# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

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# Form 8-K

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**CURRENT REPORT**
**Pursuant to Section 13 or 15(d)**
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): May 17, 2017**

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# YRC Worldwide Inc.
**(Exact name of registrant as specified in its charter)**

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| **Delaware** | **0-12255** | **48-0948788** |
|---|---|---|
| **(State or other jurisdiction of incorporation)** | **(Commission File Number)** | **(IRS Employer Identification No.)** |

**10990 Roe Avenue**
**Overland Park, Kansas 66211**
**(Address of principal executive office)(Zip Code)**

**(913) 696-6100**
**(Registrant's telephone number, including area code)**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01. Regulation FD Disclosure.**

YRC Worldwide Inc. (the "Company") will attend and participate on panels at the Bank of America Merrill Lynch 2017 Transportation Conference in Boston, Massachusetts on May 18, 2017; and at the 2017 Wolfe Research Global Transportation Conference in New York, New York on May 23, 2017. A copy of the Company materials to be utilized in connection with the conferences is attached hereto as Exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

| Exhibit Number | Description |
|---|---|
| 99.1 | Company Materials for Conferences |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

YRC WORLDWIDE INC.

By: /s/ Stephanie D. Fisher
Stephanie D. Fisher
Chief Financial Officer

Date: May 17, 2017


Exhibit 99.1
YRC Worldwide
INVESTOR
PRESENTATION
May 2017
YRC
FREIGHT

# Forward-looking Statements and Disclaimers

The information in this presentation is summary in nature and may not contain all information that is important to you. The Recipient acknowledges and agrees that (i) no representation or warranty regarding the material contained in this presentation is made by YRC Worldwide Inc. (the "Company" or "we") or any of its affiliates and (ii) that the Company and its affiliates have no obligation to update or supplement this presentation or otherwise provide additional information. This presentation is for discussion and reference purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or other property.

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements relate to future events or future performance of the Company and include statements about the Company's expectations or forecasts for future periods and events. Specific forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and include, without limitation, words such as "may," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential" or "continue," the negative of such terms or other comparable terminology. We disclaim any obligation to update those statements, except as applicable law may require us to do so, 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. You should be aware that this presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies. A reconciliation of this measure to the most comparable measures presented in accordance with generally accepted accounting principles has been included in this presentation.

# THERE ARE FREIGHT COMPANIES AND THEN THERE'S YRCW

**From the time we began traveling the roads more than 90 years ago, we have used a combination of extraordinary service, technology and good old fashioned hard work to evolve into the company we are today — one of the largest less-than-truckload (LTL) carriers in North America with ~32,000 employees, driving more than 930 million miles a year and generating $4.7 billion in annual revenue**

## YRCW provides services under a portfolio of four operating companies

Collectively, we have approximately 20 - 25% of the public carrier market by tonnage. We provide the broadest coverage and more service capability throughout North America than any competitor. To put it simply, customers tell us where they want their freight to go and when it needs to be there, and we take it there; we carry the economy

# North American Coverage



YRC Freight serves manufacturing, wholesale, retail and government customers throughout North America. When customers need longer-haul LTL shipping solutions, YRC Freight is the expert

| YRC Freight | Metric |
|---|---|
| LTM 1Q17 Revenue | $3.0 billion |
| LTM 1Q17 Adj. EBITDA | $125 million |
| # of Customers | ~120,000 |
| # of Terminals | 260 |
| Average Length of Haul | 1,300 miles |
| Average Weight | 1,200 lbs |
| Average Transit | 3-4 days |

For next-day and time-sensitive services, we have three distinct regional carriers: Holland, Reddaway and New Penn. All three brands are well established in their respective regions

| YRC Regional | Metric |
|---|---|
| LTM 1Q17 Revenue | $1.8 billion |
| LTM 1Q17 Adj. EBITDA | $153 million |
| # of Customers | ~150,000 |
| # of Terminals | 127 |
| Average Length of Haul | 400 miles |
| Average Weight | 1,500 lbs |
| Average Transit | > 90% in 2 days or less |

# Networks built for the future

YRC Freight, Holland, Reddaway and New Penn, provide service to more than 250,000 customers in all 50 states, Puerto Rico, Canada and Mexico. Plus, with extensive networks already in place and spanning North America, we are well-positioned to offer LTL services to an even greater number of future customers

The company you keep says a lot about you.

And we work with some very good companies.

We're fortunate to have stable, long-standing relationships with some of the greatest companies in the world, from large Fortune 500 companies to small, privately-held businesses

# We delivered, and our customers noticed

**YRC FREIGHT**

- NASSTRAC 2016 LTL Carrier of the Year
- JB Hunt 2015 National LTL Carrier of the Year
- Inbound Logistics 2015 top 100 Trucker
- Walmart Carrier of the Year
- Unishippers 2015 LTL Carrier of the Year
- ScoopMonkey's Top 100 Best Carriers
- Commercial Carrier Journal's Top 250 Carriers
- Transport Topics Top 100 Carriers

**Holland**

- Logistics Management Quest for Quality award winner – 31 times
- Regional Carrier of the year – Walmart, Unishippers, Avery Dennison, Echo Group Logistics, Worldwide Express
- LTL Carrier of the Year – Parker Hannifin, BASF, Transplace, Ravago
- GlobalTranz Midwest Regional Carrier of the Year
- Toyota North American Parts LTL Logistics Partner of the Year
- Haworth Carrier of the Year

**NEW PENN**

- Logistics Management Quest for Quality award winner – 30 times
- Regional Carrier of the year – Unishippers, Avery Dennison, Echo Group Logistics
- LTL Carrier of the Year – Parker Hannifin, BASF
- Toyota North American Parts LTL Logistics Partner of the Year
- Haworth Carrier of the Year

**Reddaway**

- Logistics Management Quest for Quality award winner – 22 times
- Worldwide Express – 2015 Western Regional Carrier of the Year
- Unishippers Global Logistics – 2015 Regional LTL Partner of the Year
- Toyota North American Parts – 2015 & 2014 LTL Provider of the Year
- Echo Global Logistics 2015 Platinum Award & 2014 Carrier of the Year
- GlobalTranz Carrier of the Year 2015, 2014, 2013, 2011 Western Region

# Highly Experienced Senior Management With More Than 150 Years of Operating Experience

**James Welch**

Chief Executive Officer, YRCW

- More than 37 years of industry experience and a 34-year veteran of the Company
- Returned to the Company in 2011 to become CEO

**Stephanie Fisher**

Chief Financial Officer, YRCW

- Also serves as Vice President and Controller
- More than 16 years of experience in accounting, financial analysis and corporate compliance and a 13-year veteran of the Company

**Justin Hall**

Chief Customer Officer, YRCW

- Responsible for designing and deploying technology, logistics and innovative transportation solutions to enhance the customer experience and create growth opportunities
- Former President of Logistics Planning Services

**Jim Fry**

Vice President, General Counsel & Corporate Secretary, YRCW

- More than 21 years of industry experience
- Prior to YRCW, served as Executive Vice President, General Counsel, and Secretary for Swift Transportation Company

# Highly Experienced Senior Management With More Than 150 Years of Operating Experience

**Darren Hawkins**

President, YRC Freight

- More than 25 years of industry experience
- Prior to being named President of YRC Freight, was Senior Vice President of Sales for the Company

**Scott Ware**

President, Holland

- More than 31 years of industry experience
- Prior to being named President of Holland, was Vice President of Operations and Linehaul for the Company

**Don Foust**

President, New Penn

- More than 36 years of industry experience
- Prior to being named President of New Penn, was a Division Vice President of Roadrunner Transportation

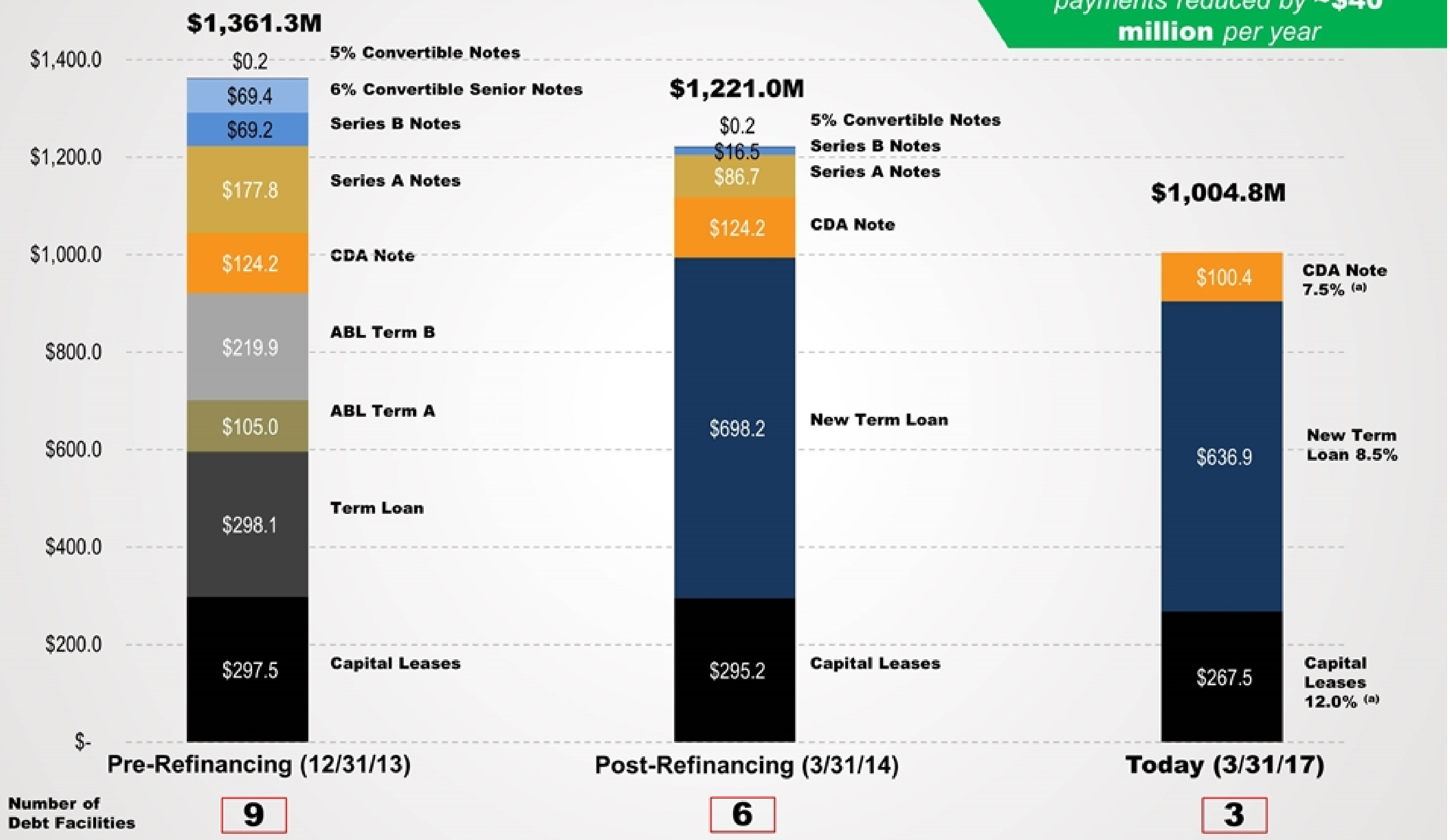
**TJ O'Connor**

President, Reddaway

- More than 35 years of industry experience
- Prior to being named President of Reddaway in 2007, served as President and CEO of USF Bestway

# Simplified Capital Structure

*Since 2013 debt obligations reduced by* **$357 million** *and cash interest payments reduced by* **~$40 million** *per year*




*(a) Average effective interest rate as of March 31, 2017*

# Leverage Ratio

YRCW Adjusted EBITDA

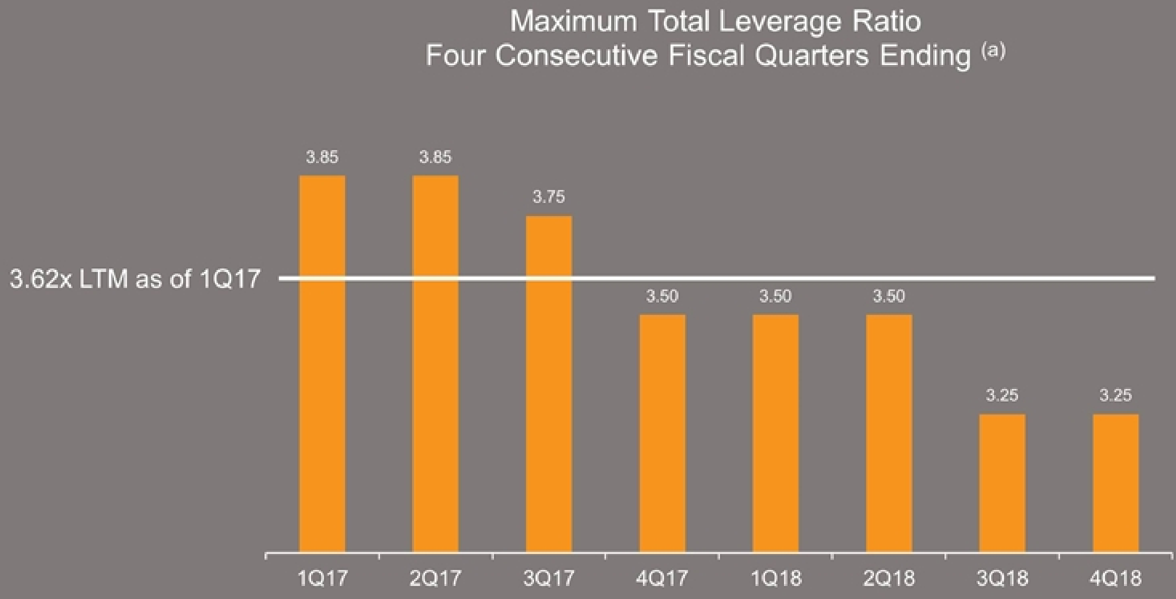

Funded Debt / Adjusted EBITDA


Note: Funded debt balances based on par value

- Growing into capital structure
- Continue to de-risk the balance sheet

Funded Debt to Adjusted EBITDA ratio down 4.9 turns

# Credit Facility Covenants

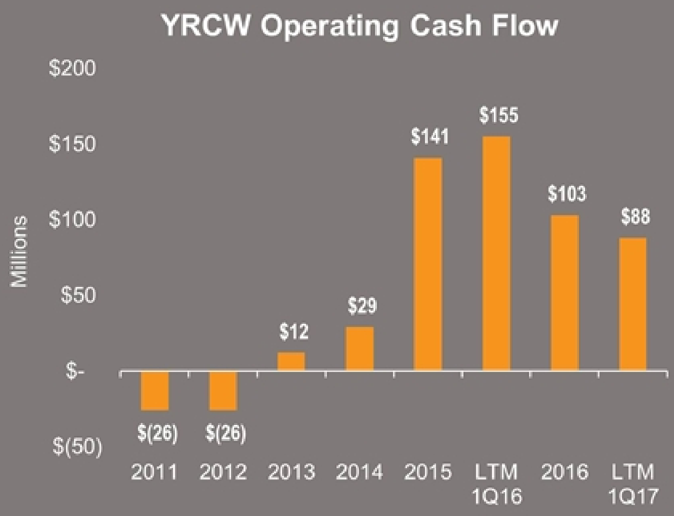


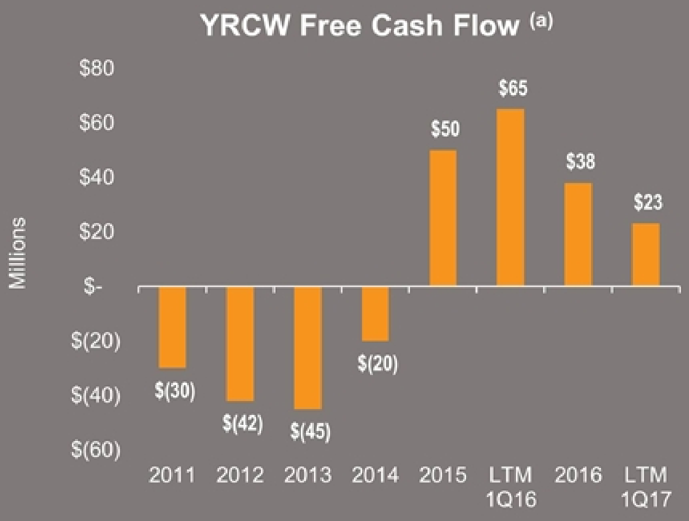

YRCW's credit ratings as of March 31, 2017:

- Standard & Poor's Corporate Family Rating was B- with Stable outlook
- Moody's Investor Service Corporate Family Rating was B3 with Stable outlook

(a) As amended in January 2017

# Cash Flow

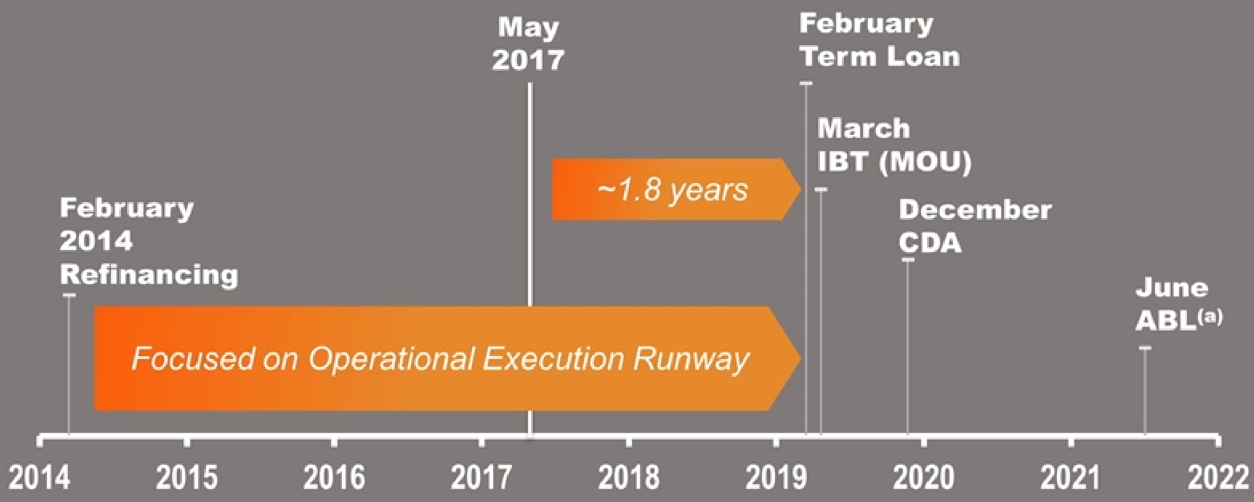



*Steadily improving cash flows while simultaneously increasing reinvestment back into the Company*

(a) Free cash flow = operating cash flow less acquisitions of property and equipment net of disposals

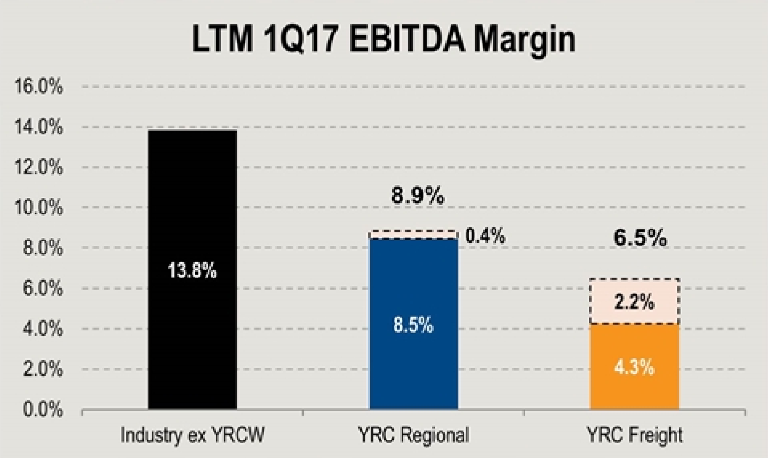
## No Near-Term Maturities




Significant extension of debt maturities provides runway to continue operational transformation

(a) Option to extend maturity from February 13, 2019 to June 28, 2021, subject to refinancing, replacement or extension of the credit agreement governing the term loan facility to or beyond June 28, 2021

# Opportunity for EBITDA Margin Growth & Further Deleveraging




Note: The peer group's LTM 1Q17 EBITDA includes ODFL, SAIA LTL, ABFS, FDXF and XPO LTL.

| LTM 1Q17 | YRC Regional | YRC Freight |
|---|---|---|
| Revenue | $ 1,756.3 | $ 2,992.0 |
| Operating Income | 81.1 | 38.6 |
| D&A | 67.3 | 88.9 |
| GAAP EBITDA | 148.4 | 127.5 |
| **EBITDA margin** | **8.5%** | **4.3%** |

Note: For comparison purposes, EBITDA for all companies is defined as operating income plus depreciation and amortization. EBITDA used to calculate EBITDA margin for YRC Regional and YRC Freight above differs from the credit agreement definition of Adjusted EBITDA

Assuming current market performance of an OR of 91 to 93, the long-term EBITDA margin segment goals are:

- YRCF = 6.5% *(equivalent to an OR of 96 – 97)*
- Regional = 8.9% *(equivalent to an OR of approximately 95)*

# Plan to Achieve Margin Segment Goals Include

All contribute to achieving goals

All contribute to achieving goals

**1 Volume and Yield Growth**
- Economic Growth
- Continued market price rationalization

**2 Delivering Award Winning Service and Partnering with Our Customers**
- New YRC Freight Accelerated service launched in 2016

**3 Enhancing Employee Engagement**
- Union employees profit sharing bonus opportunity based on achieving OR metrics
- MOU in place through March 2019

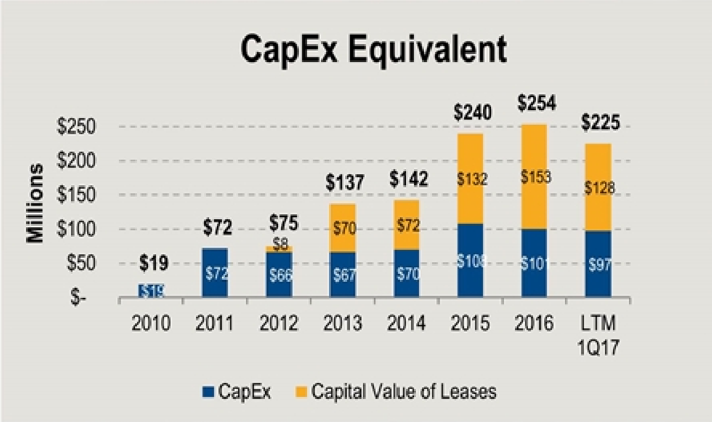
**4 Improving Productivity**
- Dock supervisor tablets
- Utilizing Sysnet software to reduce linehaul miles

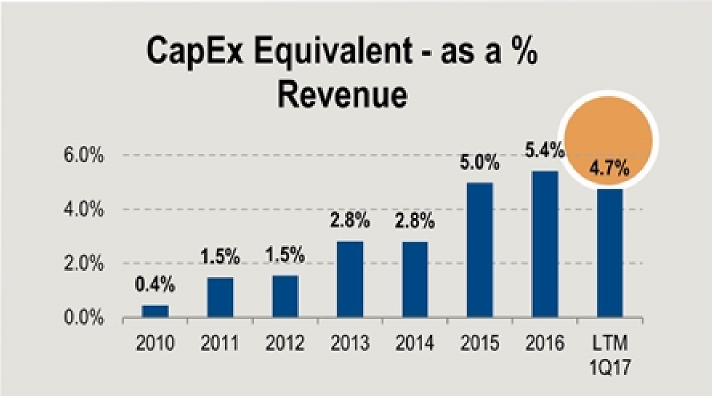
**5 Focusing on Safety**
- Installation of in-cab safety technology
- SMITH system training, peer safety trainers and the expansion of driving schools

**6 Continue Investing in Technology and Revenue Equipment**
- Optym linehaul route optimization software
- Quintiq pickup and delivery route optimization software

# Reinvesting in the Business

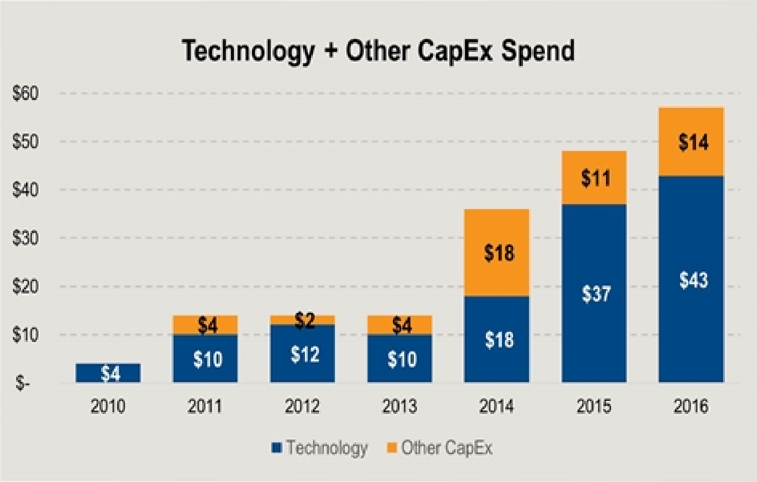
- After several years of curtailing investment in the business, capital spending has resumed
- Fleet replenishment through operating leases beginning in 2013
- Increased leasing activity due to greater financing options resulting from the Company's improved financial condition
- Acquired 82 dimensioners since 2014. Dimensioning technology is used to better cost, price and plan freight loading and flow
- For the LTM 1Q17, the CapEx Equivalent (CapEx plus the Capital Value of Leases) was 4.7% of revenue. This shows that the Company remains more in line with historical industry standards
- Since the beginning of 2015, the Company has taken delivery of more than 2,100 new tractors and 4,400 new trailers



# Reinvesting in the Business – Technology & Other CapEx

- 4x increase in technology investment from 2013 to 2016
- Recent Technology & Other CapEx investments include
  - Dimensioners[a]
  - Mobileye and Lytx in-cab safety technology[a]
  - Pickup and deliver handheld units
  - Upgraded forklift technology
  - PROS yield management technology
  - Dock supervisor tablets
  - KRONOS time and attendance system
  - Dimensional freight quote based shipping solution
  - Sysnet linehaul optimization technology
- As we move forward, we expect to continue reinvesting at a similar level including
  - Optym linehaul load plan creation and network optimization
  - Quintiq pick-up and delivery software
  - Electronic logging devices (ELDs)




(a) Included in Other CapEx

# 1Q 2017 Financial and Operational Update

1

## Operating revenue of $1.17 billion

- Adjusted EBITDA of $43.2 million
- Operating loss of $3.0 million

2

## Continued reinvesting in the business

- $16.3 million in capital expenditures and new operating leases for revenue equipment that have a capital value equivalent of $8.4 million for a total of $24.7 million in the first quarter
- LTM 1Q 2017 CapEx equivalent investment was 4.7% of revenue

3

## Capital structure

- Amended Term Loan Credit Agreement
- Long-term debt balance the lowest in twelve years

4

## Implemented plan to streamline overhead and augment operational efficiencies

- Eliminated $25 million of costs over the next year
- Rightsized management and other non-union workforce by approximately 180 positions
- Other changes include increased collaboration across operating companies and reducing use of external professional services

# Forward Looking Considerations

**1** **Plan to continue investing back into the business through combined purchasing and leasing to enhance shareholder value**

**2** **International Brotherhood of Teamsters memorandum of understanding (MOU) in place through March 2019**

- Annual wage increases of $0.34 per hour in April in 2017 and 2018
- Annual health and welfare benefit contributions increase in August in 2017 and 2018; estimated increase in 2017 is approximately 7%

**3** **No material long-term debt / facility maturities until 1Q19**

**4** **Total federal net operating losses (NOLs) of $741.5 million as of December 31, 2016 that expire between 2028 - 2036**

- Helps mitigate federal cash income tax payments

# Competitive Strengths

YRCW's competitive strengths provide a platform for continued improvement and long-term growth

- PEOPLE
- NETWORKS
- PHYSICAL ASSETS
- GENERATION-SKIPPING TECHNOLOGY

# Competitive Strengths

PEOPLE

- ~32,000 highly experienced employees throughout North America
- Average tenure of union employees approximately 15 years
- Union employee turnover less than 10%
- Long-term relationships with more than 250,000 customers
- Experienced senior management with more than 150 years of operating experience

# Competitive Strengths

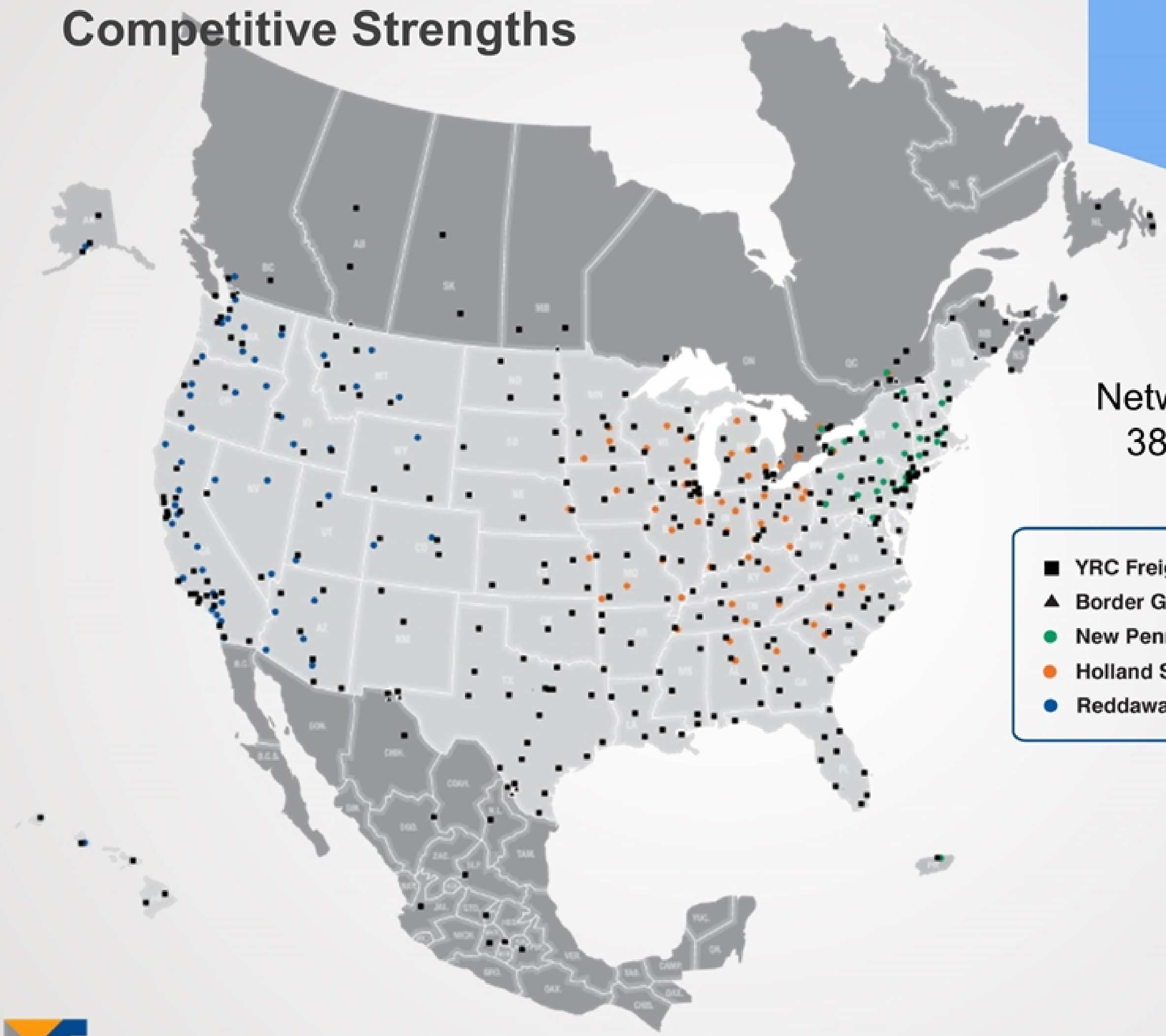
PEOPLE

- Typical LTL driving distance contributes to stable workforce and low turnover
- YRCW drivers covered over 930 million miles in 2016
  - The equivalent of more than 166,000 round trips between New York and Los Angeles
- Active million mile drivers – accident-free

| | |
|---|---|
| 2,094 drivers | > 1 million miles |
| 675 drivers | > 2 million miles |
| 124 drivers | > 3 million miles |
| 24 drivers | > 4 million miles |
| 1 driver | > 5 million miles |
| 1 driver | > 6 million miles |

## Competitive Strengths

NETWORKS



Networks include 387 terminals

- YRC Freight Service Center
- Border Gateway
- New Penn Service Center
- Holland Service Center
- Reddaway Service Center

# Competitive Strengths

PHYSICAL ASSETS

- YRC Freight operates a large hub and spoke network
- Regional carriers operate direct loading and quick sort networks
- YRCW Totals
  - 387 terminals
  - ~21,000 doors
  - ~14,000 tractors
  - ~45,000 trailers
- Reinvesting in the business by replenishing the fleet through a combined approach of purchasing and leasing
- Taken delivery of more than 2,100 new tractors and 4,400 new trailers since the beginning of 2015

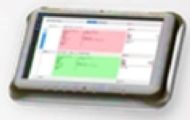
# Competitive Strengths

GENERATION-SKIPPING TECHNOLOGY

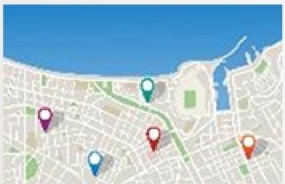
Implementing tools for continuous improvement in safety, efficiency, and productivity


In-Cab Safety Technology – in service

82 Dimensioners – in service



Dock Supervisor Tablets – in service



Quintiq Pickup and Delivery Route Optimization Software – implementation expected by end of 2017


Pick Up & Delivery Handheld Units – in service

Optym Linehaul Route Optimization Software – implementation in 2016

# Competitive Strengths

The result is award-winning customer service with a flexible supply chain that provides the broadest coverage throughout North America

# HOW WE PLAN TO MOVE FREIGHT, OUR COMPANY AND YOUR INVESTMENT FORWARD

**YRCW provides the opportunity to invest in a portfolio of four proud and distinct LTL operating companies**

- Experienced Leadership Team
- Strong Industry Position
- North American Footprint / Tremendous Asset Base
- Simplified & Stable Capital Structure
- Diversified Business Model
- Reinvestment Back Into the Business
- Well Positioned Once Capacity Tightens

YRC Worldwide

# Investor Relations

***NASDAQ:***

**YRCW**

***WEBSITE:***

**www.yrcw.com**

***COMPANY CONTACT:***

**Tony Carreño**

Vice President – Investor Relations

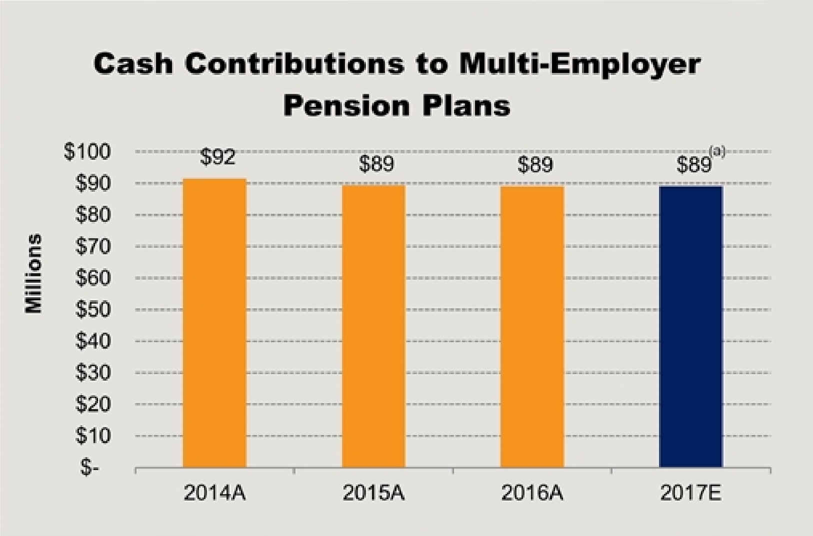
(913) 696-6108

tony.carreno@yrcw.com

# Appendix

# Multi-Employer Pension Plans Contingent Liability

- Employees covered by collective bargaining agreements
- Required contributions anticipated to be an average of $1.85[(a)] per hour in 2017
  - 2017 cash contributions to be approximately $89 million[(a)]
  - Expense included in EBITDA
  - Not impacted by changes in interest rates
- Contributions are made to 32 multi-employer pension plans with various levels of underfunding
  - Pension plans are managed by independent trustees
- If the Company were to withdraw from or there was a termination of all of the multi-employer pension plans, the Company's portion of the contingent liability would be an estimated $10 billion

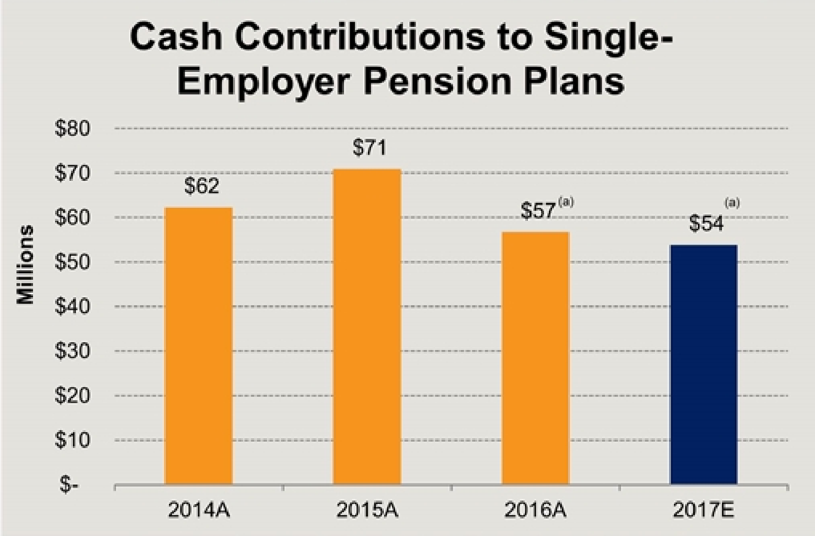



- However............YRC Worldwide has, and expects to continue, making its required contractual contributions to the multi-employer pension plans thus SIGNIFICANTLY minimizing the potential of any material contingent liability becoming due
- Additionally, to our knowledge, there are no regulations that would change our average per hour contribution for the remaining term of the Memorandum of Understanding (MOU) as that is contractually agreed to by and between the Company and the individual funds nor are we aware of any regulations that would materially change the status or amount of our contingent liability. As long as we continue to pay what is contractually agreed to, there should be no issue

(a) The estimated contribution amount is subject to potential increases under the 2014 MOU Extension Agreement if the Company's health and welfare contributions made to maintain the current level of health and welfare benefits are less than the health and welfare contribution amounts already negotiated.

# Single-Employer Pension Plans

- Certain employees not covered by collective bargaining agreements
- Plans closed to new participants effective January 1, 2004 with benefit accrual for active employees frozen effective July 1, 2008
- Future funding requirements primarily driven by benefits paid, actuarial gains and losses and company contributions
- Long-term strategy is to reduce the risk of the underfunded plans
- On average, the single-employer pension expense from 2014 – 2016 was approximately $21 million, excluding the expense recognition of settlements from lump sum payouts in 2015

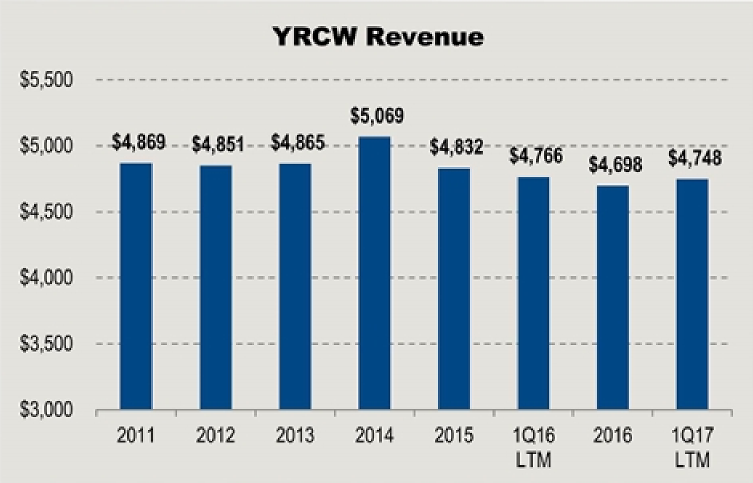


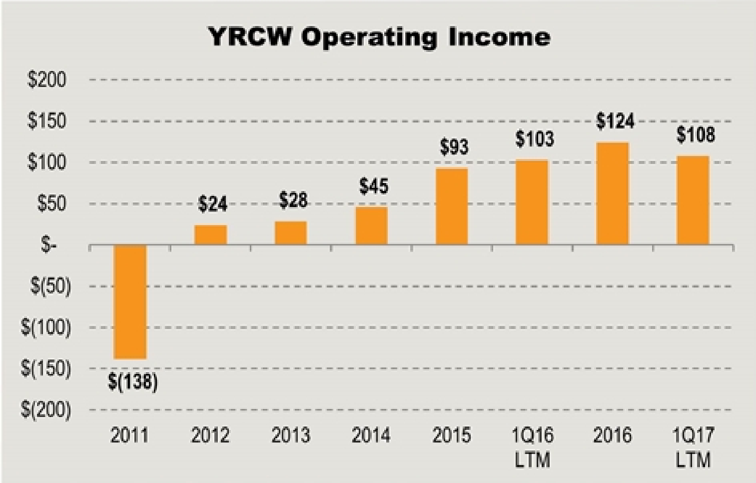

(a) Reflects a $12.2 million contribution due in January 2017 that was paid in December 2016

# Key Financial Results

# Consolidated

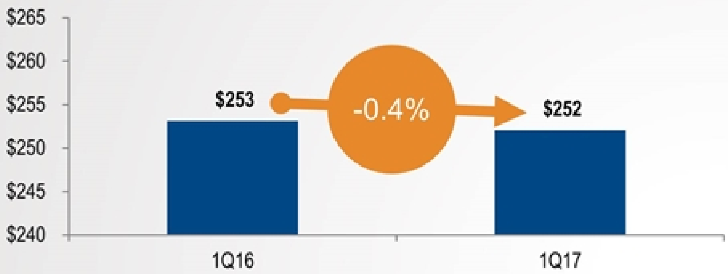
($ in millions)



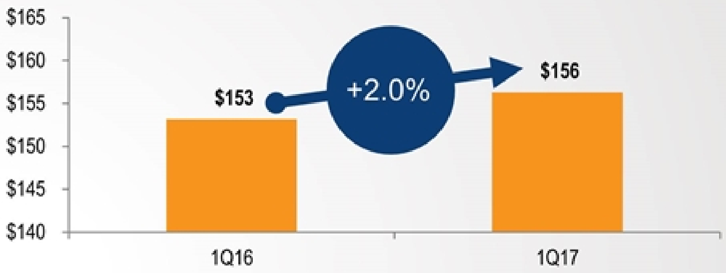



# First Quarter 2017 Year-Over-Year Revenue Per Shipment and Revenue Per CWT

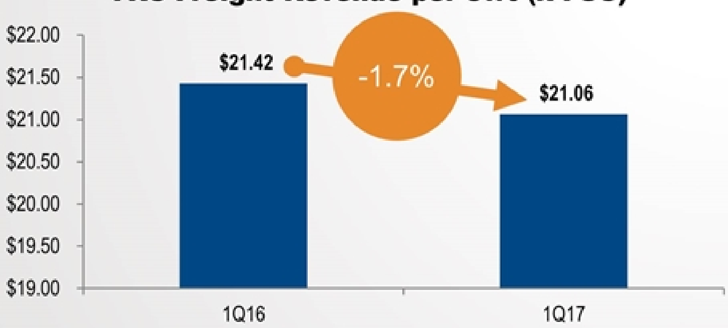
**YRC Freight Revenue per Shipment (x-FSC)**



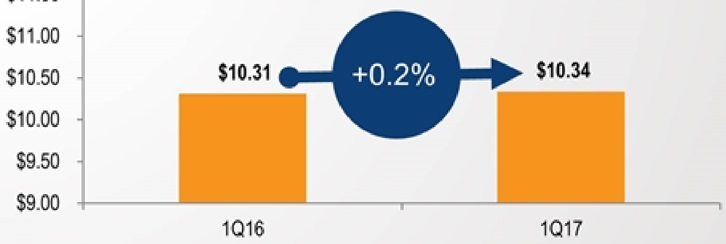

**Regional Revenue per Shipment (x-FSC)**




**YRC Freight Revenue per cwt (x-FSC)**

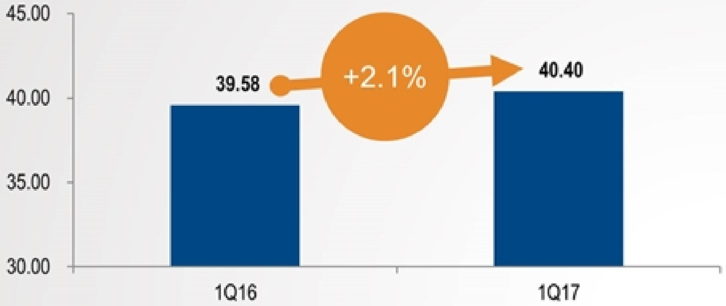



**Regional Revenue per cwt (x-FSC)**

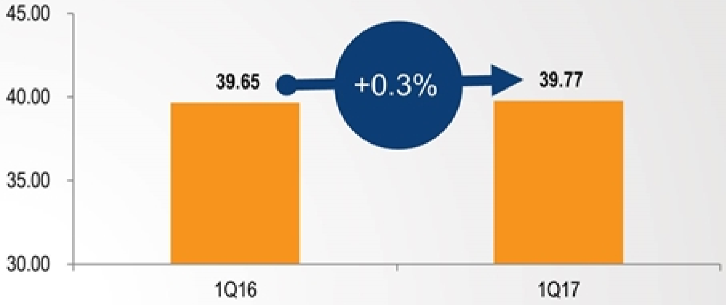


# First Quarter 2017 Year-Over-Year Volume

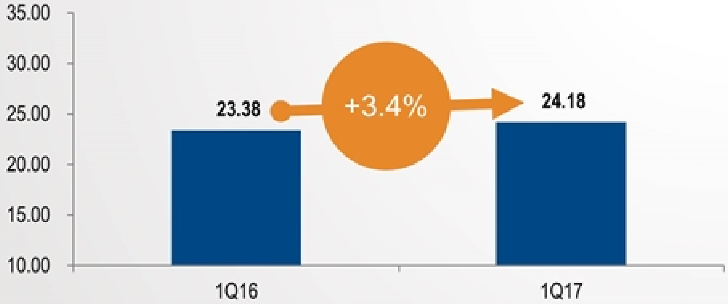
YRC Freight Shipments per Day



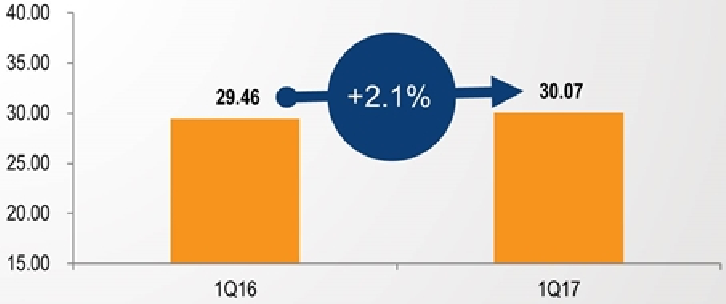

Regional Shipments per Day




YRC Freight Tonnage per Day

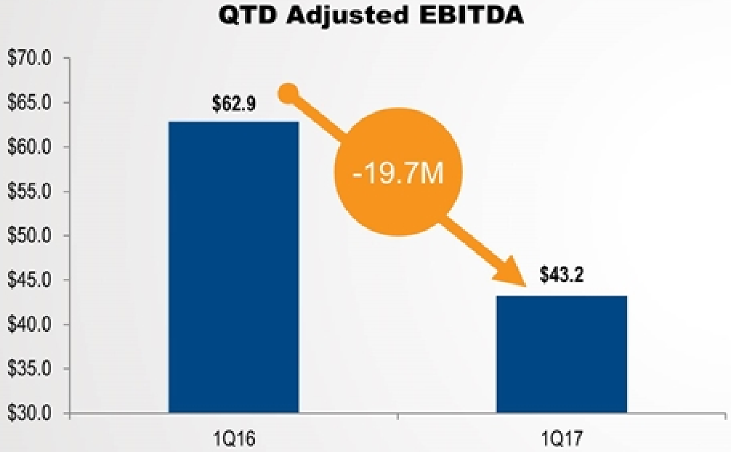


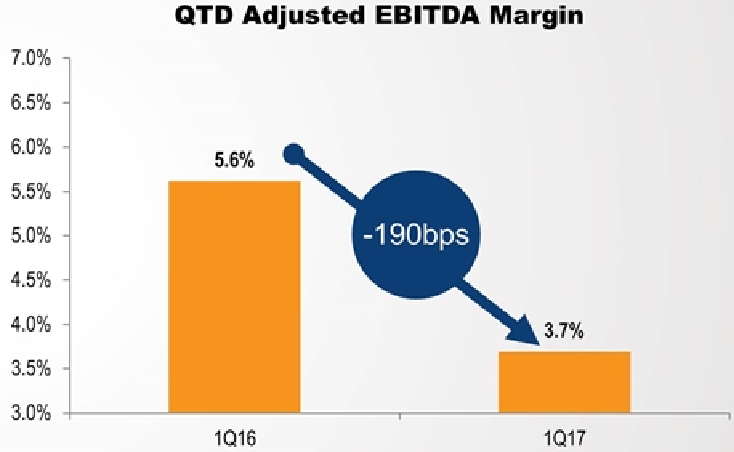

Regional Tonnage per Day



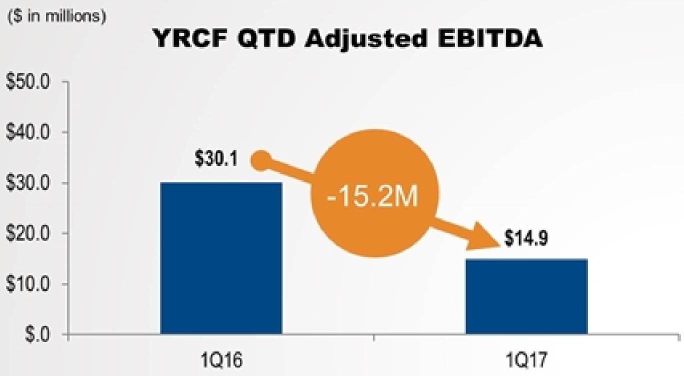
# Consolidated Adjusted EBITDA

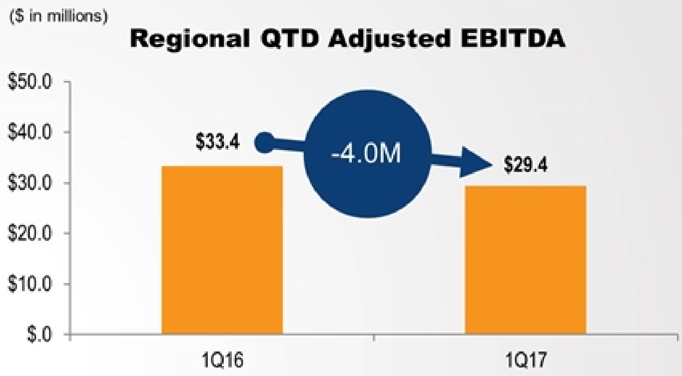
($ in millions)

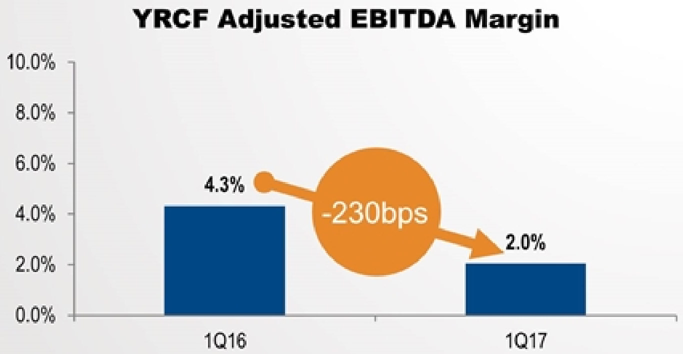


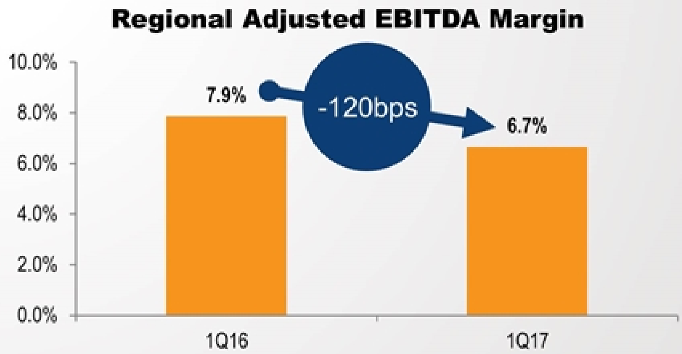



# Segment Adjusted EBITDA



# EBITDA Reconciliation - Consolidated

($ in millions)

YRCW Inc.
Reconciliation of Net (Loss) Income to Adjusted EBITDA

| YRCW Consolidated | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | LTM 1Q 2016 | LTM 1Q 2017 | 1Q 2016 | 1Q 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Reconciliation of Net (Loss) Income to Adjusted EBITDA** | | | | | | | | | | |
| Net (loss) income | $ (354.4) | $ (136.5) | $ (83.6) | $ (67.7) | $ 0.7 | $ 21.5 | $ 10.3 | $ 8.2 | $ (12.0) | $ (25.3) |
| Interest expense, net | 155.7 | 150.1 | 163.8 | 149.5 | 107.1 | 103.0 | 105.7 | 102.2 | 26.0 | 25.2 |
| Income tax (benefit) expense | (7.5) | (15.0) | (45.9) | (16.1) | (5.1) | 3.1 | (8.3) | 0.8 | (1.8) | (4.1) |
| Depreciation and amortization | 195.7 | 183.8 | 172.3 | 163.6 | 163.7 | 159.8 | 162.8 | 156.2 | 40.7 | 37.1 |
| EBITDA | $ (10.5) | $ 182.4 | $ 206.6 | $ 229.3 | $ 266.4 | $ 287.4 | $ 270.5 | $ 267.4 | $ 52.9 | $ 32.9 |
| Adjustments for debt covenants: | | | | | | | | | | |
| (Gains) / loss on property disposals, net | (8.2) | (9.7) | (2.2) | (11.9) | 1.9 | (14.6) | 0.3 | (11.6) | (0.3) | 2.7 |
| Letter of credit expense | 35.2 | 36.3 | 33.9 | 12.1 | 8.8 | 7.7 | 8.8 | 7.2 | 2.2 | 1.7 |
| Restructuring professional fees | 44.0 | 3.0 | 12.0 | 4.2 | 0.2 | - | 0.2 | 2.2 | - | 2.2 |
| Nonrecurring consulting fees | - | - | - | - | 5.1 | - | 2.2 | - | - | - |
| Permitted dispositions and other | 6.2 | (4.0) | 1.7 | 1.8 | 0.4 | 3.0 | 0.2 | 3.1 | - | 0.1 |
| Equity based compensation expense | 0.6 | 3.8 | 5.8 | 14.3 | 8.5 | 7.3 | 9.8 | 6.9 | 1.8 | 1.4 |
| Union equity awards | 14.9 | - | - | - | - | - | - | - | - | - |
| Restructuring transaction costs | 17.8 | - | - | - | - | - | - | - | - | - |
| Fair value adjustment of derivative liabilities | 79.2 | - | - | - | - | - | - | - | - | - |
| Amortization of ratification bonus | - | - | - | 15.6 | 18.9 | 4.6 | 18.3 | - | 4.6 | - |
| Non-union pension settlement | - | - | - | - | 28.7 | - | 28.7 | - | - | - |
| Equity Investment Impairment | - | 30.8 | - | - | - | - | - | - | - | - |
| (Gains) / loss on extinguishment of debt | (25.8) | - | - | (11.2) | 0.6 | - | - | - | - | - |
| Other, net[a] | 5.8 | (3.1) | (2.9) | (9.7) | (6.2) | 2.1 | (1.6) | 2.6 | 1.7 | 2.2 |
| Adjusted EBITDA | $ 159.2 | $ 239.5 | $ 254.9 | $ 244.5 | $ 333.3 | $ 297.5 | $ 337.4 | $ 277.8 | $ 62.9 | $ 43.2 |
| | | | | | | | | | | |
| Revenue | $ 4,868.8 | $ 4,850.5 | $ 4,865.4 | $ 5,068.8 | $ 4,832.4 | $ 4,697.5 | $ 4,766.3 | $ 4,747.8 | $ 1,120.3 | $ 1,170.6 |
| Adjusted EBITDA Margin | 3.3% | 4.9% | 5.2% | 4.8% | 6.9% | 6.3% | 7.1% | 5.9% | 5.6% | 3.7% |
| Leverage Ratio | 8.54x | 5.77x | 5.34x | 4.57x | 3.25x | 3.40x | 3.19x | 3.62x | | |

*(a) As required under our Term Loan Agreement, other, net, shown above consists of the impact of certain items to be included in Adjusted EBITDA*

# EBITDA Reconciliation - Segment

($ in millions)

| YRC Freight Segment | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | LTM 1Q 2016 | LTM 1Q 2017 | 1Q 2016 | 1Q 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Reconciliation of operating (loss) income to adjusted EBITDA** | | | | | | | | | | |
| Operating (loss) income | $ (88.5) | $ (37.3) | $ (31.2) | $ 0.5 | $ 18.0 | $ 53.2 | $ 21.9 | $ 38.6 | $ 4.1 | $ (10.5) |
| Depreciation and amortization | 102.9 | 119.8 | 109.1 | 98.0 | 93.1 | 90.3 | 91.9 | 88.9 | 22.7 | 21.3 |
| (Gains) losses on property disposals, net | (10.5) | (9.9) | (3.0) | (15.9) | 1.9 | (15.7) | 1.3 | (12.8) | (0.8) | 2.1 |
| Letter of credit expense | 28.1 | 29.6 | 25.8 | 8.3 | 6.1 | 5.0 | 6.0 | 4.7 | 1.4 | 1.1 |
| Union equity awards | 10.3 | - | - | - | - | - | - | - | - | - |
| Nonrecurring consulting fees | - | - | - | - | 5.1 | - | 2.2 | - | - | - |
| Amortization of ratification bonus | - | - | - | 10.0 | 12.2 | 3.0 | 11.9 | - | 3.0 | - |
| Non-union pension settlement charge | - | - | - | - | 28.7 | - | 28.7 | - | - | - |
| Other, net[a] | 1.4 | 2.7 | 4.5 | (1.1) | 2.1 | 4.3 | 1.3 | 5.5 | (0.3) | 0.9 |
| Adjusted EBITDA | $ 43.7 | $ 104.9 | $ 105.2 | $ 99.8 | $ 167.2 | $ 140.1 | $ 165.2 | $ 124.9 | $ 30.1 | $ 14.9 |
| Revenue | $ 3,203.0 | $ 3,206.9 | $ 3,136.8 | $ 3,237.4 | $ 3,055.7 | $ 2,958.9 | $ 3,013.8 | $ 2,992.1 | $ 695.7 | $ 728.9 |
| Adjusted EBITDA Margin | 1.4% | 3.3% | 3.4% | 3.1% | 5.5% | 4.7% | 5.5% | 4.2% | 4.3% | 2.0% |

| Regional Transportation Segment | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | LTM 1Q 2016 | LTM 1Q 2017 | 1Q 2016 | 1Q 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Reconciliation of operating income to adjusted EBITDA** | | | | | | | | | | |
| Operating income | $ 32.9 | $ 70.0 | $ 79.9 | $ 66.1 | $ 85.4 | $ 81.3 | $ 93.2 | $ 81.2 | $ 12.4 | $ 12.2 |
| Depreciation and amortization | 61.6 | 63.3 | 63.1 | 65.8 | 70.7 | 69.5 | 71.0 | 67.3 | 18.0 | 15.8 |
| (Gains) losses on property disposals, net | (2.7) | 0.7 | 0.6 | 4.0 | 0.2 | 1.1 | (0.8) | 1.2 | 0.5 | 0.6 |
| Letter of credit expense | 6.6 | 6.2 | 6.8 | 2.9 | 2.1 | 2.5 | 2.3 | 2.3 | 0.7 | 0.5 |
| Union equity awards | 4.6 | - | - | - | - | - | - | - | - | - |
| Amortization of ratification bonus | - | - | - | 5.6 | 6.7 | 1.6 | 6.4 | - | 1.6 | - |
| Other, net[a] | 0.1 | - | 0.1 | - | 0.8 | 0.5 | 1.0 | 0.4 | 0.2 | 0.3 |
| Adjusted EBITDA | $ 103.1 | $ 140.2 | $ 150.5 | $ 144.4 | $ 165.9 | $ 156.5 | $ 173.1 | $ 152.4 | $ 33.4 | $ 29.4 |
| Revenue | $ 1,554.3 | $ 1,640.6 | $ 1,728.6 | $ 1,831.4 | $ 1,776.9 | $ 1,739.3 | $ 1,752.9 | $ 1,756.3 | $ 424.8 | $ 441.8 |
| Adjusted EBITDA Margin | 6.6% | 8.5% | 8.7% | 7.9% | 9.3% | 9.0% | 9.9% | 8.7% | 7.9% | 6.7% |

*(a) As required under our Term Loan, other nonoperating, net, shown above does not include the impact of non-cash foreign currency gains or losses*

# Free Cash Flow Reconciliation - Consolidated

($ in millions)

| YRCW Consolidated | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | LTM 1Q 2016 | LTM 1Q 2017 | 1Q 2016 | 1Q 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net Cash (used) / provided in operating activities | $ (26.0) | $ (25.9) | $ 12.1 | $ 28.5 | $ 140.8 | $ 103.1 | $ 155.5 | $ 88.3 | $ (11.1) | $ (25.9) |
| Acquisition of property and equipment | (71.6) | (66.4) | (66.9) | (69.2) | (108.0) | (100.6) | (106.5) | (97.2) | (19.8) | (16.3) |
| Proceeds from disposal of property and equipment | 67.5 | 50.4 | 9.8 | 20.8 | 17.5 | 35.1 | 16.4 | 32.2 | 4.4 | 1.5 |
| Free Cash Flow | $ (30.1) | $ (41.9) | $ (45.0) | $ (19.9) | $ 50.3 | $ 37.6 | $ 65.4 | $ 23.3 | $ (26.5) | $ (40.7) |