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

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report: January 31, 2017
(Date of earliest event reported)**

C.H. ROBINSON WORLDWIDE, INC.

(Exact name of registrant as specified in its charter)

Commission File Number: 000-23189

Delaware
(State or other jurisdiction
of incorporation)

41-1883630
(IRS Employer
Identification No.)

14701 Charlson Road, Eden Prairie, MN 55347
(Address of principal executive offices, including zip code)

(952) 937-8500
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

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))
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Item 2.02. Results of Operations and Financial Condition.

The following information is being “furnished” in accordance with General Instruction B.2 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Furnished herewith as Exhibits 99.1 and 99.2, respectively, and incorporated by reference herein are the text of C.H. Robinson Worldwide, Inc.’s announcement regarding its financial results for the quarter ended December 31, 2016 and its earnings conference call slides.

Item 7.01 Regulator FD Disclosure

Commencing with the results for the quarter ended December 31, 2016, C.H. Robinson Worldwide, Inc. is now reporting operating results based on three reportable segments: North American Surface Transportation (“NAST”), Global Forwarding, and Robinson Fresh. The balance of the company’s business, including Managed Services and surface transportation outside of North America, is being reported in “All Other and Corporate.”

North American Surface Transportation (“NAST”) provides freight transportation services across North America through a network of offices in the United States, Canada, and Mexico. The primary services provided by NAST include truckload, less than truckload, intermodal, and domestic air.

Global Forwarding provides global logistics services through an international network of offices in North America, Asia, Europe, Australia, and South America and also contracts with independent agents worldwide. The primary services provided by Global Forwarding include ocean freight services, airfreight services, and customs brokerage.

Robinson Fresh provides sourcing services under the name of Robinson Fresh, which services primarily include the buying, selling, and marketing of fresh fruits, vegetables, and other perishable items. Robinson Fresh sources products from around the world and has a physical presence in North America, Europe, Asia, and South America. This segment often provides the logistics and transportation of the products they sell, in addition to temperature controlled transportation services for its customers.

Exhibit 99.3 to this report, which is incorporated herein by reference, recasts certain prior period results in 2016 and 2015 to conform with the company’s new segment reporting, and is being presented for informational purposes only. This information is unaudited and is being “furnished” in accordance with General Instruction B.2 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 99.1 Press Release dated January 31, 2017 of C.H. Robinson Worldwide, Inc.
- 99.2 Earnings conference call slides dated February 1, 2017
- 99.3 Supplemental segment information for 2016 and 2015

SIGNATURE

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 hereunto duly authorized.

C.H. ROBINSON WORLDWIDE, INC.

By: /s/ Troy A. Renner

Troy A. Renner
Treasurer

Date: January 31, 2017

EXHIBIT INDEX

- 99.1 Press Release dated January 31, 2017 of C.H. Robinson Worldwide, Inc.
- 99.2 Earnings conference call slides dated February 1, 2017
- 99.3 Supplemental segment information for 2016 and 2015

C.H. Robinson Worldwide, Inc.

14701 Charlson Road
Eden Prairie, Minnesota 55347

Andrew Clarke, Chief Financial Officer (952) 683-3474

Tim Gagnon, Director, Investor Relations (952) 683-5007

FOR IMMEDIATE RELEASE**C.H. ROBINSON REPORTS FOURTH QUARTER RESULTS**

MINNEAPOLIS, January 31, 2017 – C.H. Robinson Worldwide, Inc. (“C.H. Robinson”) (NASDAQ: CHRW), today reported financial results for the quarter ended December 31, 2016. This table of summary results presents our service line net revenues consistent with our historical presentation and is on an enterprise basis. The service line net revenues in the table differ from the segment service line net revenues discussed below as our segments have revenues from multiple service lines. Summarized financial results are set forth in the following table (dollars in thousands, except per share data).

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% change	2016	2015	% change
Total revenues	\$3,414,975	\$3,210,853	6.4%	\$13,144,413	\$13,476,084	-2.5%
Net revenues:						
Transportation						
Truckload	\$ 296,740	\$ 338,892	-12.4%	\$ 1,257,191	\$ 1,316,533	-4.5%
LTL	94,299	89,622	5.2%	381,817	360,706	5.9%
Intermodal	7,521	8,835	-14.9%	33,482	41,054	-18.4%
Ocean	69,033	56,065	23.1%	244,276	223,643	9.2%
Air	23,743	18,613	27.6%	82,167	79,096	3.9%
Customs	15,860	10,681	48.5%	50,509	43,929	15.0%
Other logistics services	28,404	21,217	33.9%	105,369	82,548	27.6%
Total transportation	535,600	543,925	-1.5%	2,154,811	2,147,509	0.3%
Sourcing	25,916	26,852	-3.5%	122,717	120,971	1.4%
Total net revenues	561,516	570,777	-1.6%	2,277,528	2,268,480	0.4%
Operating expenses	367,951	356,198	3.3%	1,439,997	1,410,170	2.1%
Income from operations	193,565	214,579	-9.8%	837,531	858,310	-2.4%
Net income	\$ 122,303	\$ 126,583	-3.4%	\$ 513,384	\$ 509,699	0.7%
Diluted EPS	\$ 0.86	\$ 0.88	-2.3%	\$ 3.59	\$ 3.51	2.3%

Our total revenues increased 6.4 percent in the fourth quarter of 2016 compared to the fourth quarter of 2015. The increase in total revenues was driven by volume growth across all of our services. Our total net revenues decreased 1.6 percent in the fourth quarter of 2016 compared to the fourth quarter of 2015. The net revenue decline was primarily the result of lower truckload margins. APC Logistics (“APC”), which was acquired at the close of business on September 30, 2016, represented approximately two percent of our total net revenues in the fourth quarter of 2016.

For the fourth quarter, our total operating expenses increased 3.3 percent. Total other selling, general, and administrative expenses increased 22.3 percent, driven by growth in claims, bad debt provision, and costs related to the APC acquisition. The increase in other selling, general, and administrative expenses was partially offset by a 2.9 percent decrease in personnel expenses in the fourth quarter of 2016 compared to the fourth quarter of 2015. The decline in personnel expense was the result of decreased expenses related to incentive plans that are designed to keep expenses variable with changes in net revenues and profitability. Average headcount increased approximately seven percent in the fourth quarter of 2016 compared to the fourth quarter of 2015.

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Interest and other expenses declined approximately \$10 million in the fourth quarter of 2016 compared to the fourth quarter of 2015. In the fourth quarter of 2016, we had approximately \$4 million in currency gains, primarily due to a stronger U.S. dollar. In the fourth quarter of 2015, we wrote off a \$7.2 million indemnification asset related to the acquisition of Phoenix International Freight Services, Ltd., as the indemnification expired.

Results by Segment

Commencing with this quarter, we are now reporting operating results based on three reportable segments. Our three reportable segments are: North American Surface Transportation (“NAST”), Global Forwarding, and Robinson Fresh. The balance of our business is reported as “All Other and Corporate.” All Other and Corporate includes our non-reportable segments, including Managed Services and Other Surface Transportation.

NAST provides freight transportation services across North America through a network of offices in the United States, Canada, and Mexico. The primary services provided by NAST include truckload, less than truckload (“LTL”), and intermodal. Summarized financial results of our NAST segment are as follows (dollars in thousands):

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% change	2016	2015	% change
Total revenues (1)	\$2,281,435	\$2,171,427	5.1%	\$8,737,716	\$8,968,349	-2.6%
Net revenues	363,281	398,279	-8.8%	1,524,355	1,564,917	-2.6%
Income from operations	157,631	183,964	-14.3%	674,436	718,329	-6.1%

(1) Excludes intersegment revenues.

NAST total revenues increased 5.1 percent to \$2.3 billion in the fourth quarter of 2016 from \$2.2 billion in the fourth quarter of 2015. This increase was driven by volume increases in all services. NAST net revenues decreased 8.8 percent to \$363.3 million in the fourth quarter of 2016 compared to \$398.3 million in the fourth quarter of 2015, primarily from a decline in truckload net revenues.

NAST truckload net revenues decreased 12.9 percent to \$261.1 million in the fourth quarter of 2016 compared to \$299.8 million in the fourth quarter of 2015, while truckload volumes increased approximately 10 percent. NAST truckload net revenue margin decreased in the fourth quarter of 2016 compared to the fourth quarter of 2015, due primarily to lower customer pricing.

NAST accounted for approximately 92 percent of our total North America truckload net revenues in the fourth quarter in both 2016 and 2015. The majority of the remaining North American truckload net revenues is included in Robinson Fresh. Excluding the estimated impacts of the change in fuel prices, our average North America truckload rate per mile charged to our customers decreased approximately 3.5 percent in the fourth quarter of 2016 compared to the fourth quarter of 2015. Our truckload transportation costs were flat, excluding the estimated impacts of the change in fuel prices.

NAST LTL net revenues increased 5.1 percent to \$90.6 million in the fourth quarter of 2016 compared to \$86.3 million in the fourth quarter of 2015. NAST LTL volumes increased approximately five percent in the fourth quarter of 2016 compared to the fourth quarter of 2015, and net revenue margin decreased slightly.

NAST intermodal net revenues decreased 15.8 percent to \$7.1 million in the fourth quarter of 2016 compared to \$8.5 million in the fourth quarter of 2015. This was primarily due to net revenue margin declines, partially offset by increased volumes. During the fourth quarter of 2016, intermodal opportunities were negatively impacted by the alternative lower cost truck market.

NAST operating expenses decreased 4.0 percent in the fourth quarter of 2016 to \$205.7 million compared to \$214.3 million in the fourth quarter of 2015. This was primarily due to decreases in personnel expenses related to incentive plans that are designed to keep expenses variable with changes in net revenues and profitability. These decreases were partially offset by increases in claims and allowance for doubtful accounts. The operating expenses of NAST and all other segments include allocated corporate expenses.

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Global Forwarding provides global logistics services through an international network of offices in North America, Asia, Europe, Australia, and South America and also contracts with independent agents worldwide. The primary services provided by Global Forwarding include ocean freight services, airfreight services, and customs brokerage. Summarized financial results of our Global Forwarding segment are as follows (dollars in thousands):

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% change	2016	2015	% change
Total revenues (1)	\$475,971	\$376,767	26.3%	\$1,574,686	\$1,639,944	-4.0%
Net revenues	114,079	89,491	27.5%	397,537	365,467	8.8%
Income from operations	24,631	18,727	31.5%	80,931	76,081	6.4%

(1) Excludes intersegment revenues.

Global Forwarding total revenues increased 26.3 percent in the fourth quarter of 2016 to \$476.0 million from \$376.8 million in the fourth quarter of 2015. Global Forwarding net revenues increased 27.5 percent to \$114.1 million in the fourth quarter of 2016 compared to \$89.5 million in the fourth quarter of 2015.

Ocean transportation net revenues increased 23.7 percent to \$69.3 million in the fourth quarter of 2016 compared to \$56.0 million in the fourth quarter of 2015. Air net revenues increased 32.3 percent to \$22.0 million in the fourth quarter of 2016 compared to \$16.6 million in the fourth quarter of 2015. Customs net revenues increased 48.5 percent to \$15.9 million in the fourth quarter of 2016 compared to \$10.7 million in the fourth quarter of 2015. These increases were primarily due to volume increases, including those from APC.

Global Forwarding operating expenses increased 26.4 percent in the fourth quarter of 2016 to \$89.4 million from \$70.8 million in the fourth quarter of 2015. These increases were driven by an average headcount increase of 13.9 percent, an increase in claims, and higher allowance for doubtful accounts in the fourth quarter of 2016 compared to the fourth quarter of 2015. In addition, the acquisition of APC contributed to the increase in operating expenses, including amortization, for Global Forwarding.

Robinson Fresh provides sourcing services under the name of Robinson Fresh. Our sourcing services primarily include the buying, selling, and marketing of fresh fruits, vegetables, and other perishable items. Robinson Fresh sources products from around the world and has a physical presence in North America, Europe, Asia, and South America. This segment often provides the logistics and transportation of the products they sell, in addition to temperature controlled transportation services for its customers. Summarized financial results of our Robinson Fresh segment are as follows (dollars in thousands):

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% change	2016	2015	% change
Total revenues (1)	\$529,449	\$549,713	-3.7%	\$2,344,131	\$2,395,440	-2.1%
Net revenues	51,753	56,163	-7.9%	234,794	235,334	-0.2%
Income from operations	12,980	16,065	-19.2%	75,757	81,332	-6.9%

(1) Excludes intersegment revenues.

Robinson Fresh total revenues decreased 3.7 percent to \$529.4 million in the fourth quarter of 2016 from \$549.7 million in the fourth quarter of 2015. Robinson Fresh net revenues decreased 7.9 percent to \$51.8 million in the fourth quarter of 2016 compared to \$56.2 million in the fourth quarter of 2015 as a result of declines in transportation and sourcing net revenues.

Robinson Fresh sourcing net revenues decreased 3.5 percent to \$25.9 million in the fourth quarter of 2016 compared to \$26.9 million in the fourth quarter of 2015. This decrease was primarily due to lower market pricing and changes in the service mix.

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Robinson Fresh transportation net revenues decreased 11.9 percent to \$25.8 million in the fourth quarter of 2016 compared to \$29.3 million in the fourth quarter of 2015, primarily due to decreases in truckload revenue, partially offset by increases in their other transportation services net revenues. Robinson Fresh transportation net revenue margin decreased in the fourth quarter of 2016 compared to the fourth quarter of 2015, due primarily to lower customer pricing.

Robinson Fresh operating expenses decreased 3.3 percent in the fourth quarter of 2016 to \$38.8 million from \$40.1 million in the fourth quarter of 2015. This was primarily due to decreases in personnel expenses related to incentive plans that are designed to keep expenses variable with changes in net revenues and profitability, partially offset by an increase in warehousing expenses related to expanding facilities and an increase in average headcount.

All Other and Corporate includes our Managed Services segment, as well as Other Surface Transportation outside of North America and other miscellaneous revenues. Other Surface Transportation revenues are primarily earned by Europe Surface Transportation. Europe Surface Transportation provides services similar to NAST across the European continent. It also includes any unallocated corporate expenses. Managed Services provides Transportation Management Service, or Managed TMS. Summarized financial results are as follows:

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% change	2016	2015	% change
Net revenues						
Managed Services	\$ 17,667	\$ 13,309	32.7%	\$ 64,701	\$ 48,745	32.7%
Other Surface Transportation	14,736	13,535	8.9%	56,141	54,017	3.9%

Managed Services net revenues increased 32.7 percent in the fourth quarter of 2016 to \$17.7 million compared to \$13.3 million the fourth quarter of 2015. This increase was a result of growth from both new and existing customers. Other surface transportation increased 8.9 percent in the fourth quarter of 2016 to \$14.7 million compared to \$13.5 million in the fourth quarter of 2015, primarily the result of growth in Europe Surface Transportation.

About C.H. Robinson

At C.H. Robinson, we believe in accelerating global trade to seamlessly deliver the products and goods that drive the world's economy. Using the strengths of our knowledgeable people, proven processes, and global technology, we help our customers work smarter, not harder. As one of the world's largest third-party logistics providers (3PL), we provide a broad portfolio of logistics services, fresh produce sourcing and managed services for more than 113,000 customers and 71,000 contract carriers through our integrated network of offices and more than 14,000 employees. In addition, the company, our Foundation and our employees contribute millions of dollars annually to a variety of organizations. Headquartered in Eden Prairie, Minnesota, C.H. Robinson (CHRW) has been publicly traded on the NASDAQ since 1997. For more information, visit <http://www.chrobinson.com> or view our [company video](#).

Except for the historical information contained herein, the matters set forth in this release are forward-looking statements that represent our expectations, beliefs, intentions or strategies concerning future events. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience or our present expectations, including, but not limited to such factors as changes in economic conditions, including uncertain consumer demand; changes in market demand and pressures on the pricing for our services; competition and growth rates within the third party logistics industry; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight, and changes in relationships with existing truck, rail, ocean, and air carriers; changes in our customer base due to possible consolidation among our customers; our ability to successfully integrate the operations of acquired companies with our historic operations; risks associated with litigation and insurance coverage; risks associated with operations outside of the U.S.; risks associated with the potential impacts of changes in government regulations; risks associated with the produce industry, including food safety and contamination issues; fuel prices and availability; the impact of war on the economy; and other risks and uncertainties detailed in our Annual and Quarterly Reports.

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Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update such statement to reflect events or circumstances arising after such date. All remarks made during our financial results conference call will be current at the time of the call, and we undertake no obligation to update the replay.

Conference Call Information:

*C.H. Robinson Worldwide Fourth Quarter 2016 Earnings Conference Call
Wednesday, February 1, 2017; 8:30 a.m. Eastern Time*

We invite call participants to submit questions in advance of the conference call, and we will respond to as many of the questions as we can in the time allowed. To submit your question(s) in advance of the call, please email adrienne.brausen@chrobinson.com.

Presentation slides and a simultaneous live audio webcast of the conference call may be accessed through the Investor Relations link on C.H. Robinson's website at www.chrobinson.com.

To participate in the conference call by telephone, please call ten minutes early by dialing: 877-269-7756

International callers dial +1-201-689-7817

Callers should reference the conference ID, which is 13652500

Webcast replay available through Investor Relations link at www.chrobinson.com

Telephone audio replay available until 11:30 a.m. Eastern Time on February 8, 2017: 877-660-6853;

passcode: 13652500#

International callers dial +1-201-612-7415

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CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited, in thousands, except per share data)

	Three months ended December 31,		Twelve months ended December 31,	
	2016	2015	2016	2015
Revenues:				
Transportation	\$3,110,978	\$2,867,301	\$11,704,745	\$11,989,780
Sourcing	303,997	343,552	1,439,668	1,486,304
Total revenues	<u>3,414,975</u>	<u>3,210,853</u>	<u>13,144,413</u>	<u>13,476,084</u>
Costs and expenses:				
Purchased transportation and related services	2,575,378	2,323,376	9,549,934	9,842,271
Purchased products sourced for resale	278,081	316,700	1,316,951	1,365,333
Personnel expenses	260,305	268,190	1,064,936	1,051,410
Other selling, general, and administrative expenses	107,646	88,008	375,061	358,760
Total costs and expenses	<u>3,221,410</u>	<u>2,996,274</u>	<u>12,306,882</u>	<u>12,617,774</u>
Income from operations	<u>193,565</u>	<u>214,579</u>	<u>837,531</u>	<u>858,310</u>
Interest and other expense	(3,118)	(13,471)	(25,581)	(35,529)
Income before provision for income taxes	190,447	201,108	811,950	822,781
Provisions for income taxes	68,144	74,525	298,566	313,082
Net income	<u>\$ 122,303</u>	<u>\$ 126,583</u>	<u>\$ 513,384</u>	<u>\$ 509,699</u>
Net income per share (basic)	\$ 0.86	\$ 0.88	\$ 3.60	\$ 3.52
Net income per share (diluted)	\$ 0.86	\$ 0.88	\$ 3.59	\$ 3.51
Weighted average shares outstanding (basic)	141,711	143,484	142,706	144,967
Weighted average shares outstanding (diluted)	142,164	144,144	142,991	145,349

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BUSINESS SEGMENT INFORMATION
(unaudited, dollars in thousands)

	NAST	Global Forwarding	Robinson Fresh	All Other and Corporate	Eliminations	Consolidated
Three months ended December 31, 2016						
Revenues	\$2,281,435	\$ 475,971	\$529,449	\$ 128,120	\$ —	\$3,414,975
Intersegment revenues (1)	86,898	6,726	36,203	1,569	(131,396)	—
Total revenues	\$2,368,333	\$ 482,697	\$565,652	\$ 129,689	\$ (131,396)	\$3,414,975
Net revenues	\$ 363,281	\$ 114,079	\$ 51,753	\$ 32,403	—	\$ 561,516
Operating income/(loss)	\$ 157,631	\$ 24,631	\$ 12,980	\$ (1,677)	—	\$ 193,565
Depreciation and amortization	\$ 5,575	\$ 7,868	\$ 1,192	\$ 7,318	—	\$ 21,953
Total Assets	\$2,088,611	\$ 668,553	\$376,654	\$518,752	—	\$3,652,570
Average headcount	6,809	3,934	951	2,380	—	14,074

	NAST	Global Forwarding	Robinson Fresh	All Other and Corporate	Eliminations	Consolidated
Three months ended December 31, 2015						
Revenues	\$2,171,427	\$ 376,767	\$549,713	\$ 112,946	\$ —	\$3,210,853
Intersegment revenues (1)	64,581	4,295	23,991	402	(93,269)	—
Total revenues	\$2,236,008	\$ 381,062	\$573,704	\$ 113,348	\$ (93,269)	\$3,210,853
Net revenues	\$ 398,279	\$ 89,491	\$ 56,163	\$ 26,844	—	\$ 570,777
Operating income/(loss)	\$ 183,964	\$ 18,727	\$ 16,065	\$ (4,177)	—	\$ 214,579
Depreciation and amortization	\$ 5,457	\$ 5,255	\$ 762	\$ 5,422	—	\$ 16,896
Total Assets	\$1,878,203	\$ 556,606	\$346,728	\$402,821	—	\$3,184,358
Average headcount	6,683	3,455	912	2,108	—	13,158

(1) Intersegment revenues represent the sales between our segments and are eliminated to reconcile to our consolidated results.

(more)

BUSINESS SEGMENT INFORMATION
(unaudited, dollars in thousands)

	NAST	Global Forwarding	Robinson Fresh	All Other and Corporate	Eliminations	Consolidated
Twelve months ended December 31, 2016						
Revenues	\$8,737,716	\$1,574,686	\$2,344,131	\$487,880	\$ —	\$13,144,413
Intersegment revenues (1)	298,438	30,311	119,403	2,211	(450,363)	—
Total revenues	\$9,036,154	\$1,604,997	\$2,463,534	\$490,091	\$ (450,363)	\$13,144,413
Net revenues	\$1,524,355	\$ 397,537	\$ 234,794	\$120,842	—	\$ 2,277,528
Operating income	\$ 674,436	\$ 80,931	\$ 75,757	\$ 6,407	—	\$ 837,531
Depreciation and amortization	\$ 22,126	\$ 23,099	\$ 3,782	\$ 25,662	—	\$ 74,669
Total Assets	\$2,088,611	\$ 688,553	\$ 376,654	\$518,752	—	\$ 3,652,570
Average headcount	6,773	3,673	942	2,282	—	13,670
Twelve months ended December 31, 2015						
Revenues	\$8,968,349	\$1,639,944	\$2,395,440	\$472,351	\$ —	\$13,476,084
Intersegment revenues (1)	271,557	19,102	89,033	2,107	(381,799)	—
Total revenues	\$9,239,906	\$1,659,046	\$2,484,473	\$474,458	\$ (381,799)	\$13,476,084
Net revenues	\$1,564,917	\$ 365,467	\$ 235,334	\$102,762	—	\$ 2,268,480
Operating income/(loss)	\$ 718,329	\$ 76,081	\$ 81,332	\$ (17,432)	—	\$ 858,310
Depreciation and amortization	\$ 21,846	\$ 20,790	\$ 2,927	\$ 20,846	—	\$ 66,409
Total Assets	\$1,878,203	\$ 556,606	\$ 346,728	\$402,821	—	\$ 3,184,358
Average headcount	6,575	3,381	892	2,054	—	12,902

(1) Intersegment revenues represent the sales between our segments and are eliminated to reconcile to our consolidated results.

(more)

CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands)

	December 31, 2016	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 247,666	\$ 168,229
Receivables, net	1,676,003	1,505,620
Other current assets	49,245	56,849
Total current assets	1,972,914	1,730,698
Property and equipment, net	232,953	190,874
Intangible and other assets	1,446,703	1,262,786
Total assets	\$ 3,652,570	\$ 3,184,358
Liabilities and stockholders' investment		
Current liabilities:		
Accounts payable and outstanding checks	\$ 886,543	\$ 783,883
Accrued compensation	98,107	146,666
Accrued income taxes	15,472	12,573
Other accrued expenses	70,408	55,475
Current portion of debt	740,000	450,000
Total current liabilities	1,810,530	1,448,597
Noncurrent income taxes payable	18,849	19,634
Deferred tax liabilities	65,122	65,460
Long term debt	500,000	500,000
Other long-term liabilities	222	217
Total liabilities	2,394,723	2,033,908
Total stockholders' investment	1,257,847	1,150,450
Total liabilities and stockholders' investment	\$ 3,652,570	\$ 3,184,358

(more)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands, except operational data)

	Twelve months ended December 31,	
	2016	2015
Operating activities:		
Net income	\$ 513,384	\$ 509,699
Stock-based compensation	37,565	57,661
Depreciation and amortization	74,669	66,409
Provision for doubtful accounts	5,136	11,538
Deferred income taxes	15,009	(17,095)
Other	1,907	7,409
Changes in operating elements, net of acquisitions:		
Receivables	(132,898)	107,560
Prepaid expenses and other	(6,378)	(228)
Other non-current assets	(3,934)	741
Accounts payable and outstanding checks	80,672	(53,272)
Accrued compensation and profit-sharing contribution	(47,570)	18,580
Accrued income taxes	1,459	5,178
Other accrued liabilities	(9,613)	4,156
Net cash provided by operating activities	529,408	718,336
Investing activities:		
Purchases of property and equipment	(73,452)	(28,115)
Purchases and development of software	(17,985)	(16,527)
Restricted cash	—	359,388
Acquisitions, net of cash	(220,203)	(369,833)
Other	(1,348)	641
Net cash used for investing activities	(312,988)	(54,446)
Financing activities:		
Borrowings on line of credit	6,600,000	6,833,000
Repayments on line of credit	(6,310,000)	(6,988,000)
Net repurchases of common stock	(190,332)	(225,674)
Excess tax benefit on stock-based compensation	18,462	8,548
Cash dividends	(245,430)	(235,615)
Net cash used for financing activities	(127,300)	(607,741)
Effect of exchange rates on cash	(9,683)	(16,860)
Net change in cash and cash equivalents	79,437	39,289
Cash and cash equivalents, beginning of period	168,229	128,940
Cash and cash equivalents, end of period	\$ 247,666	\$ 168,229
	As of December 31,	
	2016	2015
Operational Data:		
Employees	14,125	13,159

Source: C.H. Robinson

###



Earnings Conference Call – Fourth Quarter 2016 February 1, 2017

John Wiehoff, Chairman & CEO
Andrew Clarke, CFO
Tim Gagnon, Director, Investor Relations



C.H. ROBINSON

Safe Harbor Statement

Except for the historical information contained herein, the matters set forth in this presentation and the accompanying earnings release are forward-looking statements that represent our expectations, beliefs, intentions or strategies concerning future events. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience or our present expectations, including, but not limited to such factors as changes in economic conditions, including uncertain consumer demand; changes in market demand and pressures on the pricing for our services; competition and growth rates within the fourth party logistics industry; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight, and changes in relationships with existing truck, rail, ocean and air carriers; changes in our customer base due to possible consolidation among our customers; our ability to integrate the operations of acquired companies with our historic operations successfully; risks associated with litigation and insurance coverage; risks associated with operations outside of the U.S.; risks associated with the potential impacts of changes in government regulations; risks associated with the produce industry, including food safety and contamination issues; fuel prices and availability; changes to our share repurchase activity; the impact of war on the economy; and other risks and uncertainties detailed in our Annual and Quarterly Reports.



Results Q4 2016

in thousands, except per share amounts and headcount

Three months ended December 31

Twelve months ended December 31

	2016	2015	% Change	2016	2015	% Change
Total Revenues	\$3,414,975	\$3,210,853	6.4%	\$13,144,413	\$13,476,084	(2.5%)
Total Net Revenues	\$561,516	\$570,777	(1.6%)	\$2,277,528	\$2,268,480	0.4%
Net Revenue Margin %	16.4%	17.8%		17.3%	16.8%	
Income from Operations	\$193,565	\$214,579	(9.8%)	\$837,531	\$858,310	(2.4%)
Operating Margin %	34.5%	37.6%		36.8%	37.8%	
Net Income	\$122,303	\$126,583	(3.4%)	\$513,384	\$509,699	0.7%
Earnings Per Share (Diluted)	\$0.86	\$0.88	(2.3%)	\$3.59	\$3.51	2.3%
Weighted Average Shares Outstanding (Diluted)	142,164	144,144	(1.4%)	142,991	145,349	(1.6%)
Depreciation and Amortization	\$21,953	\$16,896	29.9%	\$74,669	\$66,409	12.4%
Total Assets	\$3,652,570	\$3,184,358	14.7%	\$3,652,570	\$3,184,358	14.7%
Average Headcount	14,074	13,158	7.0%	13,670	12,902	6.0%
Ending Headcount	14,125	13,159	7.3%	14,125	13,159	7.3%

- Total revenues increased as a result of volume increases across all services.
- Net revenues decreased primarily as a result of truckload margin compression.
- Income from operations was negatively impacted by higher SG&A expenses, including costs associated with the APC acquisition.
- APC added approximately 2% to total company net revenues.



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Summarized Income Statement

in thousands

Three months ended Dec. 31

Twelve months ended Dec. 31

	2016	2015	% Change	2016	2015	% Change
Total Revenues	\$3,414,975	\$3,210,853	6.4%	\$13,144,413	\$13,476,084	(2.5%)
Total Net Revenues	\$561,516	\$570,777	(1.6%)	\$2,277,528	\$2,268,480	0.4%
Personnel Expenses	\$260,305	\$268,190	(2.9%)	\$1,064,936	\$1,051,410	1.3%
Selling, General, and Admin	\$107,646	\$88,008	22.3%	\$375,061	\$358,760	4.5%
Total Operating Expenses	\$367,951	\$356,198	3.3%	\$1,439,997	\$1,410,170	2.1%
Income from Operations	\$193,565	\$214,579	(9.8%)	\$837,531	\$858,310	(2.4%)
% of Net Revenue	34.5%	37.6%		36.8%	37.8%	
Net Income	\$122,303	\$126,583	(3.4%)	\$513,384	\$509,699	0.7%

- Personnel expenses decrease was primarily driven by lower variable compensation incentives and partially offset by average headcount growth.
- Selling, general, and administrative expenses increased due to higher claims, a higher provision for bad debt, and an increase in purchased services when compared to the fourth quarter of 2015.
- The effective tax rate was 35.8% in the fourth quarter of 2016.



Other Financial Information

in thousands

Three months ended Dec. 31

Twelve months ended Dec. 31

Cash Flow Data	2016	2015	% Change	2016	2015	% Change
Net Cash Provided by Operating Activities	\$152,580	\$253,893	(39.9%)	\$529,408	\$718,336	(26.3%)
Capital Expenditures, Net	\$20,326	\$11,831	71.8%	\$91,437	\$44,642	104.8%

Balance Sheet Data	December 31, 2016
Cash & Investments	\$247,666
Current Assets	\$1,972,914
Total Assets	\$3,652,570
Debt	\$1,240,000
Stockholders' Investment	\$1,257,847

- Total debt balance \$1.24 billion
 - \$500 million, 4.28% average coupon
 - \$740 million drawn on revolver, 1.92% current rate as of December 31, 2016



Capital Distribution

in thousands

	2011	2012 (a)	2013	2014	2015	2016
Net Income	\$431,612	\$447,007	\$415,904	\$449,711	\$509,699	\$513,384
Capital Distribution						
Cash Dividends Paid	\$194,697	\$219,313	\$220,257	\$215,008	\$235,615	\$245,430
Share Repurchases	\$250,274	\$255,849	(b) \$807,449	\$176,645	\$241,231	\$209,603
Subtotal	\$444,971	\$475,162	\$1,027,706	\$391,653	\$476,846	\$455,033
Percent of Net Income						
Cash Dividends Paid	45.1%	49.1%	53.0%	47.8%	46.2%	47.8%
Share Repurchases	58.0%	57.2%	194.1%	39.3%	47.3%	40.8%
Subtotal	103.1%	106.3%	247.1%	87.1%	93.6%	88.6%

- Capital returned to shareholders during the year
 - \$245.4 million cash dividend
 - \$209.6 million in cash for repurchase activity
 - 913,100 shares repurchased in the fourth quarter
 - Average price \$73.18 for the shares repurchased in the fourth quarter
- Target is to return approximately 90% of net income to shareholders annually.

(a) 2012 Net Income is adjusted to excluded transaction related gains and expenses. A reconciliation of adjusted results appears in Appendix A. 2012 Dividends exclude the fifth dividend payment made during the year.

(b) Includes a \$500 million accelerated share repurchase.



Net Revenue by Service Line Q4 2016

in thousands

Three months ended Dec. 31

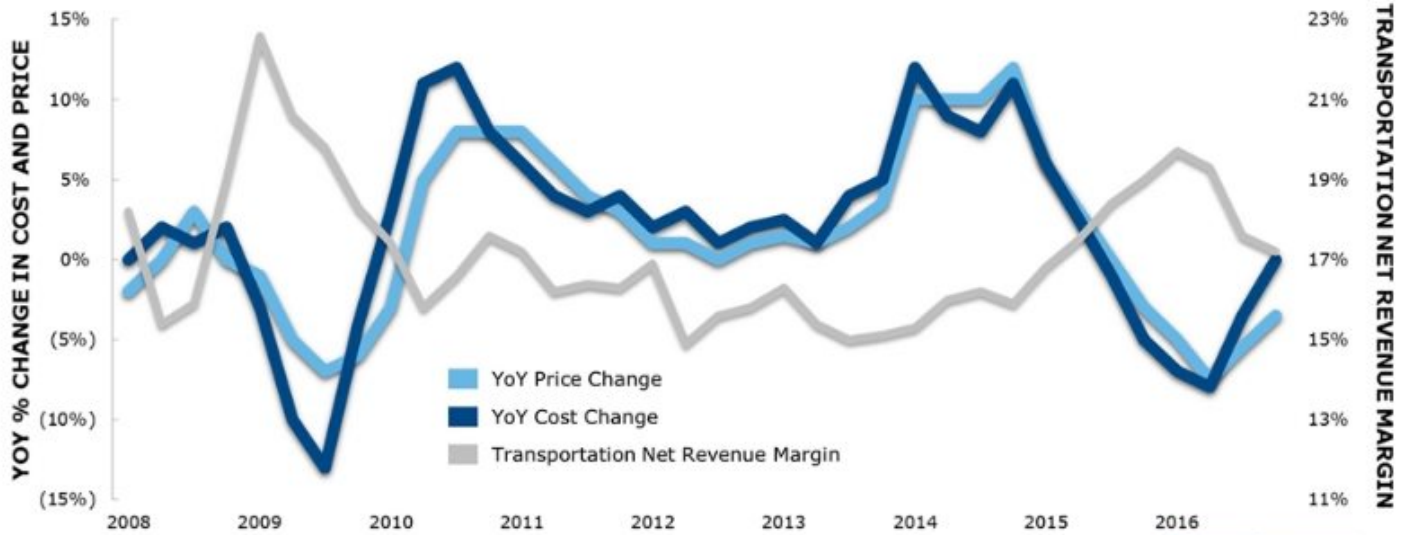
Twelve months ended Dec. 31

Net Revenue by Service Line	2016	2015	% Change	2016	2015	% Change
Truckload	\$296,740	\$338,892	(12.4%)	\$1,257,191	\$1,316,533	(4.5%)
LTL	\$94,299	\$89,622	5.2%	\$381,817	\$360,706	5.9%
Intermodal	\$7,521	\$8,835	(14.9%)	\$33,482	\$41,054	(18.4%)
Ocean	\$69,033	\$56,065	23.1%	\$244,276	\$223,643	9.2%
Air	\$23,743	\$18,613	27.6%	\$82,167	\$79,096	3.9%
Customs	\$15,860	\$10,681	48.5%	\$50,509	\$43,929	15.0%
Other Logistics Services	\$28,404	\$21,217	33.9%	\$105,369	\$82,548	27.6%
Sourcing	\$25,916	\$26,852	(3.5%)	\$122,717	\$120,971	1.4%
Total	\$561,516	\$570,777	(1.6%)	\$2,277,528	\$2,268,480	0.4%

- Net revenues by service line for the enterprise (all segments).
- Sourcing net revenues does not include the Robinson Fresh transportation net revenues.



North America Truckload Cost and Price Change⁽¹⁾



- North America Truckload cost and price change chart represents truckload shipments from all segments. Transportation net revenue margin represents total Transportation results from all segments.
- The percent change in cost per mile net of fuel increased each month in the fourth quarter when compared to the fourth quarter of 2015.

North America Truckload	Q4	YTD
Volume	10%	6%
Price	(3.5%)	(5%)
Cost	0%	(4.5%)
Net Revenue Margin	↓	↓

(1) Cost and price change exclude the estimated impact of fuel.



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Transportation Results Q4 2016⁽¹⁾

in thousands

Three months ended Dec. 31

Twelve months ended Dec. 31

Transportation	2016	2015	% Change	2016	2015	% Change
Total Revenues	\$3,110,978	\$2,867,301	8.5%	\$11,704,745	\$11,989,780	(2.4%)
Total Net Revenues	\$535,600	\$543,925	(1.5%)	\$2,154,811	\$2,147,509	0.3%
Net Revenue Margin %	17.2%	19.0%		18.4%	17.9%	

Transportation Net Revenue Margin %	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Q1	20.2%	18.2%	22.6%	17.4%	17.2%	16.9%	16.3%	15.3%	16.8%	19.7%
Q2	17.9%	15.4%	20.6%	15.8%	16.2%	14.9%	15.4%	16.0%	17.5%	19.3%
Q3	18.0%	15.9%	19.8%	16.6%	16.4%	15.6%	15.0%	16.2%	18.4%	17.6%
Q4	17.7%	19.0%	18.3%	17.6%	16.3%	15.8%	15.1%	15.9%	19.0%	17.2%
Total	18.4%	17.0%	20.2%	16.8%	16.5%	15.8%	15.4%	15.9%	17.9%	18.4%

- Total revenues increased as a result of volume increases across all services.
- Fuel had an approximate 110 basis point inflationary impact on the transportation net revenue margin in the fourth quarter of 2015.

(1) Includes results across all segments.



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North American Surface Transportation ("NAST") Results Q4 2016

in thousands, except headcount

Three months ended December 31

Twelve months ended December 31

	2016	2015	% Change	2016	2015	% Change
Total Revenues ⁽¹⁾	\$2,281,435	\$2,171,427	5.1%	\$8,737,716	\$8,968,349	(2.6%)
Total Net Revenues	\$363,281	\$398,279	(8.8%)	\$1,524,355	\$1,564,917	(2.6%)
Net Revenue Margin %	15.9%	18.3%		17.4%	17.4%	
Income from Operations	\$157,631	\$183,964	(14.3%)	\$674,436	\$718,329	(6.1%)
Operating Margin %	43.4%	46.2%		44.2%	45.9%	
Depreciation and Amortization	\$5,575	\$5,457	2.2%	\$22,126	\$21,846	1.3%
Total Assets	\$2,088,611	\$1,878,203	11.2%	\$2,088,611	\$1,878,203	11.2%
Average Headcount	6,809	6,683	1.9%	6,773	6,575	3.0%

- Total revenue growth was driven by volume increases in all services.
- Net revenues decreased primarily as a result of lower truckload pricing to customers on a year-over-year basis while purchased transportation costs were approximately flat.
- Income from operations decreased as a result of the net revenue decrease.

(1) Does not include intercompany revenues.



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NAST Results by Service Line Q4 2016

Truckload, Less Than Truckload, and Intermodal

in thousands

Three months ended December 31

Twelve months ended December 31

Net Revenues	2016	2015	% Change	2016	2015	% Change
Truckload	\$261,065	\$299,801	(12.9%)	\$1,108,287	\$1,162,346	(4.7%)
LTL	\$90,629	\$86,260	5.1%	\$366,137	\$348,335	5.1%
Intermodal	\$7,138	\$8,476	(15.8%)	\$31,308	\$39,203	(20.1%)
Other	\$4,449	\$3,742	18.9%	\$18,623	\$15,033	23.9%
Total	\$363,281	\$398,279	(8.8%)	\$1,524,355	\$1,564,917	(2.6%)

Truckload ⁽¹⁾	Quarter	YTD
Pricing ⁽²⁾	(3.5%)	(5%)
Cost ⁽²⁾	0%	(4.5%)
Volume	10%	5.5%
Net Revenue Margin	↓	↓

LTL ⁽¹⁾	Quarter	YTD
Pricing ⁽²⁾	↑	↓
Volume	5%	7.5%
Net Revenue Margin	↓	↑

Intermodal ⁽¹⁾	Quarter	YTD
Pricing ⁽²⁾	↓	↓
Volume	13%	(4.5%)
Net Revenue Margin	↓	↓

TL

- Net revenue decrease in the fourth quarter was a result of a lower price per mile net of fuel while purchased transportation cost net of fuel was approximately flat.
- Volume growth in the fourth quarter was primarily the result of increased volume from both contractual and transactional customers.

LTL

- Net revenue increase in the fourth quarter was primarily the result of 5% volume growth.

IMDL

- Net revenues decreased in the fourth quarter as a result of lower pricing on contractual business and less available transactional opportunities.
- Volume increase in the fourth quarter driven by contractual volume growth, partially offset by a decrease in transactional business.



Global Forwarding Results Q4 2016

in thousands, except headcount

Three months ended December 31

Twelve months ended December 31

	2016	2015	% Change	2016	2015	% Change
Total Revenues ⁽¹⁾	\$475,971	\$376,767	26.3%	\$1,574,686	\$1,639,944	(4.0%)
Total Net Revenues	\$114,079	\$89,491	27.5%	\$397,537	\$365,467	8.8%
Net Revenue Margin %	24.0%	23.8%		25.2%	22.3%	
Income from Operations	\$24,631	\$18,727	31.5%	\$80,931	\$76,081	6.4%
Operating Margin %	21.6%	20.9%		20.4%	20.8%	
Depreciation and Amortization	\$7,868	\$5,255	49.7%	\$23,099	\$20,790	11.1%
Total Assets	\$668,553	\$556,606	20.1%	\$668,553	\$556,606	20.1%
Average Headcount	3,934	3,455	13.9%	3,673	3,381	8.6%

- The acquisition of APC Logistics added 14.7% to net revenue and 9% to average headcount in the fourth quarter of 2016 when compared to the fourth quarter of 2015.
- Net revenue growth was the result of strong performance across all Global Forwarding services.

(1) Does not include intercompany revenues.



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Global Forwarding Results by Service Line Q4 2016

Ocean, Air, and Customs

in thousands

Three months ended Dec. 31

Twelve months ended Dec. 31

Net Revenues	2016	2015	% Change	2016	2015	% Change
Ocean	\$69,270	\$56,001	23.7%	\$244,177	\$223,271	9.4%
Air	\$21,997	\$16,626	32.3%	\$76,139	\$73,313	3.9%
Customs	\$15,859	\$10,679	48.5%	\$50,497	\$43,956	14.9%
Other	\$6,953	\$6,185	12.4%	\$26,724	\$24,927	7.2%
Total	\$114,079	\$89,491	27.5%	\$397,537	\$365,467	8.8%

Ocean	Quarter	YTD	Air	Quarter	YTD
Volume	↑	↑	Volume	↑	↑
Pricing	↓	↓	Pricing	↓	↓
Net Revenue Margin	↑	↑	Net Revenue Margin	↓	↑

- Achieved strong volume growth in all Global Forwarding services.
- Air freight success associated with the strategic initiative to grow air freight market share.
- Cross-selling initiatives yielded continued successful results in Global Forwarding in 2016.



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Robinson Fresh Results Q4 2016

in thousands, except headcount

Three months ended Dec. 31

Twelve months ended Dec. 31

	2016	2015	% Change	2016	2015	% Change
Total Revenues ⁽¹⁾	\$529,449	\$549,713	(3.7%)	\$2,344,131	\$2,395,440	(2.1%)
Total Net Revenues	\$51,753	\$56,163	(7.9%)	\$234,794	\$235,334	(0.2%)
Net Revenue Margin %	9.8%	10.2%		10.0%	9.8%	
Income from Operations	\$12,980	\$16,065	(19.2%)	\$75,757	\$81,332	(6.9%)
Operating Margin %	25.1%	28.6%		32.3%	34.6%	
Depreciation and Amortization	\$1,192	\$762	56.4%	\$3,782	\$2,927	29.2%
Total Assets	\$376,654	\$346,728	8.6%	\$376,654	\$346,728	8.6%
Average Headcount	951	912	4.3%	942	892	5.6%

- Robinson Fresh results include revenues from sourcing and transportation services.
- Net revenue decrease was a result of lower net revenues in both sourcing and transportation services in the fourth quarter of 2016 compared to the fourth quarter of 2015.
- Income from operations decreased as a result of lower net revenues and higher SG&A expenses.

(1) Does not include intercompany revenues.



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Robinson Fresh Results Q4 2016

Sourcing

in thousands

Three months ended Dec. 31

Twelve months ended Dec. 31

Sourcing	2016	2015	% Change	2016	2015	% Change
Total Revenues ⁽¹⁾	\$303,997	\$343,552	(11.5%)	\$1,439,668	\$1,486,304	(3.1%)
Net Revenues	\$25,916	\$26,852	(3.5%)	\$122,717	\$120,971	1.4%
Net Revenue Margin %	8.5%	7.8%		8.5%	8.1%	

- Sourcing net revenue decrease was primarily the result of a decrease in net revenue per case and changes in the services mix.
- Case volume increased approximately 2 percent in the fourth quarter of 2016 when compared to the fourth quarter of 2015.

(1) Does not include intercompany revenues.



Robinson Fresh Results Q4 2016

Transportation

in thousands

	Three months ended Dec. 31			Twelve months ended Dec. 31		
Transportation	2016	2015	% Change	2016	2015	% Change
Total Revenues ⁽¹⁾	\$225,452	\$206,161	9.4%	\$904,463	\$909,136	(0.5%)
Net Revenues	\$25,837	\$29,311	(11.9%)	\$112,077	\$114,363	(2.0%)
Net Revenue Margin %	11.5%	14.2%		12.4%	12.6%	

Net Revenues	2016	2015	% Change	2016	2015	% Change
Truckload	\$20,485	\$25,061	(18.3%)	\$91,016	\$99,114	(8.2%)
Other	\$5,352	\$4,250	25.9%	\$21,061	\$15,249	38.1%
Total	\$25,837	\$29,311	(11.9%)	\$112,077	\$114,363	(2.0%)

Truckload ⁽²⁾	Quarter	YTD
Pricing ⁽³⁾	(3.5%)	(5%)
Cost ⁽³⁾	0%	(4.5%)
Volume	11%	6%
Net Revenue Margin	↓	↓

- Transportation net revenue decrease was primarily a result of lower truckload price per mile net of fuel, while purchase transportation costs net of fuel were approximately flat.

(1) Does not include intercompany revenues.

(2) Represents price and cost YoY change for North America shipments across all segments.

(3) Pricing and cost measures exclude the estimated impact of the change in fuel prices.



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All Other and Corporate Results Q4 2016

in thousands, except headcount

Three months ended Dec. 31

Twelve months ended Dec. 31

	2016	2015	% Change	2016	2015	% Change
Total Revenues ⁽¹⁾	\$128,120	\$112,946	13.4%	\$487,880	\$472,351	3.3%
Total Net Revenues	\$32,403	\$26,844	20.7%	\$120,842	\$102,762	17.6%
Income from Operations	(\$1,677)	(\$4,177)	NM	\$6,407	(\$17,432)	NM
Depreciation and Amortization	\$7,318	\$5,422	35.0%	\$25,662	\$20,846	23.1%
Total Assets	\$518,752	\$402,821	28.8%	\$518,752	\$402,821	28.8%
Average Headcount	2,380	2,108	12.9%	2,282	2,054	11.1%

- Results represent business from Managed Services, Other Surface Transportation outside of North America, and other miscellaneous operations.
- Headcount includes personnel from shared services, Managed Services, Other Surface Transportation, and other miscellaneous operations.

(1) Does not include intercompany revenues.



C.H. ROBINSON

All Other and Corporate Results by Service Line Q4 2016

Managed Services and Other Surface Transportation

in thousands

	Three months ended Dec. 31			Twelve months ended Dec. 31		
Net Revenues	2016	2015	% Change	2016	2015	% Change
Managed Services	\$17,667	\$13,309	32.7%	\$64,701	\$48,745	32.7%
Other Surface Transportation	\$14,736	\$13,535	8.9%	\$56,141	\$54,017	3.9%
Total	\$32,403	\$26,844	20.7%	\$120,842	\$102,762	17.6%

- Managed Services net revenue growth was a result of increases from both new and existing customers.
- Other Surface Transportation includes surface transportation outside of North America.
- Other Surface Transportation net revenue increase was primarily the result of growth from the Surface Transportation business in Europe.

Final Comments

- January to date total company net revenue per day, including APC Logistics, has decreased approximately 1 percent when compared to January 2016.
- We continue to execute through the challenging North America truckload cycle.
- APC integration a top priority.
- 2017 Investment Priorities
 - Growing market share across all services
 - Technology
 - Digitization
 - Global expansion



Appendix A: 2012 Summarized Adjusted Income Statement

in thousands, except per share amounts

	2012 Actual	Non-Recurring Acquisition Impacts	Non-Recurring Divestiture Impacts	Adjusted
Total net revenues	\$1,717,571			\$1,717,571
Personnel expenses ⁽¹⁾	766,006	(385)	(34,207)	731,414
Other operating expenses ⁽²⁾	276,245	(10,225)	(379)	265,641
Total operating expenses	1,042,251	(10,610)	(34,586)	997,055
Income from operations	675,320	10,610	34,586	720,516
Investment & other income ⁽³⁾	283,142		(281,551)	1,591
Income before taxes	958,462	10,610	(246,965)	722,107
Provision for income taxes	364,658	2,745	(92,303)	275,100
Net income	\$593,804	\$7,865	(\$154,662)	\$447,007
Net income per share (diluted)	\$3.67			\$2.76
Weighted average shares (diluted)	161,946	185 (4)	92 (5)	161,669

To assist investors in understanding our financial performance, we supplement the financial results that are generated in accordance with the accounting principles generally accepted in the United States, or GAAP, with non-GAAP financial measures, including non-GAAP operating expenses, non-GAAP income from operations, non-GAAP net income and non-GAAP diluted net income per share. We believe that these non-GAAP measures provide meaningful insight into our operating performance excluding certain event-specific charges, and provide an alternative perspective of our results of operations. We use non-GAAP measures to assess our operating performance for the quarter. Management believes that these non-GAAP financial measures reflect an additional way of analyzing aspects of our ongoing operations that, when viewed with our GAAP results, provides a more complete understanding of the factors and trends affecting our business.

- 1) The adjustment to personnel consists of \$33 million of incremental vesting expense of our equity awards triggered by the gain on the divestiture of T-Chek. The balance consists of transaction related bonuses.
- 2) The adjustments to other operating expenses reflect fees paid to third parties for:
 - a) Investment banking fees related to the acquisition of Phoenix
 - b) External legal and accounting fees related to the acquisitions of Apreo and Phoenix and the divestiture of T-Chek.
- 3) The adjustment to investment and other income reflects the gain from the divestiture of T-Chek.
- 4) The adjustment to diluted weighted average shares outstanding relates to the shares of C.H. Robinson stock issued as consideration paid to the sellers in the acquisition of Phoenix.
- 5) The adjustment to diluted weighted average shares outstanding relates to the additional vesting of performance-based restricted stock as a result of the gain on sale recognized from the divestiture of T-Chek.





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C.H. Robinson Business Segment Information (unaudited, dollars in thousands)**Three months ended December 31, 2016**

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,281,435	\$ 475,971	\$529,449	\$ 128,120	—	\$ 3,414,975
Intersegment Revenues (1)	86,898	6,726	36,203	1,569	(131,396)	—
Total Revenues	\$2,368,333	\$ 482,697	\$565,652	\$ 129,689	(\$ 131,396)	\$ 3,414,975
Net Revenues	\$ 363,281	\$ 114,079	\$ 51,753	\$ 32,403	—	\$ 561,516
Operating Income/(Loss)	\$ 157,631	\$ 24,631	\$ 12,980	(\$ 1,677)	—	\$ 193,565
Depreciation and Amortization	\$ 5,575	\$ 7,868	\$ 1,192	\$ 7,318	—	\$ 21,953
Total Assets	\$2,088,611	\$ 668,553	\$376,654	\$ 518,752	—	\$ 3,652,570
Average Headcount	6,809	3,934	951	2,380	—	14,074

Three months ended September 30, 2016

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,252,187	\$ 390,830	\$590,385	\$ 122,352	—	\$ 3,355,754
Intersegment Revenues (1)	79,728	8,742	32,255	100	(120,825)	—
Total Revenues	\$2,331,915	\$ 399,572	\$622,640	\$ 122,452	(\$ 120,825)	\$ 3,355,754
Net Revenues	\$ 378,073	\$ 93,368	\$ 57,036	\$ 29,985	—	\$ 558,462
Operating Income	\$ 171,733	\$ 17,047	\$ 17,733	\$ 4,754	—	\$ 211,267
Depreciation and Amortization	\$ 5,547	\$ 5,073	\$ 983	\$ 6,054	—	\$ 17,657
Total Assets	\$2,115,467	\$ 625,267	\$405,832	\$ 517,496	—	\$ 3,664,062
Average Headcount	6,869	3,715	956	2,322	—	13,862

Three months ended June 30, 2016

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,158,615	\$ 356,773	\$660,204	\$ 124,149	—	\$ 3,299,741
Intersegment Revenues (1)	71,543	8,763	27,049	229	(107,584)	—
Total Revenues	\$2,230,158	\$ 365,536	\$687,253	\$ 124,378	(\$ 107,584)	\$ 3,299,741
Net Revenues	\$ 399,203	\$ 97,224	\$ 67,820	\$ 29,968	—	\$ 594,215
Operating Income	\$ 182,721	\$ 22,396	\$ 27,311	\$ 1,319	—	\$ 233,747
Depreciation and Amortization	\$ 5,502	\$ 5,079	\$ 839	\$ 6,764	—	\$ 18,184
Total Assets	\$1,936,149	\$ 505,778	\$427,272	\$ 479,871	—	\$ 3,349,070
Average Headcount	6,800	3,514	947	2,261	—	13,522

Three months ended March 31, 2016

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,045,479	\$ 351,112	\$564,093	\$ 113,259	—	\$ 3,073,943
Intersegment Revenues (1)	60,269	6,080	23,896	313	(90,558)	—
Total Revenues	\$2,105,748	\$ 357,192	\$587,989	\$ 113,572	(\$ 90,558)	\$ 3,073,943
Net Revenues	\$ 383,798	\$ 92,866	\$ 58,185	\$ 28,486	—	\$ 563,335
Operating Income	\$ 162,351	\$ 16,857	\$ 17,733	\$ 2,011	—	\$ 198,952
Depreciation and Amortization	\$ 5,502	\$ 5,079	\$ 768	\$ 5,526	—	\$ 16,875
Total Assets	\$1,854,240	\$ 514,958	\$370,319	\$ 422,728	—	\$ 3,162,245
Average Headcount	6,666	3,488	922	2,175	—	13,251

(1) Intersegment revenues represent the sales between our segments and are eliminated to reconcile to our consolidated results.

C.H. Robinson Business Segment Information (unaudited, dollars in thousands)

Three months ended December 31, 2015

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,171,427	\$ 376,767	\$549,713	\$ 112,946	—	\$ 3,210,853
Intersegment Revenues (1)	64,581	4,295	23,991	402	(93,269)	—
Total Revenues	\$2,236,008	\$ 381,062	\$573,704	\$ 113,348	(\$ 93,269)	\$ 3,210,853
Net Revenues	\$ 398,279	\$ 89,491	\$ 56,163	\$ 26,844	—	\$ 570,777
Operating Income/(Loss)	\$ 183,964	\$ 18,727	\$ 16,065	(\$ 4,177)	—	\$ 214,579
Depreciation and Amortization	\$ 5,457	\$ 5,255	\$ 762	\$ 5,422	—	\$ 16,896
Total Assets	\$1,878,203	\$ 556,606	\$346,728	\$ 402,821	—	\$ 3,184,358
Average Headcount	6,683	3,455	912	2,108	—	13,158

Three months ended September 30, 2015

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,282,235	\$ 420,628	\$602,913	\$ 113,477	—	\$ 3,419,253
Intersegment Revenues (1)	69,845	4,529	23,609	557	(98,540)	—
Total Revenues	\$2,352,080	\$ 425,157	\$626,522	\$ 114,034	(\$ 98,540)	\$ 3,419,253
Net Revenues	\$ 410,478	\$ 94,797	\$ 57,911	\$ 25,389	—	\$ 588,575
Operating Income/(Loss)	\$ 197,209	\$ 22,477	\$ 19,908	(\$ 6,883)	—	\$ 232,711
Depreciation and Amortization	\$ 5,454	\$ 5,181	\$ 754	\$ 5,442	—	\$ 16,831
Total Assets	\$1,943,010	\$ 594,908	\$366,191	\$ 408,456	—	\$ 3,312,565
Average Headcount	6,723	3,422	906	2,061	—	13,112

Three months ended June 30, 2015

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,319,936	\$ 431,098	\$672,424	\$ 121,630	—	\$ 3,545,088
Intersegment Revenues (1)	71,785	5,027	21,381	510	(98,703)	—
Total Revenues	\$2,391,721	\$ 436,125	\$693,805	\$ 122,140	(\$ 98,703)	\$ 3,545,088
Net Revenues	\$ 398,151	\$ 94,846	\$ 65,712	\$ 25,309	—	\$ 584,018
Operating Income/(Loss)	\$ 187,063	\$ 20,904	\$ 26,066	(\$ 4,938)	—	\$ 229,095
Depreciation and Amortization	\$ 5,469	\$ 5,176	\$ 720	\$ 5,074	—	\$ 16,439
Total Assets	\$1,969,209	\$ 605,679	\$412,425	\$ 416,701	—	\$ 3,404,014
Average Headcount	6,575	3,350	890	2,035	—	12,850

Three months ended March 31, 2015

	<u>NAST</u>	<u>Global Forwarding</u>	<u>Robinson Fresh</u>	<u>All Other & Corporate</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues	\$2,194,751	\$ 411,451	\$570,390	\$ 124,298	—	\$ 3,300,890
Intersegment Revenues (1)	65,346	5,251	20,052	638	(91,287)	—
Total Revenues	\$2,260,097	\$ 416,702	\$590,442	\$ 124,936	(\$ 91,287)	\$ 3,300,890
Net Revenues	\$ 358,009	\$ 86,333	\$ 55,548	\$ 25,220	—	\$ 525,110
Operating Income/(Loss)	\$ 150,093	\$ 13,973	\$ 19,293	(\$ 1,434)	—	\$ 181,925
Depreciation and Amortization	\$ 5,466	\$ 5,178	\$ 691	\$ 4,908	—	\$ 16,243
Total Assets	\$1,965,361	\$ 601,452	\$360,648	\$ 381,763	—	\$ 3,309,224
Average Headcount	6,391	3,294	866	2,014	—	12,565

(1) Intersegment revenues represent the sales between our segments and are eliminated to reconcile to our consolidated results.