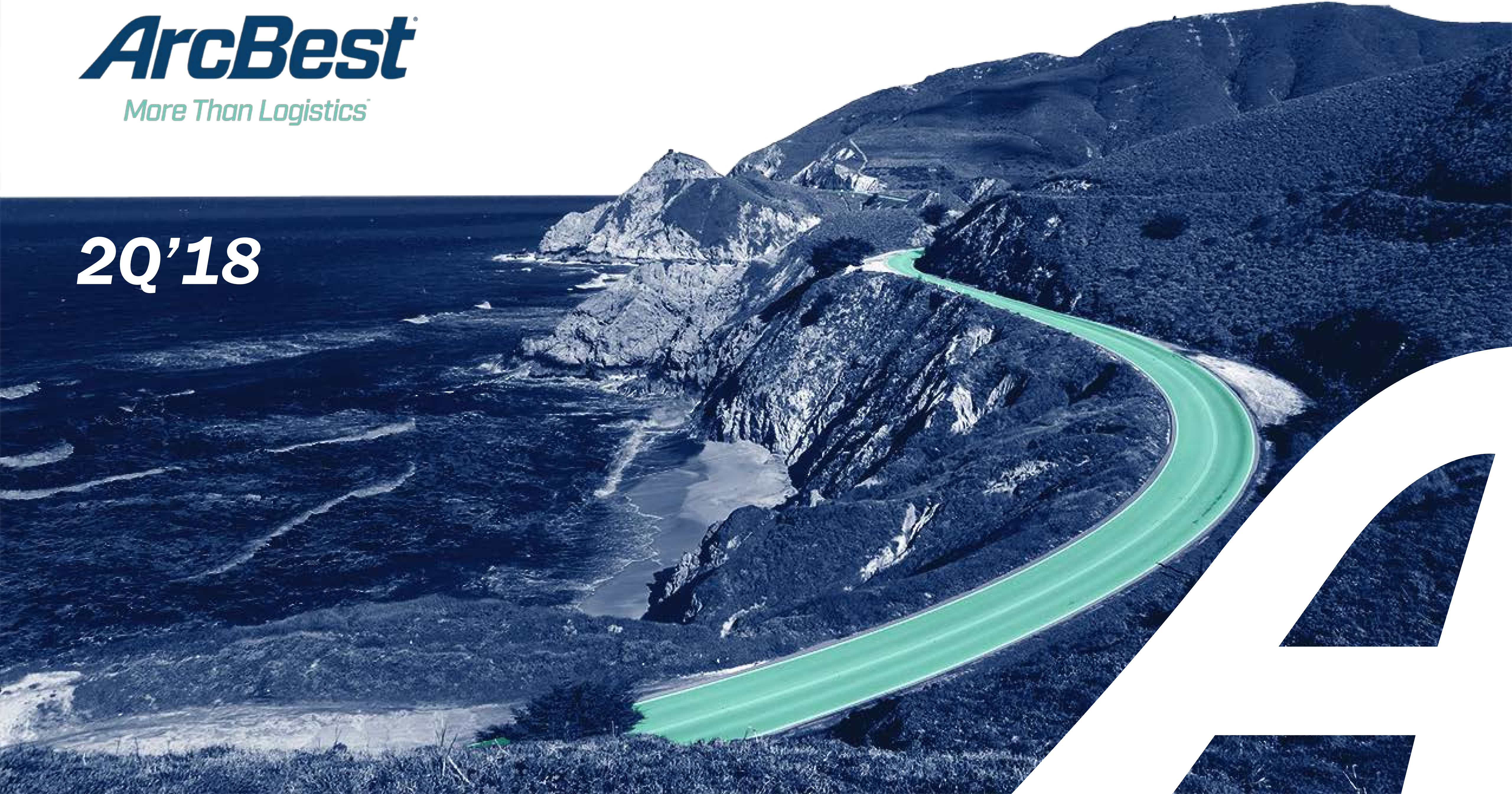
ArcBest

More Than Logistics

2Q’18



FORWARD LOOKING STATEMENTS

Certain statements and information in this presentation may constitute “forward-looking statements.” Terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “foresee,” “intend,” “may,” “plan,” “predict,” “project,” “scheduled,” “should,” “would,” and similar expressions and the negatives of such terms are intended to identify forward-looking statements. These statements are based on management’s beliefs, assumptions, and expectations based on currently available information, are not guarantees of future performance, and involve certain risks and uncertainties (some of which are beyond our control). Although we believe that the expectations reflected in these forward-looking statements are reasonable as and when made, we cannot provide assurance that our expectations will prove to be correct. Actual outcomes and results could materially differ from what is expressed, implied, or forecasted in these statements due to a number of factors, including, but not limited to: a failure of our information systems, including disruptions or failures of services essential to our operations or upon which our information technology platforms rely, data breach, and/or cybersecurity incidents; relationships with employees, including unions, and our ability to attract and retain employees; unfavorable terms of, or the inability to reach agreement on, future collective bargaining agreements or a workforce stoppage by our employees covered under ABF Freight’s collective bargaining agreement; the loss or reduction of business from large customers; the cost, timing, and performance of growth initiatives; competitive initiatives and pricing pressures; general economic conditions and related shifts in market demand that impact the performance and needs of industries we serve and/or limit our customers’ access to adequate financial resources; greater than expected funding requirements for our nonunion defined benefit pension plan; availability and cost of reliable third-party services; our ability to secure independent owner operators and/or operational or regulatory issues related to our use of their services; governmental regulations; environmental laws and regulations, including emissions-control regulations; the cost, integration, and performance of any recent or future acquisitions; not achieving some or all of the expected financial and operating benefits of our corporate restructuring or incurring additional costs or operational inefficiencies as a result of the restructuring; union and nonunion employee wages and benefits, including changes in required contributions to multiemployer plans; litigation or claims asserted against us; the loss of key employees or the inability to execute succession planning strategies; default on covenants of financing arrangements and the availability and terms of future financing arrangements; timing and amount of capital expenditures; self-insurance claims and insurance premium costs; availability of fuel, the effect of volatility in fuel prices and the associated changes in fuel surcharges on securing increases in base freight rates, and the inability to collect fuel surcharges; increased prices for and decreased availability of new revenue equipment, decreases in value of used revenue equipment, and higher costs of equipment-related operating expenses such as maintenance and fuel and related taxes; potential impairment of goodwill and intangible assets; maintaining our intellectual property rights, brand, and corporate reputation; seasonal fluctuations and adverse weather conditions; regulatory, economic, and other risks arising from our international business; antiterrorism and safety measures; and other financial, operational, and legal risks and uncertainties detailed from time to time in ArcBest’s public filings with the Securities and Exchange Commission (“SEC”).

For additional information regarding known material factors that could cause our actual results to differ from our projected results, refer to “Risk Factors” in Part I, Item 1A in our 2017 Annual Report on Form 10-K.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date made and, other than as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

DEEP ROOTS AND BROAD REACH

$2.9 BILLION

TTM Revenue through June 30, 2018

13,000

Employees

1923

Founded

WHO ARE WE?

A LEADING LOGISTICS COMPANY

With ***creative problem solvers*** who deliver integrated solutions.

We'll find a way to deliver:

Knowledge	A can-do attitude with every shipment and supply chain solution, household move or vehicle repair
Expertise	
Options	

SOLUTIONS AND SERVICES

LESS-THAN-TRUCKLOAD

TRUCKLOAD

EXPEDITE & TIME CRITICAL

FINAL MILE

INTERNATIONAL AIR & OCEAN

WAREHOUSING

MANAGED TRANSPORTATION

SUPPLY CHAIN OPTIMIZATION

Data-Driven Solutions

RETAIL LOGISTICS

PRODUCT LAUNCH

TRADE SHOW SHIPPING

PREMIUM LOGISTICS

High Touch; Unique Services

OUR VISION

OUR VALUES

CREATIVITY
We create solutions

INTEGRITY
We do the right thing

COLLABORATION
We work together

GROWTH
We grow our people and our business

EXCELLENCE
We exceed expectations

WELLNESS
We embrace total health

EVOLVING LANDSCAPE

Adapting to a Changing Market

1 ***Increasing Supply Chain Complexity***

2 ***Optimal Conditions For Growth***

3 ***ArcBest Strategy***

4 ***ArcBest is Powerfully Positioned***

INCREASING SUPPLY CHAIN COMPLEXITY

Supply chains are evolving rapidly due to rising consumer expectations, omnichannel distribution, tightening transportation capacity, speed of fulfillment and cost volatility

1. Global product sourcing requires unique distribution models offering visibility and efficient coordination of multiple transportation resources
2. Growing need for real-time information and data to facilitate flexible logistics decision-making
3. Evolving focus on customer service to meet more demanding transportation requirements and to offer an exceptional customer experience
4. The rising need for personnel with superior analytical skills and industry knowledge in order to craft cost-effective solutions

INCREASING SUPPLY CHAIN COMPLEXITY

Customers are asking for:

- Expertise through a strategic business partner who is able to address complex challenges with clarity and simplicity
- Flexibility to respond to the ever-changing needs of their customers
- Supply chain visibility for real-time insight to make smarter product flow decisions more quickly
- Data analytics to provide deeper business understanding and drive innovation
- Advice and solutions to navigate capacity constraints

INCREASING SUPPLY CHAIN COMPLEXITY

ArcBest has conducted extensive research to better understand:

The voice and needs of our diverse customer base

The services we must offer to meet their needs

How to effectively deliver those services as a trusted partner

Current voids in the marketplace that ArcBest can fill

ArcBest Steps Taken for Future Growth

2012
- June 2012 — Panther acquisition

2013
- Summer 2013 — ABF Logistics formed
- November 2013 — ABF Freight 5-Year Labor Contract

2014
- May 2014 — ArcBest rebranding

2015
- January 2015 — Smart Lines acquisition
- December 2015 — Bear Transportation acquisition

2016
- September 2016 — Logistics & Distribution Services acquisition

2017
- January 2017 — ArcBest implements enhanced market approach
- August 2017 — Space-based pricing initiated

2018
- July 2018 — ABF Freight 5-Year Labor Contract

OPTIMAL CONDITIONS FOR GROWTH

Market Potential

Approximate ArcBest® Opportunity: $286B

Less-Than-Truckload

Expedite Shipping

Domestic Transportation Management

Premium Logistics

International

Warehousing & Distribution

Moving Services

Final Mile

Maintenance & Repair

Source: Armstrong & Associates, US Department of Commerce, management estimates – December 2017

OPTIMAL CONDITIONS FOR GROWTH

Existing Opportunities:

Research indicates that nearly **75% of our customers have two or more logistics needs** offered by ArcBest.

Nearly 85% of our customers would consider or strongly consider sourcing one or more of those additional logistics services from ArcBest.

As **customers increasingly look to fewer providers** for more logistics services, we are well-positioned to offer a holistic mix of asset-based and asset-light solutions.

OPTIMAL CONDITIONS FOR GROWTH

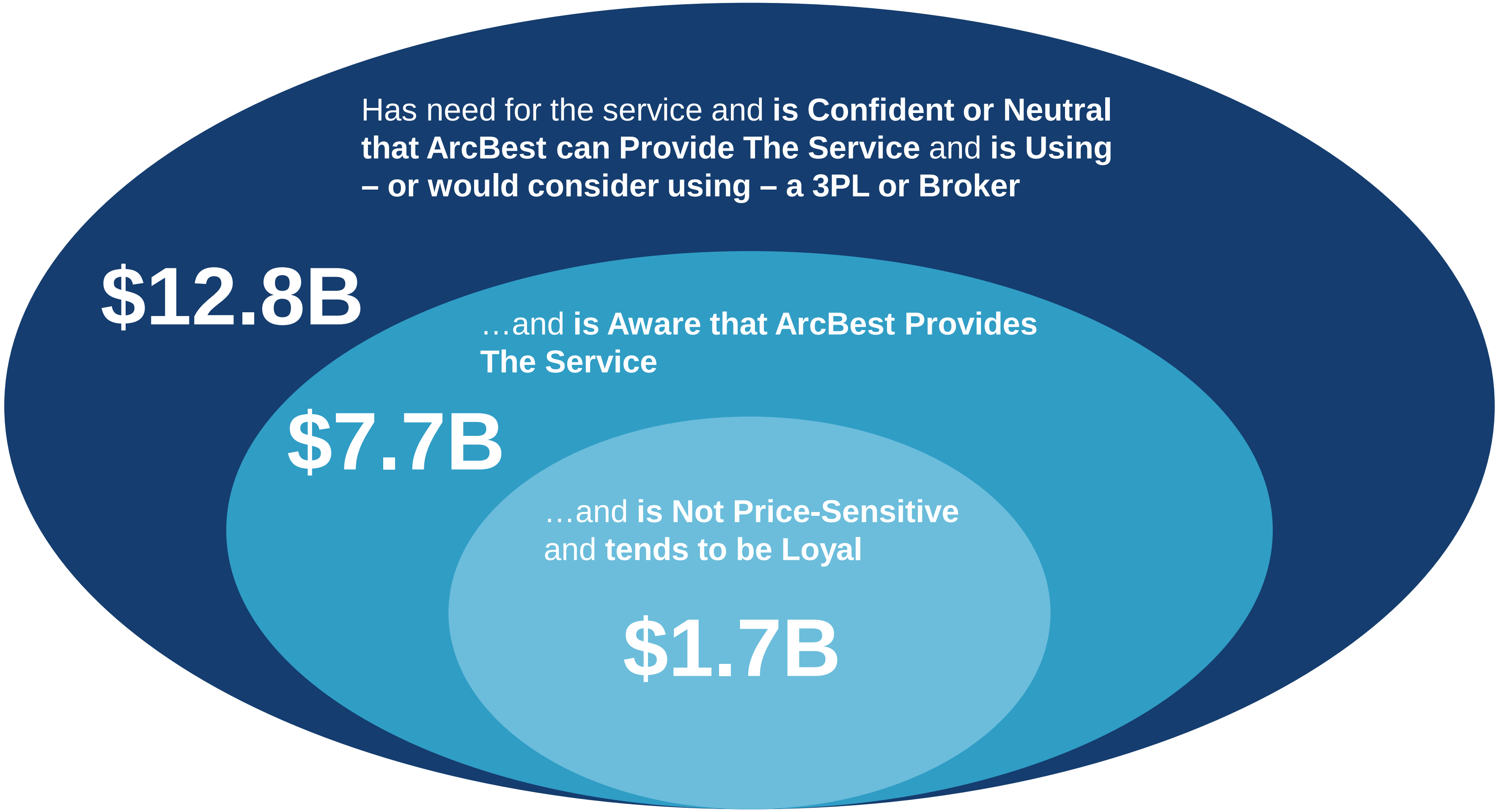
Benefits of Cross-Selling ArcBest Services

Compared to accounts using only one ArcBest service, accounts using multiple ArcBest services have:

- Higher retention rates
- Higher number of shipments
- Greater revenue
- Greater profit

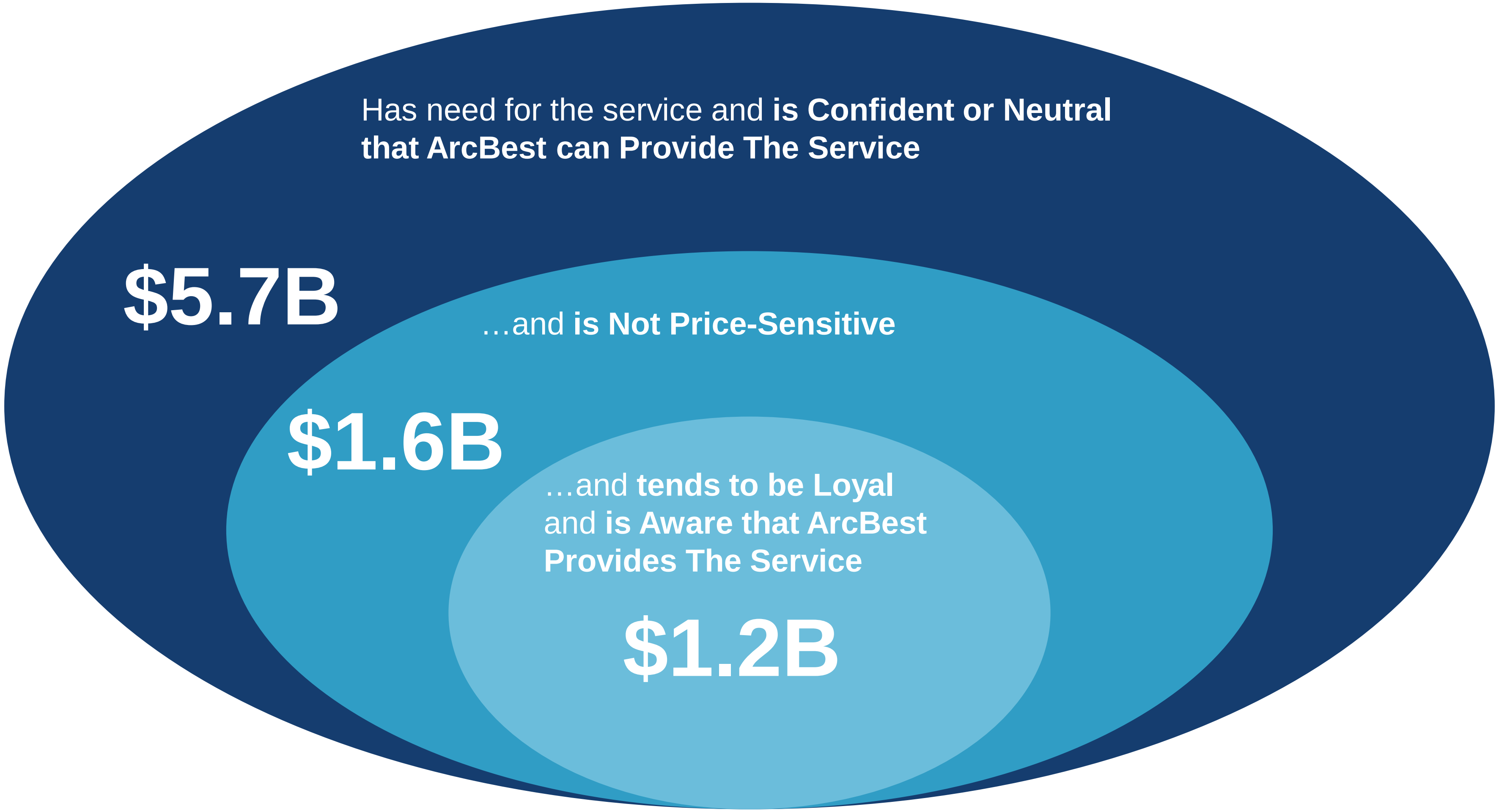
OPTIMAL CONDITIONS FOR GROWTH

ArcBest Asset-Based Customers: Asset-Light Total Market Potential Revenue



OPTIMAL CONDITIONS FOR GROWTH

ArcBest Expedite Customers: Expedite & Premium Logistics Total Market Potential Revenue



ARCBEST STRATEGY

ArcBest Differentiators

Long-Lasting Customer Relationships	Deep Understanding of Profitability Drivers	Assured Capacity Options	Spirit of Pragmatic and Disruptive Innovation	Values-Driven Culture

ARCBEST STRATEGY

Our strategy leverages differentiators for growth, efficiency and innovation

Deepen and broaden customer relationships through seamless access

- Enhanced market approach
- Investment in digital platforms

Make optimal yield decisions

- Use of analytics
- Implementation of space-based pricing

Drive safety, reliability and efficiency in our operations

- Asset-based technology and training
- Asset-light operating platform and capacity connectivity

Listen to the voice of the customer to inform and enable innovation

- Mastio (market research for the LTL industry) ranked ABF #1 in 15 of 35 categories and #2 in 13 of those categories

Hire and retain top talent who embrace our culture and share our values

ARCBEST STRATEGY

IMPACT OF INNOVATION & TECHNOLOGY

Differentiating technologies and innovations have played a strong role in ArcBest's history and will help us seize our opportunities for growth. Current initiatives include:

Continuing network enhancements and redesign

to optimize less-than-truckload linehaul and street operations

Dock optimizations

to improve freight visibility, minimize shipment loss and enhance freight handling time

Improved tools

focused on carrier management to provide both internal and external capacity sourcing options and enhanced asset-light operational platforms

Digital platform development

to improve visibility, more seamlessly connect customers to solutions and enhance access to capacity sources

POWERFULLY POSITIONED

2Q 2018 Financial Highlights

YTD Non-GAAP Operating Income

205% YOY

YTD Non-GAAP Earnings Per Share

315% YOY

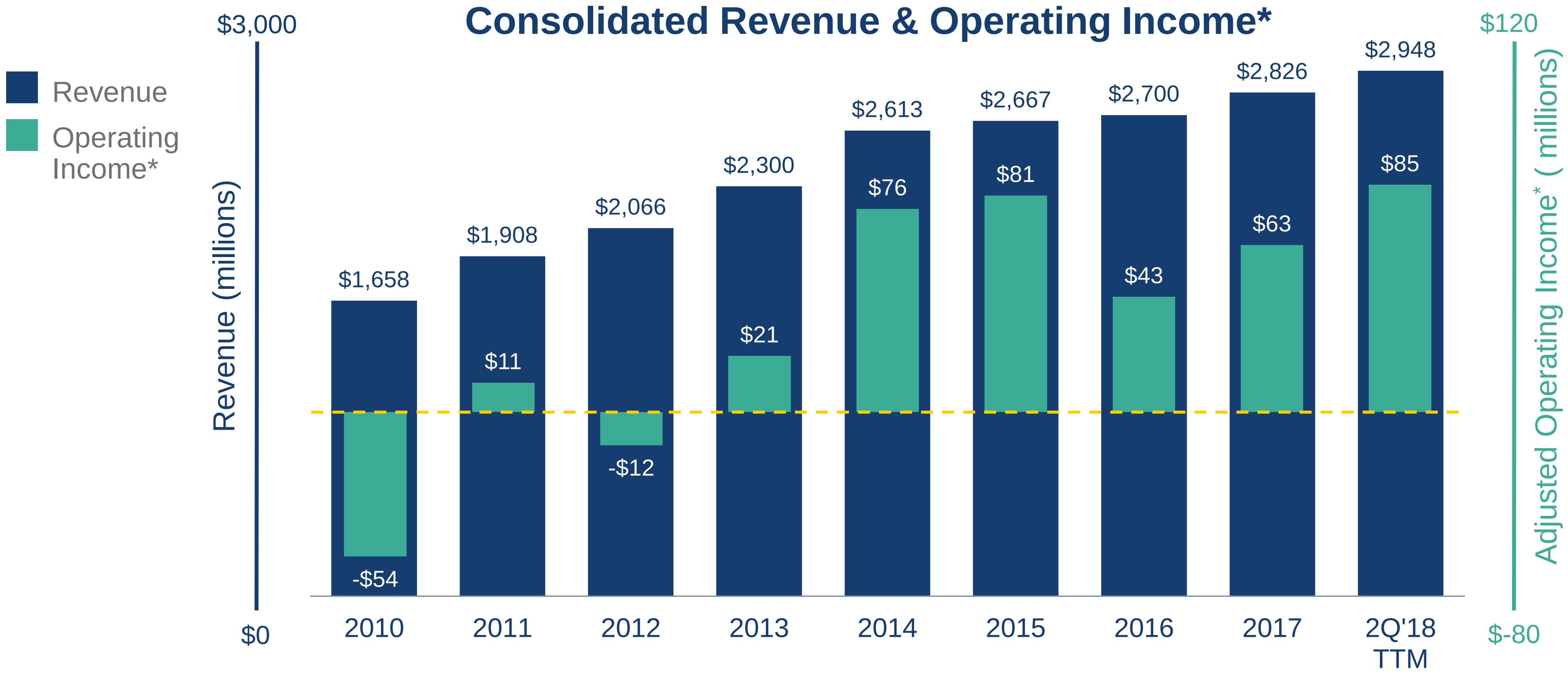
Total Liquidity

$420 million

Stock Price

35% YTD (8/31/18)

POWERFULLY POSITIONED

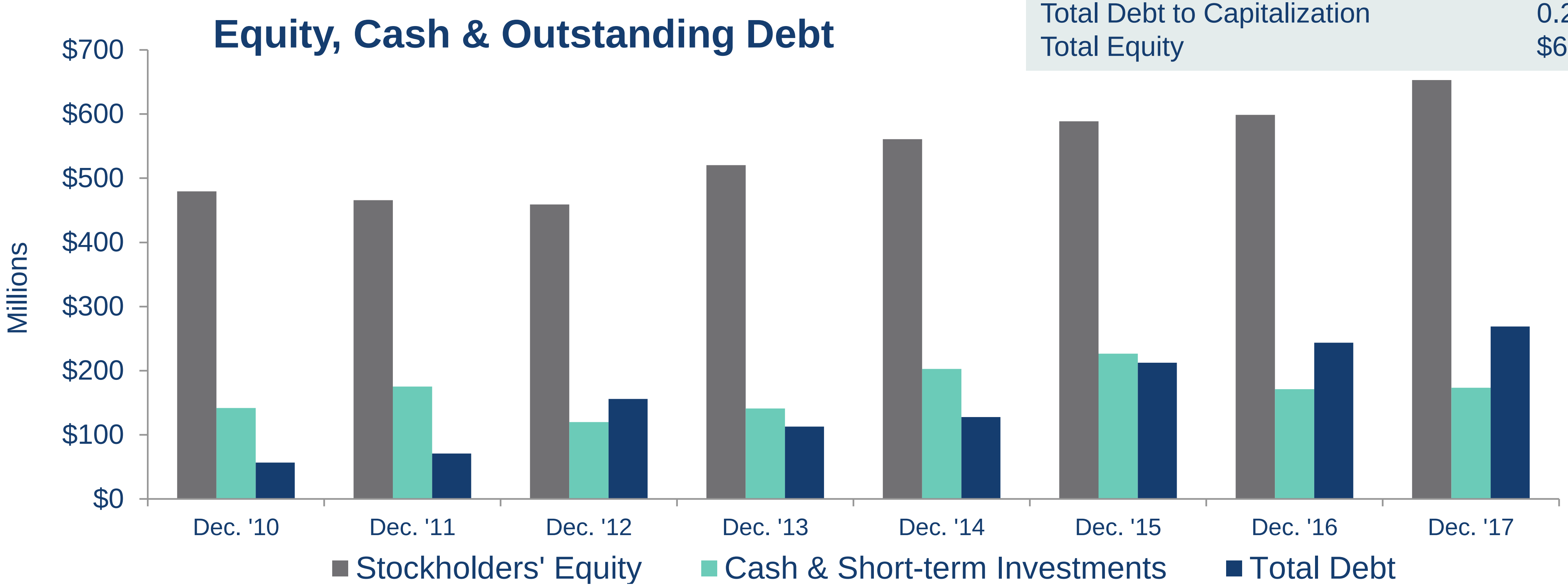


*Operating Income adjusted for nonunion pension expense, including settlement, acquisition transaction costs, a FleetNet third-party casualty claim associated with a bankrupt customer (2015 only), and restructuring charges (2016 and 2017). See Reconciliations of GAAP to non-GAAP Financial Measures in the Additional Information section of this presentation.

POWERFULLY POSITIONED

Historical Financial Results

As of June 30, 2018	
Net Cash (Debt)	($22) Million
Total Debt to LTM EBITDAR*	1.05X
Total Debt to Capitalization	0.27X
Total Equity	$669 Million



Adjusted EBITDA and EBITDAR are primary components of the financial covenants contained in ArcBest Corporation's Amended and Restated Credit Agreement. Management believes Adjusted EBITDA and EBITDAR to be relevant and useful information, as EBITDA and EBITDAR are standard measures commonly reported and widely used by analysts, investors, and others to measure financial performance and ability to service debt obligations. Furthermore, management uses EBITDA and Adjusted EBITDA as key measures of performance and for business planning. However, these non-GAAP financial measures should not be construed as better measurements than operating income (loss), operating cash flow, net income (loss), or earnings (loss) per share, as determined under GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, our reported results. Other companies may calculate EBITDA and EBITDAR differently; therefore, our Adjusted EBITDA and EBITDAR may not be comparable to similarly titled measures of other companies.

POWERFULLY POSITIONED

Strategic and Operating Initiatives

BALANCED CAPITAL STRATEGY

Growth and Operating Initiatives

- Capital investments consistent with service initiatives and strategy
- Invest in operational efficiencies and innovation
- Selective tuck-in and strategic acquisitions

Maintain Strong Balance Sheet

- Cash Balance – $227M at 6/30/2018, ($22M) net of debt
- Debt maintenance – 1.05X debt to LTM EBITDAR* at 6/30/2018
- Total liquidity equals $420M

Return of Capital to Shareholders

- Dividend of $0.32 per share (annual)
- Share repurchase: $32M available

Adjusted EBITDA and EBITDAR are primary components of the financial covenants contained in ArcBest Corporation's Amended and Restated Credit Agreement. Management believes Adjusted EBITDA and EBITDAR to be relevant and useful information, as EBITDA and EBITDAR are standard measures commonly reported and widely used by analysts, investors, and others to measure financial performance and ability to service debt obligations. Furthermore, management uses EBITDA and Adjusted EBITDA as key measures of performance and for business planning. However, these non-GAAP financial measures should not be construed as better measurements than operating income (loss), operating cash flow, net income (loss), or earnings (loss) per share, as determined under GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, our reported results. Other companies may calculate EBITDA and EBITDAR differently; therefore, our Adjusted EBITDA and EBITDAR may not be comparable to similarly titled measures of other companies.

POWERFULLY POSITIONED

ArcBest is built on a **strong foundation** as a **trusted customer partner**.

Our employees have **The Skill and The Will to solve** customers' supply chain **challenges**.

We **listen to the customer and respond to their needs** by developing the **logistics solutions they desire**, often through **guaranteed transportation capacity**.

We have **billions of dollars of revenue growth opportunities**.

Solid financial resources that support our strategic initiatives:

- Strong balance sheet and financial performance
- Additional liquidity readily available
- Positive banking relationships

We are an **innovative company that adapts** to the ever-changing **customer need**.

ArcBest®

More Than Logistics™

Q&A

ARCBEST CONSOLIDATED

Millions ($000,000)	Three Months Ended 6/30/18	Three Months Ended 6/30/17	Per Day % Change	Twelve Months Ended 12/31/17	Twelve Months Ended 12/31/16	Per Day % Change
Revenue	$ 793.4	$ 720.4	9.3%	$ 2,826.5	$ 2,700.2	5.1%
Operating Income (1)	41.4	26.1		62.6	43.0	
Net Income (1)	$ 29.8	$ 14.8		$ 35.6	$ 24.3	
Earnings per share (1)	$ 1.12	$ 0.56		$ 1.33	$ 0.92	

(1) Operating Income, Net Income and Earnings Per Share are adjusted for certain unusual items. See the following slide for a reconciliation to GAAP financial measures.

ARCBEST CONSOLIDATED

Millions ($000,000)	Three Months Ended 6/30/18	Three Months Ended 6/30/17	Twelve Months Ended 12/31/17	Twelve Months Ended 12/31/16
Operating Income (Loss)				
Amounts on a GAAP basis	$ 3.2	$ 25.8	$ 53.5	$ 29.0
Multiemployer pension fund withdrawal liability charge, pre-tax (1)	37.9	-	-	-
Restructuring charges, pre-tax (2)	0.3	0.4	3.0	10.3
Nonunion pension expense, including settlement, pre-tax (3)	-	-	6.1	3.1
Transaction costs, pre-tax (4)	-	-	-	0.6
Non-GAAP amounts	$ 41.4	$ 26.1	$ 62.6	$ 43.0
Net Income (Loss)				
Amounts on a GAAP basis	$ 1.2	$ 15.8	$ 59.7	$ 18.7
Multiemployer pension fund withdrawal liability charge, after-tax (1)	28.2	-	-	-
Deferred tax adjustment for 2017 Tax Reform Act (5)	(0.1)	-	(24.5)	-
Impact of 2017 Tax Reform Act on current tax expense (5)	-	-	(1.3)	-
Restructuring charges, after-tax (2)	0.3	0.2	1.8	6.3
Nonunion pension expense, including settlement, after-tax (3)	1.3	0.4	3.7	1.9
Life insurance proceeds/changes in CSV	(0.8)	(0.4)	(2.6)	(2.9)
Tax expense (benefit) from vested RSUs (6)	(0.3)	(1.2)	(1.2)	-
Transaction costs, after-tax (4)	-	-	-	0.4
Non-GAAP amounts	$ 29.8	$ 14.8	$ 35.6	$ 24.3
Diluted Earnings (Loss) Per Share				
Amounts on a GAAP basis	$ 0.05	$ 0.60	$ 2.25	$ 0.71
Multiemployer pension fund withdrawal liability charge, after-tax (1)	1.05	-	-	-
Deferred tax adjustment for 2017 Tax Reform Act (5)	-	-	(0.93)	-
Impact of 2017 Tax Reform Act on current tax expense (5)	-	-	(0.05)	-
Restructuring charges, after-tax (2)	0.01	0.01	0.07	0.24
Nonunion pension expense, including settlement, after-tax (3)	0.05	0.01	0.14	0.07
Life insurance proceeds/changes in CSV	(0.03)	(0.02)	(0.10)	(0.11)
Tax expense (benefit) from vested RSUs (6)	(0.01)	(0.04)	(0.05)	-
Transaction costs, after-tax (4)	-	-	-	0.01
Non-GAAP amounts	$ 1.12	$ 0.56	$ 1.33	$ 0.92

(1) ABF Freight, Inc. recorded a one-time charge in June 2018 for the multiemployer pension plan withdrawal liability resulting from the transition agreement it entered into with the New England Teamsters and Trucking Industry Pension Fund.
(2) Restructuring charges relate to the realignment of the Company's organizational structure announced on November 3, 2016.
(3) Nonunion pension expense is presented as a non-GAAP adjustment with pension settlement expense, for all periods presented, because expenses related to the plan have been excluded from the financial information management uses to make operating decisions, as an amendment to terminate the nonunion defined benefit pension plan with a termination date of December 31, 2017 was executed in November 2017. Plan participants will have an election window in which they can choose any form of payment allowed by the Plan for immediate commencement of payment or defer payment until a later date with pension settlements related to the plan termination which may occur in 2018.
(4) Transaction costs for the year ended December 31, 2016 are associated with the September 2, 2016 acquisition of Logistics & Distribution Services, LLC.
(5) Impact on current and deferred income tax expense as a result of recognizing the tax effects of the Tax Cuts and Job Act ("2017 Tax Reform Act") that was signed into law on December 22, 2017.
(6) The Company recognized the tax impact for the vesting of share-based compensation resulting in excess tax expense during the three months ended June 30, 2018 and 2017 and excess tax benefit during the year ended December 31, 2017.

Trailing Twelve Month – June 30, 2018

Consolidated Cash Flow

	TTM 6/30/18 (In Millions)
Cash and Short-term Investments, beginning of period	**$ 157**
Net Income	45
Depreciation and amortization [(a)]	106
Pension settlement expense and amortization of actuarial losses on benefit plans and share-based compensation and multiemployer fund withdrawal liability [(b)]	53
Net change in other assets and liabilities [(c)]	(13)
Cash from operations	**$ 191**
Purchase of property, plant and equipment, net	(125)
Proceeds from Equipment Financings	60
Internally developed software	(12)
Free Cash Flow	**$ 114**
Payment of debt	(68)
Purchase of Treasury Stock	(2)
Dividend	(8)
Cash and Short-term Investments, end of period	**$ 193**

(a) Includes amortization of intangibles.
(b) Reflects a one-time charge of $37.9 million in June 2018 related to ABF Freight multiemployer pension plan withdrawal liability resulting from the transition agreement entered into with the New England Teamsters and Trucking Industry Pension Fund.
(c) Includes changes in working capital, timing of month end clearings, and income tax payments.

ASSET-BASED

Millions ($000,000)	Three Months Ended 6/30/18	Three Months Ended 6/30/17	Per Day % Change	Twelve Months Ended 12/31/17	Twelve Months Ended 12/31/16	Per Day % Change
Revenue	$ 559.2	$ 514.5	7.8%	$ 1,993.3	$ 1,916.4	4.4%
Operating Income	41.3	22.9		57.0	37.1	
Operating Ratio	92.6%	95.6%		97.2%	98.0%	
Total Tons/Day	13,118	13,233	(0.9%)	12,657	12,923	(2.1%)
Total Shipments/Day	20,272	21,583	(6.1%)	20,749	20,744	-

Operating Income and Operating Ratio adjusted for:

- Restructuring charges of $ 33,000 (pre-tax) for the three months ended June 30, 2017.
- Restructuring charges of $ 0.3 million (pre-tax) and $ 1.2 million (pre-tax) for the twelve months ended December 31, 2017 and 2016.
- Nonunion pension expense, including settlement, of $ 4.8 million (pre-tax) and $ 2.3 million (pre-tax) for the twelve months ended December 31, 2017 and 2016

Millions ($000,000)		Three Months Ended 6/30/18	Three Months Ended 6/30/17	% Change	Twelve Months Ended 12/31/17	Twelve Months Ended 12/31/16	% Change
ArcBest							
	Revenue	$ 200.0	$ 175.9	13.7%	$ 706.7	$ 640.7	10.3%
	Oper. Inc.	3.9	6.0		20.1	15.0	
FleetNet							
	Revenue	$ 46.8	$ 36.5	28.2%	$ 156.3	$ 162.6	(3.9%)
	Oper. Inc.	1.0	0.7		3.5	2.7	
Total Asset-Light							
Total	**Revenue**	**$ 246.8**	**$ 212.4**	**16.2%**	**$ 863.0**	**$ 803.4**	**7.4%**
Total	**Oper. Inc.**	**4.9**	**6.7**		**23.6**	**17.7**	

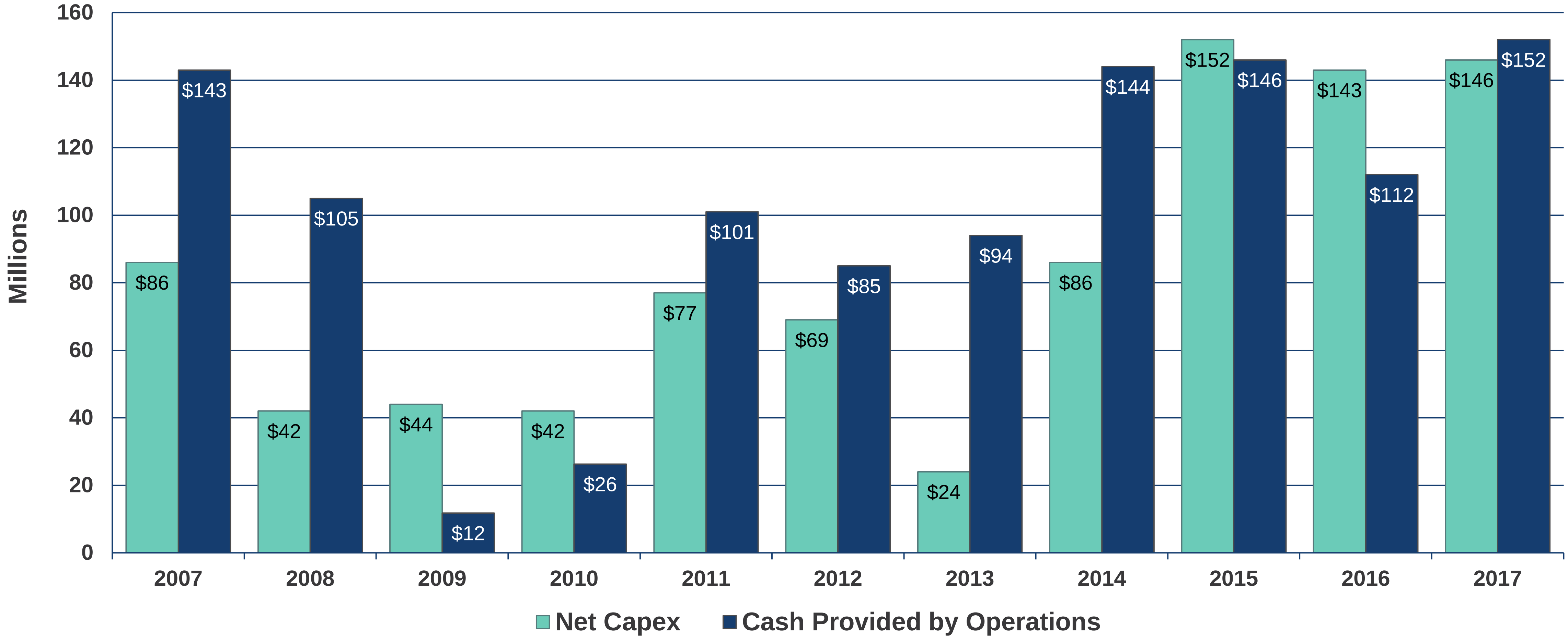
ArcBest Operating Income and Operating Ratio adjusted for:

- Restructuring charges of $ 0.1 million (pre-tax) and $ 0.1 million (pre-tax) for the three months ended June 30, 2018 and 2017.
  Restructuring charges of $ 0.9 million (pre-tax) and $ 8.0 million (pre-tax) for the twelve months ended December 31, 2017 and 2016.
- Nonunion pension expense, including settlement, of $ 0.4 million (pre-tax) and $ 0.1 million (pre-tax) for the twelve months ended December 31, 2017 and 2016.

FleetNet Operating Income and Operating Ratio adjusted for:

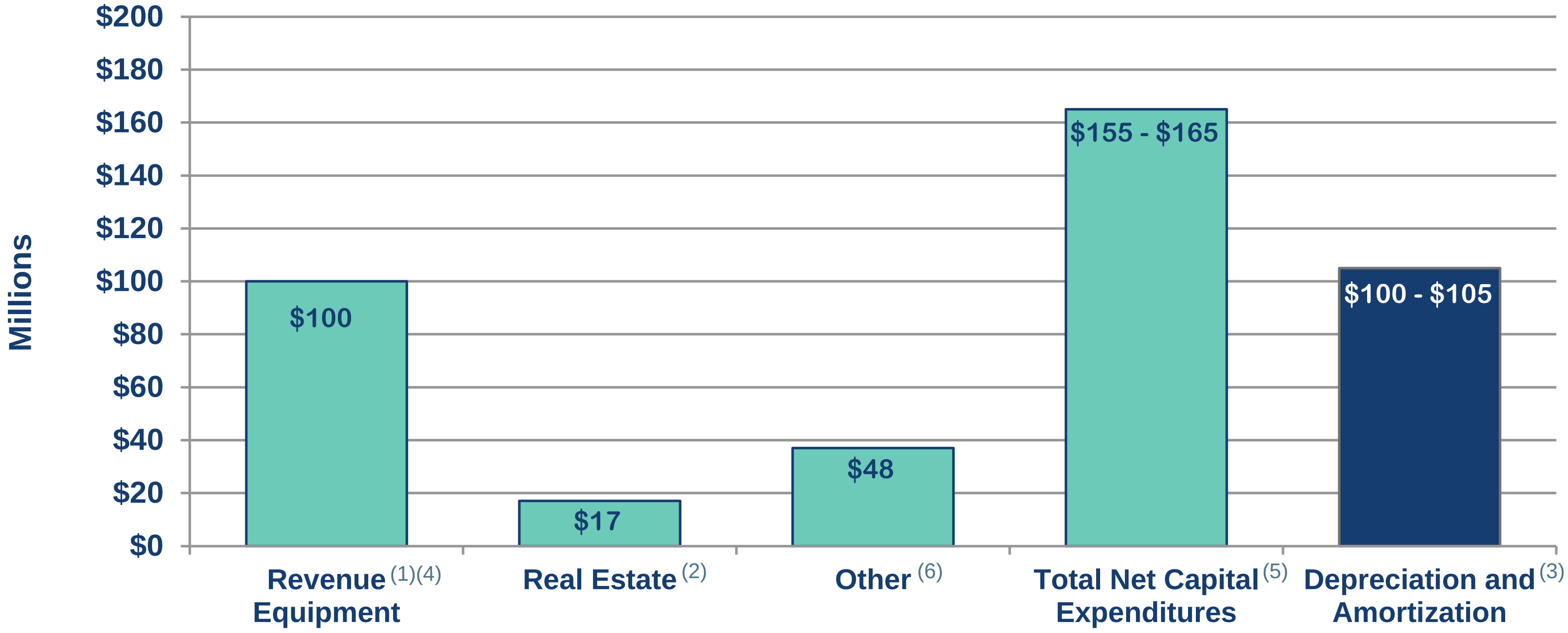
- Restructuring charges of $ 0.2 million (pre-tax) for the twelve months ended December 31, 2016.
- Nonunion pension expense, including settlement, of $ 0.1 million (pre-tax) and $ 0.1 million (pre-tax) for the twelve months ended December 31, 2017 and 2016.

NET CAPITAL EXPENDITURES VS. OPERATING CASH



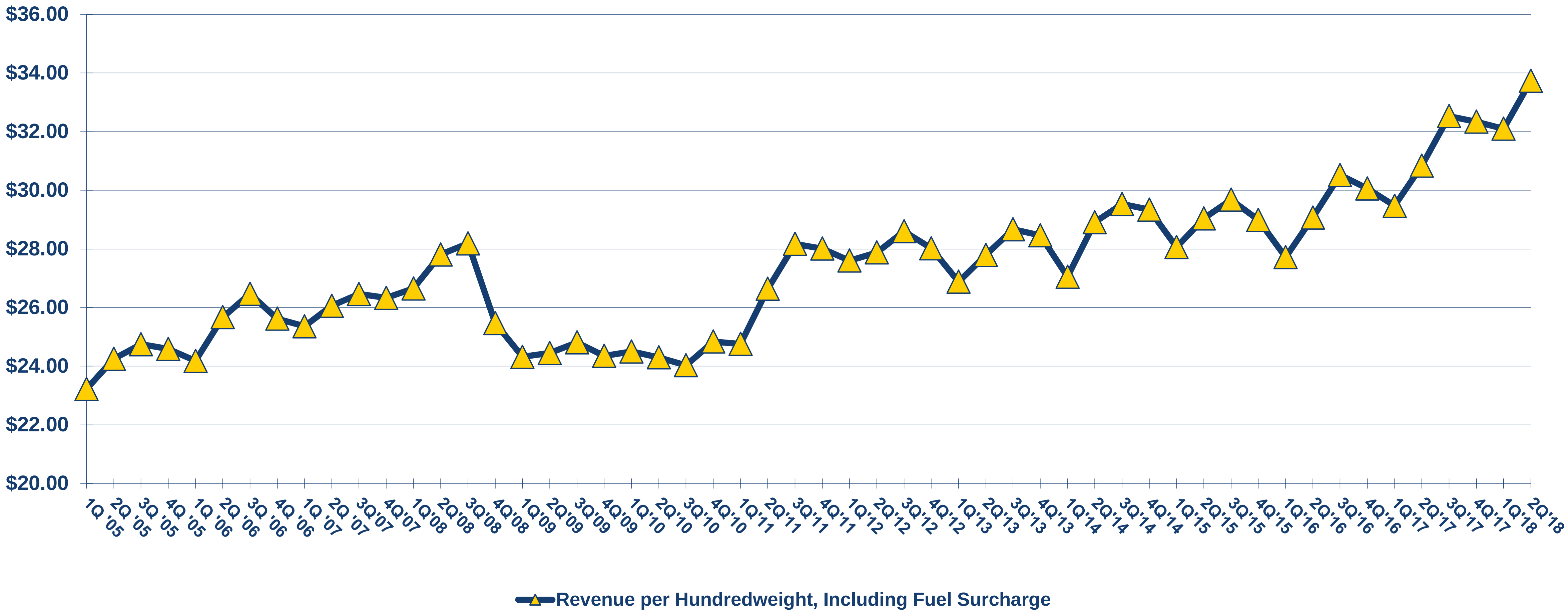
Note: Capital expenditures are presented net of proceeds from the sale of property, plant and equipment. Net Capex figures include ABF Freight's revenue equipment acquired through notes payable and capital leases.

2018 NET CAPITAL EXPENDITURES (estimated)



1. Revenue equipment purchases of $100 million primarily in the asset-based operation.
2. Expected real estate expenditures are for miscellaneous purchase opportunities and property improvements throughout ArcBest.
3. Depreciation and amortization costs on fixed assets are estimated to be in a range of $100 million to $105 million. This does not include amortization of intangible assets which, in 2018, is expected to approximate $5 million.
4. The new equipment added during 2015 through 2017 increased the dependability and consistency of service offered to ArcBest customers. On-going benefits to be fully realized from ArcBest's investment and enhancement of assets include reduced equipment age, improved fuel economy, lower maintenance costs and reduction of rented equipment.
5. The 2018 capital expenditure plan reflects continuation of the accelerated replacement of revenue equipment and alignment with ArcBest's long-term strategy to advance operational efficiencies. For instance, as in 2017, our new 2018 road tractors will be equipped with enhanced safety technology including lane departure warning, collision mitigation and forward-facing video capture.
6. Includes additional amounts evaluated for purchase throughout 2018.

ASSET-BASED BILLED REVENUE PER HUNDREDWEIGHT (INCLUDING FSC)



2018 INFORMATION PROVIDED ON AUGUST 1, 2018

- ABF Freight's multiemployer pension plan obligation with the New England Teamsters and Trucking Industry Pension Fund will be restructured, effective August 1, 2018. The restructuring results in ABF Freight's withdrawal, as a participating employer, from the New England fund, thus triggering our payment of a pre-negotiated withdrawal liability. In addition, ABF is re-entering the Fund as a new participating employer free from any pre-existing withdrawal liability and at a lower future contribution rate.

- Our 2Q'18 financials, include a one-time, pre-tax charge of $38 million, or $28 million and $1.05 per share, after-tax, to record the pension liability. This obligation is being settled through an initial lump sum cash payment of $15 million plus monthly, interest-free payments to the fund over a period of 23 years that have an aggregate present value of approximately $23 million. These payments are tax deductible when we pay them, reducing our after-tax costs. The benefits of this transaction include:

  - A reduction of ABF's withdrawal liability for this fund
  - Improvement in the New England fund's current financial position
  - Additional security to the ABF employees who rely on the New England fund for retirement benefits, and
  - A reduction of ABF's future contributions to the fund without a corresponding decrease in benefits payable to participating ABF employees.

- Excluding the one-time charge we took in 2Q'18, we project operating income improvement of approximately $2 million during the first 12 months of the agreement. However, because the obligation was recorded at present value, interest expense will be recognized over time.

2018 INFORMATION PROVIDED ON AUGUST 1, 2018

- Our 2Q'18 income before tax included a $1.8 million charge, or $1.3 million after-tax, and $0.05 per share, related to our nonunion pension plan, including settlement expense. 2Q'17 included a similar charge of $600,000 pre-tax, or approximately $400,000 after-tax, and $0.01 per share. Pension expense, including settlement charges, for 3Q'18 is currently estimated to be approximately $2 million, pre-tax, or $1.5 million after-tax. Due to termination of the plan, we estimate cash funding of approximately $10 million and a pre-tax settlement termination charge of approximately $20 million which may occur during 2018, but depends on timing of review by the Internal Revenue Service.

- Our 2Q'18 operating income included an adjustment of $300,000 pre-tax, or $0.01 per share after tax, related to our enhanced market approach. These charges were comparable with the amounts in 1Q'17. We currently expect to incur approximately $1 million of total restructuring costs in 2018 related to this organizational realignment.

- In 2Q'18, the loss reported in the "Other and eliminations" line was $5 million which included a majority of the $300,000 restructuring costs. The "Other and eliminations" line includes expenses related to investments for improving the delivery of services to ArcBest's customers as well as investments in comprehensive transportation and logistics services offered across multiple operating segments. Also, certain investments in ArcBest technology and innovations are included here. In 3Q'18, we expect the loss in this line to approximate $5 million, and for all of 2018 we expect the loss in this line to total approximately $20 million.

- Interest expense, net of interest income, was $1.3 million in 2Q'18. We expect 3Q'18 net interest expense to approximate $1.5 million. This is higher than the recent quarter due to slight increases in interest rates, interest accretion on the New England pension obligation and the timing of financing the remaining purchased equipment, the majority of which is expected to be received in 3Q'18. Full year 2018 interest expense, net of interest income, is estimated to total approximately $6 million.

2018 INFORMATION PROVIDED ON AUGUST 1, 2018

- Changes in cash surrender value of life insurance are reported in the “Other, net” line of our income statement, of which we had income of $820,000 in 2Q’18 compared to income of $407,000 in 2Q’17. We exclude changes in cash surrender value when presenting non-GAAP net income and EPS. As of 1Q’18, the “Other, net” line of our income statement now includes some components of the net periodic benefit cost related to nonunion pension and other nonunion postretirement benefits. The service cost component of these plans continues to be included in “Operating Expenses” while the other cost components of these plans, which totaled $2.1 million pre-tax in 2Q’18 and $1.0 million pre-tax in 2Q’17, appear in the “Other, net” line of our income statement. In our 2018 financial statements, we have reclassified the 2017 amounts to conform to the current year presentation.

- Our 2Q’18 effective tax rate was a high benefit rate primarily due to the reduction in GAAP pre-tax income associated with the effects of the New England multiemployer pension withdrawal. We currently expect our full year 2018 GAAP tax rate to be in the approximate range of 20% to 25%, though the effective rate in any quarter may be impacted by items discrete to that period. The tax rate reconciliation in our earnings release shows the YTD, non-GAAP effective tax rate of approximately 27% which is what we would generally expect on normalized earnings.

- Asset-Light: In September 2016, we completed a transaction that enhanced ArcBest’s dedicated truckload service offerings. As we approach the second anniversary of that acquisition that included a two year earn-out agreement, we have recorded additional expense to adjust our financial obligations under that earn-out agreement. Our recent 2Q’18 Asset-Light results were impacted by approximately $400,000 related to this expense. In 3Q’18, we expect the additional expense to be approximately $400,000. These two items should be considered when reviewing year-over-year comparisons of Asset-Light’s 2Q’18 financial results.

2018 INFORMATION PROVIDED ON AUGUST 1, 2018

- For 2018, total net capital expenditures, including equipment expected to be financed, are estimated to range from $155 million to $165 million. This includes revenue equipment purchases of approximately $100 million, primarily for ArcBest's Asset-Based operation.

- In both 2016 and 2017, we replaced approximately 600 road tractors in our Asset-Based operation. As a result, there has been an improvement in average fleet age, maintenance cost per mile and fuel economy. Our plans for 2018 include replacement of another 600 road tractors and further improvements in the average age and dependability of the Asset-Based city fleet through transfer of tractors out of the road fleet. As we did in 2017, in the interest of increasing the safety of our drivers and the motoring public, our new 2018 road tractors will be equipped with enhanced safety technology including lane departure warning, collision mitigation and forward-facing video capture.

- ArcBest's depreciation and amortization costs on property, plant and equipment in 2018 are estimated to be in a range of $100 million to $105 million. This does not include amortization of intangible assets which, in 2018, is expected to approximate $5 million.

- With the ratification of ABF Freight's new five year labor agreement, the combined contractual wage and benefit rate, including the ratification bonus and additional vacation time, increases approximately 2% on a compounded annual basis throughout the contract period. The July 1 wage increase will be approximately 1.2% and the combined August 1 HW&P increase will be approximately 2.2%.

- The additional week of vacation is being expensed as it is earned for anniversary dates that begin on or after April 1, 2018. The ratification bonus is being expensed over the 63-month contract beginning April 1, 2018. In 3Q'18, we estimate the additional costs for these items to be approximately $1.9 million.

RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES	2010	2011	2012	2013	2014	2015	2016	2017	2Q’18 TTM [5]
	(Unaudited) ($ millions)								
ArcBest Corporation - Consolidated									
Operating Income									
Amounts on a GAAP basis	**$ (54.5)**	**$ 9.8**	**$ (14.6)**	**$ 19.1**	**$ 69.2**	**$ 75.5**	**$ 29.0**	**$ 53.5**	**$ 45.7**
Restructuring charges, pre-tax [1]						-	10.3	3.0	1.7
Transaction costs, pre-tax [2]	-	-	2.2	-	-	1.4	0.6	-	-
Third-party casualty expense at FleetNet, pre-tax [3]	-	-	-	-	-	0.9	-	-	-
Nonunion pension expense, including settlement, pre-tax [4]	0.1	1.1	-	2.1	6.6	3.2	3.1	6.1	-
Multiemployer pension withdrawal liability charge	-	-	-	-	-	-	-	-	37.9
Non-GAAP amounts	$ (54.4)	$ 10.9	$ (12.4)	$ 21.2	$ 75.8	$ 81.0	$ 43.0	$ 62.6	$ 85.3

[1] Restructuring charges relate to the realignment of the Company’s organizational structure announced on November 3, 2016.

[2] Transaction costs associated with the January 1, 2012 acquisition of Panther Expedited Services, Inc., the December 1, 2015 acquisition of Bear Transportation Group, LLC and the September 2, 2016 acquisition of Logistics & Distribution Services, LLC.

[3] Unfavorable third-party casualty claim associated with a bankrupt FleetNet customer (2015 only).

[4] Nonunion pension expense is presented as a non-GAAP adjustment with pension settlement expense, for 2010-2017, because expenses related to the plan have been excluded from the financial information management uses to make operating decisions, as an amendment to terminate the nonunion defined benefit pension plan with a proposed termination date of December 31, 2017 was executed in November 2017. Plan participants will have an election window in which they can choose any form of payment allowed by the plan for immediate commencement of payment or defer payment until a later date. Pension settlements related to the plan termination may occur in 2018.

[5] 2Q’18 TTM Operating Income adjusted for the January 1, 2018 adoption of an amendment to ASC Topic 715 which requires the components of net periodic benefit cost other than service cost to be presented within Other Income (Costs) in the consolidated financial statements and, therefore, excluded from Operating Income presented in this table.

Note: ArcBest Corporation reports its financial results in accordance with generally accepted accounting principles (“GAAP”). However, management believes that certain non-GAAP performance measures utilized for internal analysis provides analysts, investors, and others the same information that we use internally for purposes of assessing our core operating performance and provides meaningful comparisons between current and prior period results, as well as important information regarding performance trends. Accordingly, using these measures improves comparability in analyzing our performance because it removes the impact of items from operating results that, in management's opinion, do not reflect our core operating performance. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, our reported results. These financial measures should not be construed as better measurements than operating income (loss), operating cash flow, net income (loss) or earnings (loss) per share, as determined under GAAP.

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