



YRC Worldwide Inc.
Stifel Nicolaus Transportation & Logistics Conference
February 13, 2013



Forward-looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as “will,” “expect,” “intend,” “anticipate,” “believe,” “project,” “forecast,” “propose,” “plan,” “designed,” “enable” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are inherently uncertain and are subject to significant business, economic, competitive, regulatory and other risks, uncertainties and contingencies, known and unknown, many of which are beyond our control. Our future financial condition and results could differ materially from those predicted in such forward-looking statements because of a number of factors, including (without limitation) our ability to generate sufficient cash flows and liquidity to fund operations and satisfy our obligations related to our substantial indebtedness and lease and pension funding requirements; our ability to finance the maintenance, acquisition and replacement of revenue equipment and finance other necessary capital expenditures; changes in equity and debt markets and our continued ability to comply with the financial covenants in our credit facilities; general or regional economic recovery, including (without limitation) customer demand in the retail and manufacturing sectors; the success of our management team in implementing its strategic plan and operating performance improvements, and the impact of those improvements on our future liquidity and profitability; inclement weather; price and availability of fuel; sudden changes in the cost of fuel or the index upon which we base our fuel surcharge and the effectiveness of our fuel surcharge program in protecting us against fuel price increases; competition and competitive pressure on service and pricing; expense volatility, including (without limitation) expense volatility due to changes in rail service or pricing for rail service; our ability to comply and the cost of compliance with federal, state, local and foreign laws and regulations, including (without limitation) laws and regulations for the protection of employee safety and health and the environment; terrorist or cybersecurity attack; labor relations, including (without limitation) the continued support of our union employees with respect to our strategic plan, the impact of work rules, work stoppages, strikes or other disruptions, our obligations to multi-employer health, welfare and pension plans, wage requirements and employee satisfaction; the impact of claims and litigation to which we are or may become exposed; and other risks and contingencies, including (without limitation) the risk factors that are included in our reports filed with the Securities and Exchange Commission, including those described under “Risk Factors” in our annual report on Form 10-K and quarterly reports on Form 10-Q.

- I. Introduction
 - i. Company Overview and History
 - ii. Operating Company Descriptions

- II. 4Q 2012 and FYE 2012 Financial Update
 - i. Financial Performance
 - ii. Liquidity

- III. Progress at YRC Freight

- IV. Conclusion

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I. Introduction



YRC Worldwide is one of the largest less-than-truckload (LTL) carriers in North America and generates approximately \$5B of revenue by providing services under a portfolio of four subsidiaries



Approximately 24% of the public carrier market share, providing the broadest coverage and more service capability throughout North America than any competitor

Revenue	➔	\$5.0B
Locations	➔	419 U.S. and Canada
Trucks	➔	15,000
Trailers	➔	48,000
Annual tons	➔	14.1M
Annual shipments	➔	21.9M
Annual miles	➔	1.1B



■ **YRC Freight** was created through the March 2009 integration of the Yellow Transportation and Roadway networks, combining two companies with more than 80 years experience each

- Customers: ~ 230,000*
- Service Centers: 295**
- Dock doors: ~ 15,500
- Average Length of Haul: ~ 1,300 miles
- Average LTL Weight/Shipment: ~ 950 pounds
- Total Active Employees: ~ 20,000
- Average days in transit 3.5
- Business by days in transit:

Next day	4%
Two days	26%
Three days	28%
Four or more days	42%

* Represents the number of unique payer locations

** Includes Canada and Mexico

Regional Transportation

- Regional Transportation provides transportation service to customers in the regional and next-day markets and is comprised of Holland, Reddaway and New Penn
 - Holland provides local next-day, regional and expedited services through a network located in the Central, Southeastern, and portions of the Northeastern, United States. Holland also provides service to the provinces of Ontario and Quebec, Canada
 - Reddaway provides local next-day, regional and expedited services through a network located in California, the Pacific Northwest, the Rocky Mountain States and the Southwest. Additionally, Reddaway provides services to Alaska and to the provinces of Alberta and British Columbia, Canada
 - New Penn provides local next-day, day-definite, and time-definite services through a network located in the Northeastern United States; Quebec, Canada; and Puerto Rico



- Customers: ~ 200,000*
- Service Centers: 124
- Dock Doors: ~ 3,900
- Average Length of Haul: ~ 500 miles
- Average LTL Weight/Shipment: ~ 1,300 pounds
- Total Active Employees: ~ 11,000
- Average Days in Transit: 98% in less than 2 days

* Represents the number of unique payer locations



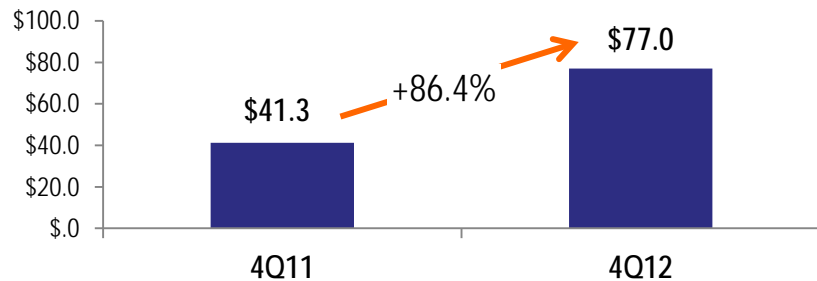
II. 4Q 2012 + FYE 2012 Financial Update



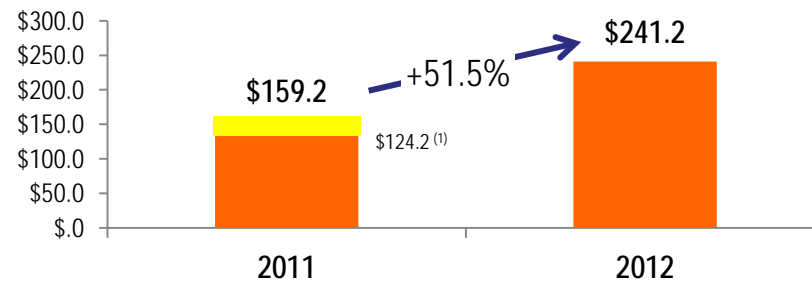
4Q12 Adjusted EBITDA nearly doubles from year ago

(\$ in millions)

4Q Adjusted EBITDA

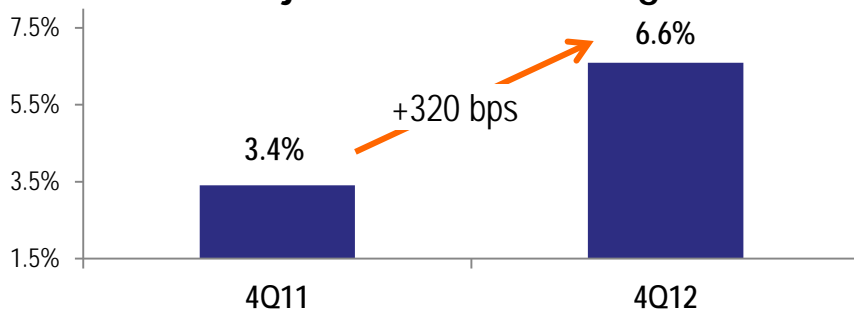


Adjusted EBITDA

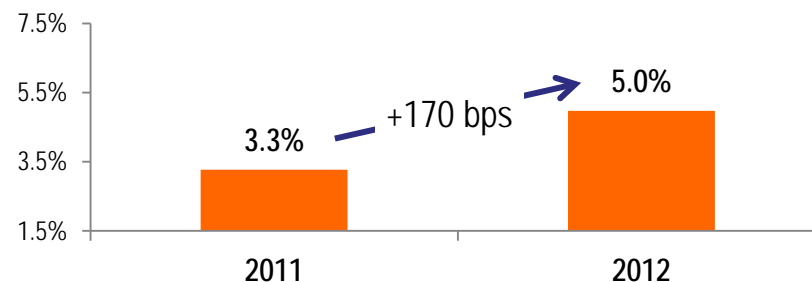


(1) Pro forma for \$35.0M in pension expense for January - May that was not incurred in 2012.

4Q Adjusted EBITDA Margin



Adjusted EBITDA Margin



Consolidated Adjusted EBITDA increased \$82M in 2012 and increased by \$117M on a pro-forma basis ¹

Margin continues to expand as the quality of revenue at YRCF improves and cost management inclusive of safety and Workers' Compensation / BIPD continues to pay dividends despite increase in pension contributions on a full-year basis

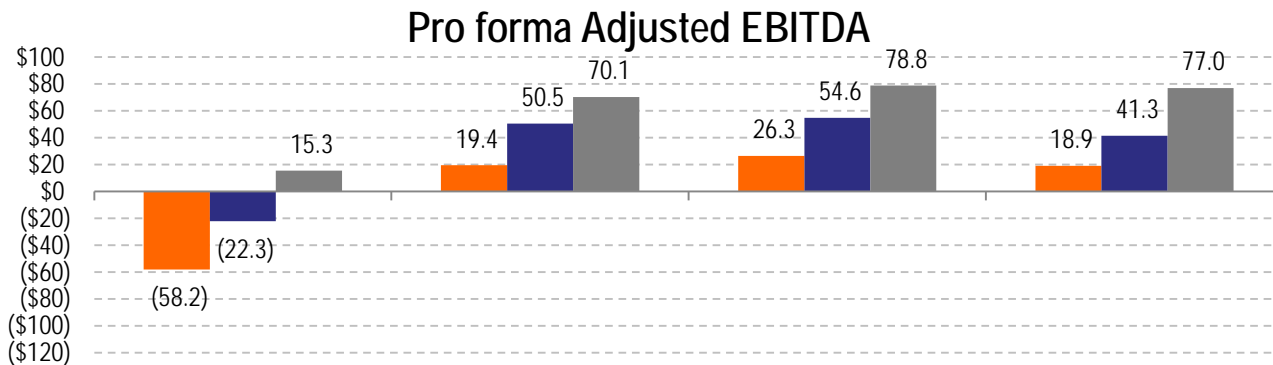
Regional segment pricing improvement leading to increased profitability and margin expansion

Footnote:

1) Proforma for \$35M in pension payments not made in 2011

YRCW Adjusted EBITDA (pro forma for Pension)

(\$ in thousands)



	2010				2011			2012					
	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	
Adj. EBITDA Reported	(37.2)	40.4	47.3	39.9	(1.3)	64.5	54.6	41.3	15.3	70.1	78.8	77.0	
Union Pension Cessation Benefit	(21.0)	(21.0)	(21.0)	(21.0)	(21.0)	(14.0)	-	-	-	-	-	-	
Pro forma Adj. EBITDA*	(58.2)	19.4	26.3	18.9	(22.3)	50.5	54.6	41.3	15.3	70.1	78.8	77.0	
Pension Months Included above	3	3	3	3	3	2							
Last Twelve Months:													
Adj. EBITDA Reported				90.3	126.3	150.4	157.7	159.2	175.8	181.4	205.5	241.2	+52%
Union Pension Cessation Benefit				(84.0)	(84.0)	(77.0)	(56.0)	(35.0)	(14.0)	-	-	-	
Pro forma Adj. EBITDA*				6.3	42.3	73.4	101.7	124.2	161.8	181.4	205.5	241.2	+1.94x

* Pro forma assumes \$7M of union pension per month for all periods prior to June 2011

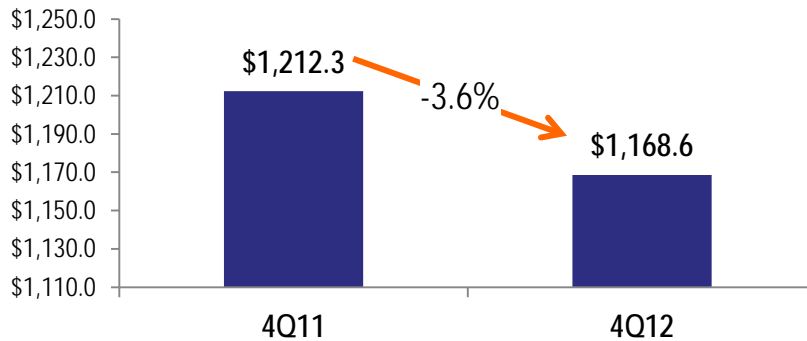
Highest 4th quarter EBITDA in 3 years and positive comping trend continuing

Reported 52% LTM increase

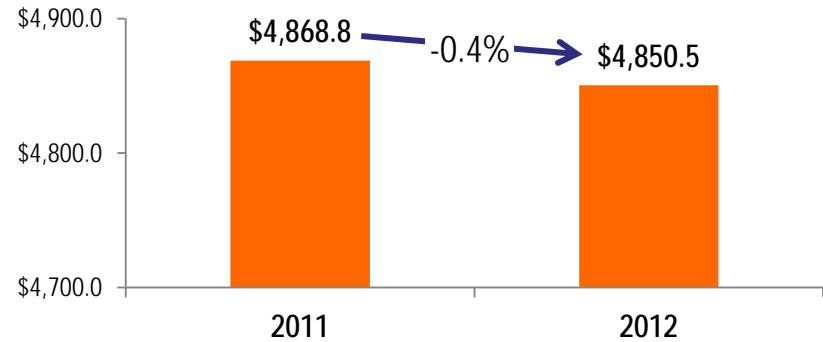
Pro forma for pension = 1.94x LTM increase

(\$ in millions)

4Q12 YOY



Full Year YOY



Increase in revenue at YRC Regional offset by lower volume at YRCF and Truckload disposition at the end of 2011

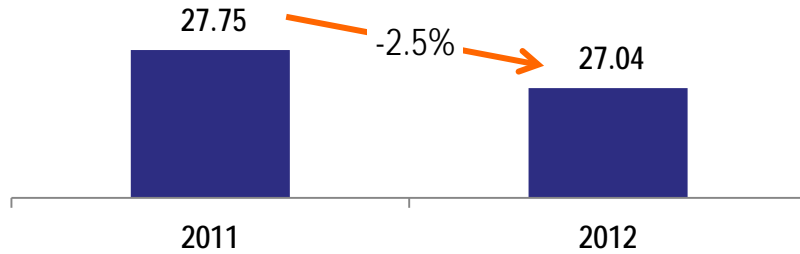
Note:

- 1) 2011 includes revenue from our disposed truckload operations. Excluding the \$98.9M from those disposed operations in 2011, revenue would have been \$4,769.9M and would have resulted in a 1.7% YOY increase in 2012.
- 2) Percent change calculation based on unrounded figures and not the rounded figures presented.

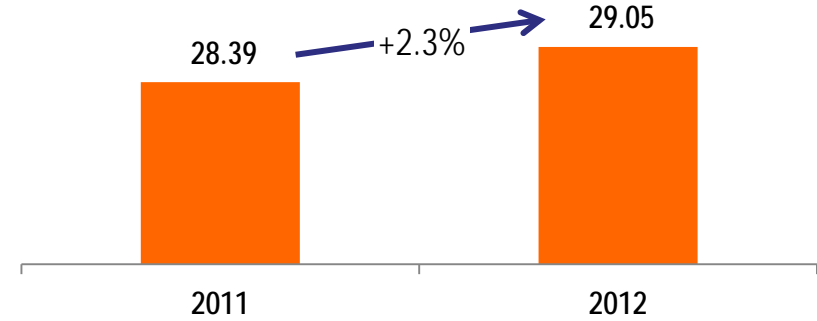
FYE12 YOY Volume – Down at YRCF / Flat at Regional



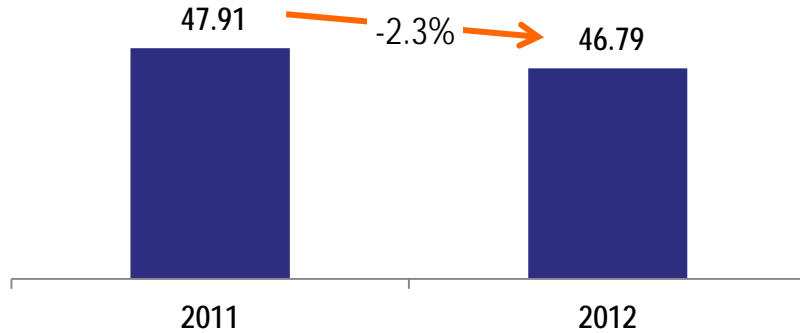
YRC Freight Tonnage per Day



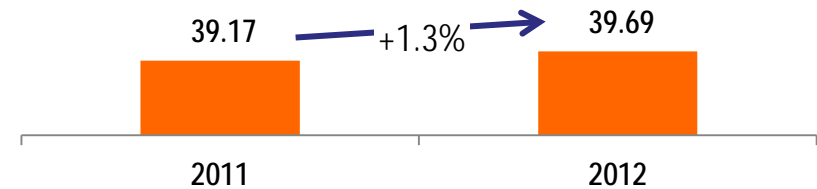
Regional Tonnage per Day



YRC Freight Shipments per Day



Regional Shipments per Day

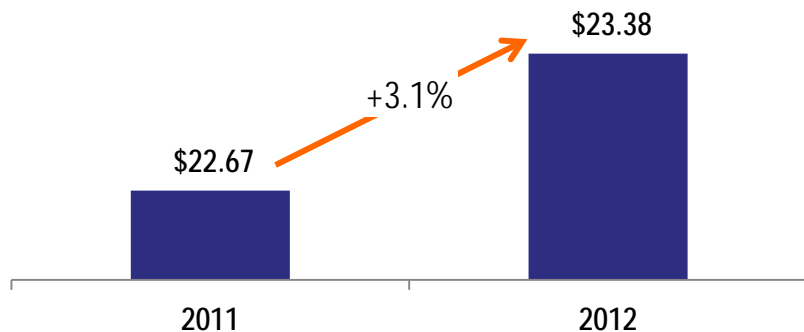


Decline in volume at YRCF largely attributable to continued active customer mix management (increasing price on low margin accounts)
Slight increase in volume at Regional due to continued high-quality service and increasing market share

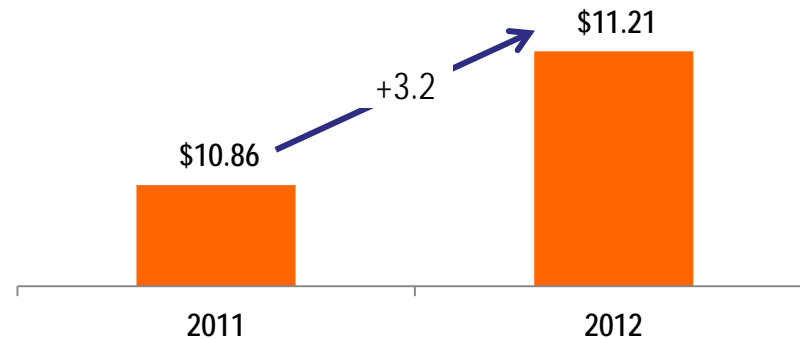
Note: Percent change calculation based on unrounded figures and not the rounded figures presented.

FYE12 YOY Yield – Improved Across the Board

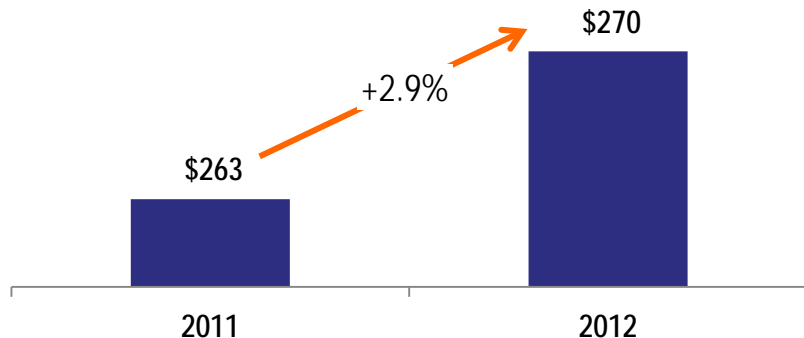
YRC Freight Revenue per cwt



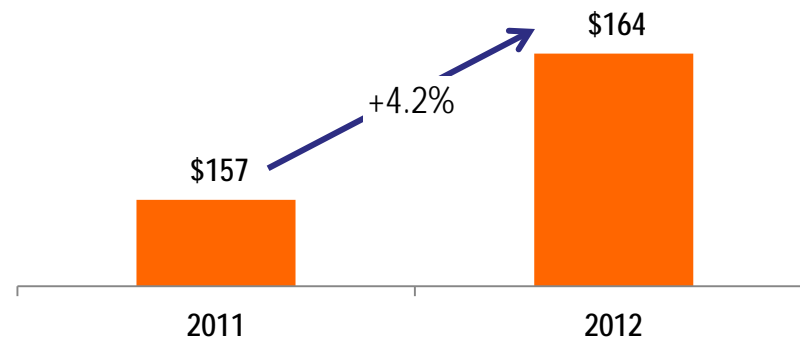
Regional Revenue per cwt



YRC Freight Revenue per Shipment



Regional Revenue per Shipment



Improved revenue per cwt and revenue per shipment at YRCF attributable to active customer mix management and industry-wide pricing discipline

Regional continues to increase due to continued superior service / value and industry pricing discipline

Note: Percent change calculation based on unrounded figures and not the rounded figures presented.

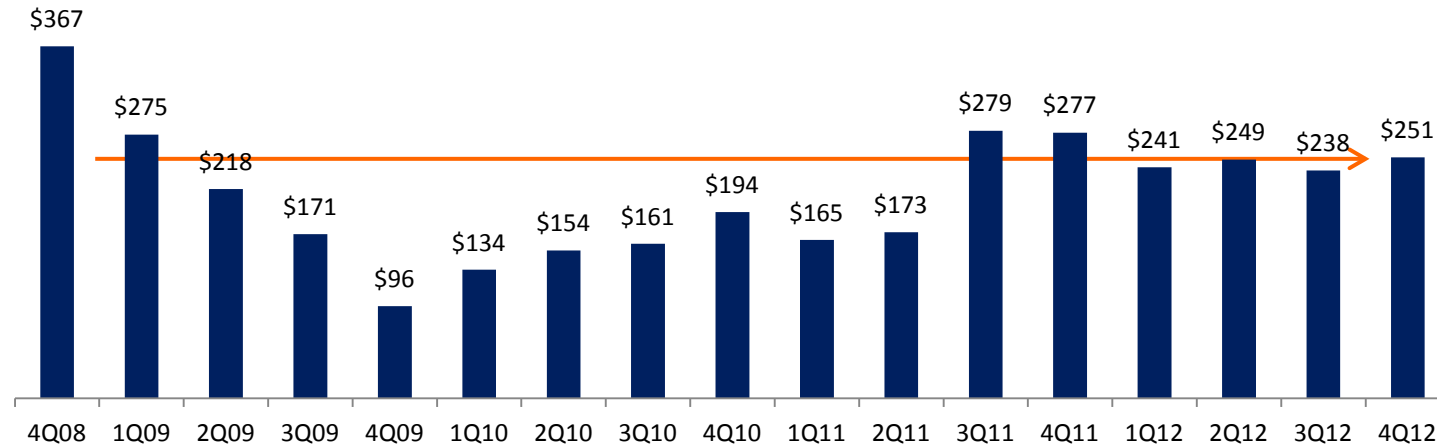
Free Cash Flow

(\$ in millions)

	Three months			Twelve months		
	2012	2011	Change	2012	2011	Change
Adjusted EBITDA	\$ 77.0	\$ 41.3	\$ 35.7	\$ 241.2	\$ 159.2	\$ 82.0
Total restructuring professional fees	-	(4.3)	4.3	(3.0)	(44.0)	41.0
Cash paid for interest	(28.9)	(22.7)	(6.2)	(120.5)	(67.5)	(53.0)
Cash paid for letter of credit fees	(9.4)	(9.5)	0.1	(38.0)	(16.7)	(21.3)
Working capital cash flows excluding income tax, net	(14.3)	27.3	(41.6)	(111.5)	(50.5)	(61.0)
Net cash provided by (used in) operating activities before income taxes	24.4	32.1	(7.7)	(31.8)	(19.5)	(12.3)
Cash received from income taxes, net	(2.3)	(5.2)	2.9	5.9	(6.5)	12.4
Net cash provided by (used in) operating activities	22.1	26.9	(4.8)	(25.9)	(26.0)	0.1
Acquisition of property and equipment	(18.3)	(35.5)	17.2	(66.4)	(71.6)	5.2
Free cash flow (deficit)	3.8	(8.6)	12.4	(92.3)	(97.6)	5.3
Total restructuring professional fees	-	4.3	(4.3)	3.0	44.0	(41.0)
Adjusted free cash flow (deficit)	\$ 3.8	\$ (4.3)	\$ 8.1	\$ (89.3)	\$ (53.6)	\$ (35.7)

- Quarterly Adjusted FCF improved by \$8.1M to \$3.8M in 4Q12 from (\$4.3M) in 4Q11
 - Increase in quarterly Adjusted EBITDA is largely due to margin expansion as the quality of revenue at YRCF improves and cost management is maintained
 - Working Capital usage increased by \$41.6M due to
 - Timing of Wages Payable as a result of the day of the week the year ended
 - Higher Workers' Compensation payments in 4Q12 vs. 4Q11
- However, for the year, still burned almost \$90M in cash due to increased interest and LC fees (\$74.3M) and \$72.2M in single employer pension payments

(\$ in millions)



Total Liquidity declined \$26M to \$251M at the end of 4Q12 from \$277M in 4Q11 but held steady all year long, increased \$14M from 3Q12 and ended the year at a high point

Maintained our liquidity position through increased profitability and effective cash management

4Q12 was one of the highest liquidity levels in the last four years; however, 1Q of each year has historically been a period of liquidity usage as volumes are low and annual payments are made



III. Progress at YRC Freight



- **The last several years of activities have largely been focused on**
 - The integration of Yellow and Roadway into YRCF in March 2009
 - Dramatic capacity and cost reductions to right-size the company (facilities, equipment and employees)
 - Financial restructuring efforts, including communication challenges with our customers
- **One result of these activities was that our service quality had been damaged and was in need of improvement**
- **Re-branded YRC to YRC Freight to give the company a sense of direction and identity**

The Path Forward:

- **Under new leadership, focus shifted dramatically toward improving the customer experience, with the objective of achieving increased shipment levels, improved business mix and operational efficiency**
- **This will happen in stages**
 - Improve service quality and win the hearts and minds of our employees
 - Introduce a new employee mantra and service promise, while maintaining steady costs
 - Productivity improves as we are “in cycle” operationally (fluid and efficient)
 - Costs associated with service failures decline
 - Volume picks up, customer churn slows down
 - Yield and business mix improve
- **The new employee mantra is simple**

**Pick it up on time.
Deliver it on time.
Don't bust it.
Consistently!**

- **Improve Service Quality**
 - Increased our on-standard service by 10 percentage points

- **Productivity Improvements**
 - Performance Improvement Efforts – Dock and hostling productivities, load average and linehaul cost per mile all significantly improved due to our performance optimization efforts led by Maynard Skarka, our new chief operating officer

- **Increase Volume**
 - Year-over-year total tonnage down by 2.5% due to customer mix management to position company to grow the right type of business

- **Yield and Business Mix Improvements**
 - Year-over-year yield improved 3.1%

- **Safety**
 - Implemented the most comprehensive system-wide employee safety training program in our company's recent history

- **Claims Ratio**
 - Significantly improved our claims ratio due to our focus on better freight handling

- **Poised for Profitable Growth**

- Darren Hawkins, new Senior VP of Sales and Marketing, hired to lead the sales organization to grow the most profitable segments of our business

- **Network Optimization**

- Focus on network optimization to improve efficiencies in the areas of terminal density, lane density and our ability to direct load with less handling

- **Improvement in Yield**

- Continued disciplined pricing efforts to improve yield

- **Focus on Safety**

- Continued rollout of safety initiatives to decrease the frequency of injuries and thus decrease our overall workers' compensation experience

- **Execute on the Fundamentals of Freight**

- **Team Powered by Professionals**



IV. Conclusion



On a year-over-year basis

First positive annual operating income in six years

Revenue¹ on an as-reported basis was flat and on a pro forma basis increased 1.7%

Highest Adjusted EBITDA in six years with covenant cushions between \$70M and \$80M and reported highest 4th quarter EBITDA in three years

Funded debt to EBITDA decreased almost 3.0x full turns from 8.5x to 5.7x

Liquidity ended 4Q12 at \$251.3M which was \$26M lower than year-end liquidity in 2011 but a \$13.8M increase from 3Q12 and a 2012 high

New management team executing on non-quantitative commitments AND exceeding forecast

Overall, much progress has been achieved year over year; have been able to absorb resumption of both multi-employer pension expense and cash interest and LC expense but still more to do

Footnote

1) On a pro forma basis excluding Glen Moore revenue of \$98.9 million from 2011

- 2012 was a year of progress and 2013 is the year of performance
- With the exception of JHJ, non-core assets have been disposed of and management now laserly focused on North American LTL operations
- YRC Freight – focus on execution of the business fundamentals
 - Hired Senior Vice President of Sales & Marketing to lead realigned sales team to enable the Company to grow business that fits the network and core competencies
 - Pricing discipline – not chasing market share but chasing profit dollars and margin (i.e. cash)
 - Reducing non-essential G&A headcount
 - Continue safety performance momentum as Company experiencing positive Workers' Compensation and BIPD reserve adjustments as “investments” from the past 12-24 months are coming to fruition. In time, these efforts and subsequent results should lead to lower supporting collateral requirements as well
- Regional – maintain current operating performance / improvement
 - Focus on peripheral opportunities to continue expanding margin (e.g. accessorial charges)
 - Safety – same as YRCF with the same results
- Over the past 12-15 months, management has disposed of most non-core assets / distractions and is solely focused on the North American LTL market and regaining its position as one of the leading carriers in the industry. However, management is not satisfied with consolidated results (especially at YRCF) and are committed to completing what it started



V. Appendix



Reconciliation of Non-GAAP Measures



Reconciliation of Operating Income to Adjusted EBITDA	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	FY10	FY11	FY12
Operating income (loss)	\$ (232.2)	\$ 49.5	\$ (17.3)	\$ (27.9)	\$ (68.4)	\$ (5.6)	\$ (26.1)	\$ (38.1)	\$ (48.8)	\$ 15.5	\$ 27.3	\$ 30.0	\$ (227.8)	\$ (138.2)	\$ 24.1
Depreciation and amortization	51.2	50.7	50.4	48.6	49.8	48.1	46.7	51.1	49.0	45.7	44.6	44.4	201.0	195.7	183.8
(Gains) losses on property disposals, net	8.5	(2.8)	(4.0)	2.6	(3.0)	(7.3)	(10.8)	12.9	8.4	(6.5)	(2.3)	(9.2)	4.3	(8.2)	(9.7)
Letter of credit expense	8.4	8.3	8.3	8.3	8.1	8.2	9.3	9.6	8.1	9.6	9.5	9.3	33.3	35.2	36.3
Restructuring professional fees	12.4	9.5	6.8	6.8	9.0	18.1	12.6	4.3	0.5	2.5	-	-	35.5	44.0	3.0
Gain (loss) on permitted dispositions and other	5.3	-	-	-	2.2	1.0	-	(0.3)	(1.9)	(0.2)	(0.9)	(1.0)	5.3	6.2	(4.0)
Equity based compensation (benefit) expense	109.9	(81.5)	2.2	0.7	(1.1)	0.4	15.4	0.7	1.1	1.0	0.9	0.8	31.2	15.5	3.8
Other nonoperating, net	(0.8)	6.8	0.9	(0.2)	0.5	0.3	6.9	(0.7)	(0.9)	2.5	(0.3)	2.7	6.7	3.8	3.9
Add: Truckload EBITDA income	0.1	(0.0)	(0.0)	0.9	1.5	1.3	0.5	1.8	-	-	-	-	0.9	5.2	-
Adjusted EBITDA	\$ (37.2)	\$ 40.4	\$ 47.3	\$ 39.9	\$ (1.3)	\$ 64.5	\$ 54.6	\$ 41.3	\$ 15.3	\$ 70.1	\$ 78.8	\$ 77.0	\$ 90.3	\$ 159.2	\$ 241.2
Revenue	987.1	1,119.1	1,136.8	1,091.6	1,122.9	1,257.2	1,276.4	1,212.3	1,194.3	1,250.8	1,236.8	1,168.6	4,334.6	4,868.8	4,850.5
Adjusted EBITDA	(37.2)	40.4	47.3	39.9	(1.3)	64.5	54.6	41.3	15.3	70.1	78.8	77.0	90.3	159.2	241.2
Adjusted EBITDA margin	-3.8%	3.6%	4.2%	3.7%	-0.1%	5.1%	4.3%	3.4%	1.3%	5.6%	6.4%	6.6%	2.1%	3.3%	5.0%