4)	(7.8)
Noncash reserve changes	-	-	11.5	-	2.3
Impairment charges	-	-	8.2	-	-
Letter of credit expense	4.3	4.2	4.0	1.1	1.0
Non-union pension and postretirement benefits	(11.7)	1.9	(0.5)	0.4	-
Other, net ^(b)	(3.1)	0.3	0.2	0.3	-
Expense amounts subject to 10% threshold ^(c)	5.0	15.1	9.7	7.1	1.8
Adjusted EBITDA prior to 10% threshold	137.8	168.4	148.1	43.6	30.1
Adjustments pursuant to TTM calculation ^(c)	-	-	-	-	1.0
Adjusted EBITDA	\$ 137.8	\$ 168.4	\$ 148.1	\$ 43.6	\$ 31.1

Regional Transportation Segment	2017	2018	2019	4Q 2018	4Q 2019
Reconciliation of operating income (loss) to adjusted EBITDA^(a)					
Operating income (loss)	\$ 67.9	\$ 70.7	\$ (4.8)	\$ 17.9	\$ 3.7
Depreciation and amortization	62.9	65.0	64.6	16.6	15.3
(Gains) losses on property disposals, net	1.6	(0.6)	(5.3)	(1.7)	(3.7)
Noncash reserve changes	-	-	4.4	-	-
Letter of credit expense	2.2	2.2	2.2	0.5	0.6
Other, net ^(b)	-	0.1	0.1	0.1	0.2
Expense amounts subject to 10% threshold ^(c)	1.8	1.3	2.7	0.2	0.4
Adjusted EBITDA prior to 10% threshold	136.4	138.7	63.9	33.6	16.5
Adjustments pursuant to TTM calculation ^(c)	-	-	-	-	0.2
Adjusted EBITDA	\$ 136.4	\$ 138.7	\$ 63.9	\$ 33.6	\$ 16.7

For explanations (a), (b) and (c), please refer to previous slide.