KNX Q1 2019 Earnings Presentation

Disclosure

This presentation, including documents incorporated herein by reference, will contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. Please review our disclosures in filings with the United States Securities and Exchange Commission.

Non-GAAP Financial Data

This presentation includes the use of adjusted operating income, operating ratio, adjusted operating ratio, adjusted net income, adjusted earnings per share, adjusted pre-tax income, return on net tangible assets and free cash flow, which are financial measures that are not in accordance with United States generally accepted accounting principles ("GAAP"). Each such measure is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors and lenders. While management believes such measures are useful for investors, they should not be used as a replacement for financial measures that are in accordance with GAAP. In addition, our use of these non-GAAP measures should not be interpreted as indicating that these or similar items could not occur in future periods. In addition, adjusted operating ratio excludes trucking segment fuel surcharges from revenue and nets these surcharges against fuel expense.

Disclosure

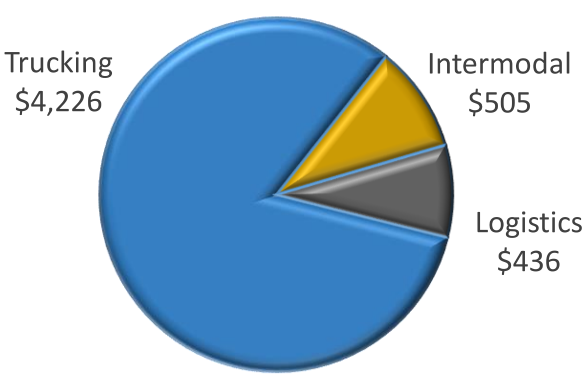
On September 8, 2017, pursuant to the Agreement and Plan of Merger, dated as of April 9, 2017, by Swift Transportation Company (“Swift”), Bishop Merger Sub, Inc., a direct wholly owned subsidiary of Swift, (“Merger Sub”), and Knight Transportation, Inc. (“Knight”), Merger Sub merged with and into Knight, with Knight surviving as a direct wholly owned subsidiary of Swift (the “2017 Merger”). Knight was the accounting acquirer and Swift was the legal acquirer in the 2017 Merger. In accordance with the accounting treatment applicable to the 2017 Merger, throughout this presentation, the reported results do not include the results of operations of Swift and its subsidiaries on and prior to the 2017 Merger date of September 8, 2017 (the “2017 Merger Date”). However, where indicated, certain historical information of Swift and its subsidiaries on and prior to the 2017 Merger Date, including their results of operations and certain operational statistics (collectively, the “Swift Historical Information”), has been provided. Management believes that presentation of the Swift Historical Information will be useful to investors. The Swift Historical Information has not been prepared in accordance with the rules of the Securities and Exchange Commission, including Article 11 of Regulation S-X, and it therefore does not reflect any of the pro forma adjustments that would be required by Article 11 of Regulation S-X. The Swift Historical Information does not purport to indicate the results that would have been obtained had the Swift and Knight businesses been operated together during the periods presented, or which may be realized in the future.

KNX Overview

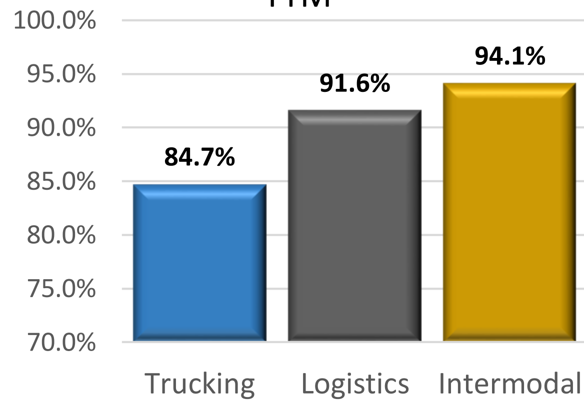
Trucking ~ *80% of Revenue*
- Dry Van, Refrigerated, Dedicated, Flatbed, Drayage, and Expedited service offerings
- Includes contiguous U.S., Mexico, and Canada
- Multiple brands – Knight, Swift, Barr-Nunn, Trans-Mex, Abilene, Kold Trans
- Largest fleet in North America 18,934
  - 13,041 irregular route tractors
  - 5,893 dedicated tractors

Asset Light ~ *20% of Revenue*
- **Logistics**
  - $436M in annual revenue Q1’19 TTM
  - Access to over 30,000 carriers
- **Intermodal**
  - $505M in annual revenue Q1’19 TTM
  - 9,866 containers and 693 tractors

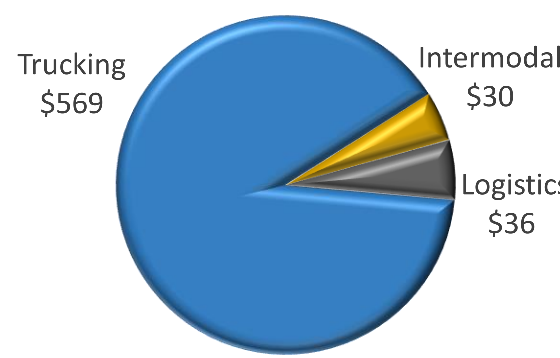
Revenue Q1'19 TTM (millions)[1]



Adj Operating Ratio Q1'19 TTM [1]



Adj Op. Income Q1'19 TTM (millions)[1]



(1) Excludes the results of certain non-reportable segments

First Quarter 2019 Comparative Results

(dollars in thousands, except per share data)	Quarter Ended March 31, [1]		
	2019	2018	Change
Total Revenue	$1,204,535	$1,271,132	(5.2)%
Revenue xFSC	$1,078,138	$1,124,172	(4.1)%
Operating Income	$116,299	$93,744	24.1%
Adj. Operating Income [2]	$126,992	$104,253	21.8%
Net Income attributable to Knight-Swift	$87,938	$70,364	25.0%
Adj. Net income attributable to Knight Swift[2]	$96,181	$78,511	22.5%
Earnings per diluted share	$0.51	$0.39	30.8%
Adj. EPS[2]	$0.55	$0.44	25.0%

Adjustments

- $10.7M in Q1 2019 and $10.5M in Q1 2018 of amortization expense from mergers and acquisitions

(1) The reported results do not include the results of operations of Abilene Motor Express, Inc. (Abilene) and its subsidiaries on and prior to its acquisition by Knight on March 16, 2018 in accordance with the accounting treatment applicable to the transaction

(2) See GAAP to non-GAAP reconciliation in the schedules following this presentation

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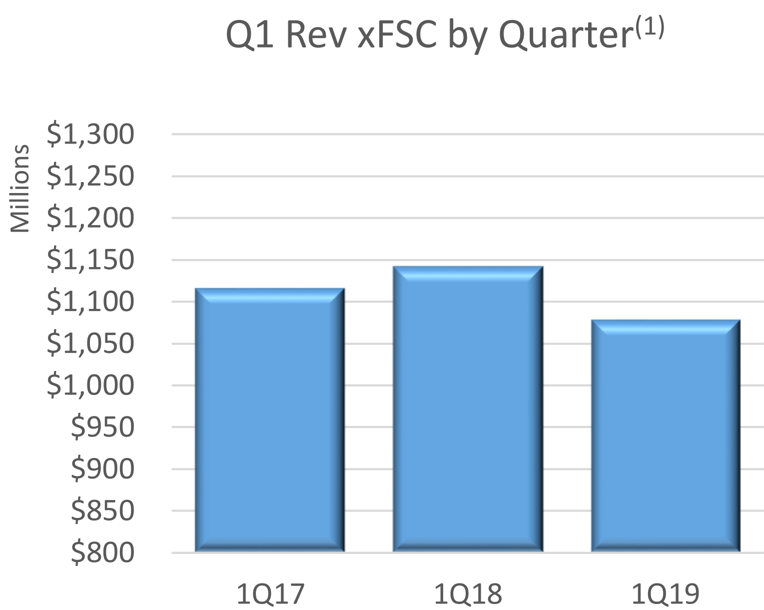
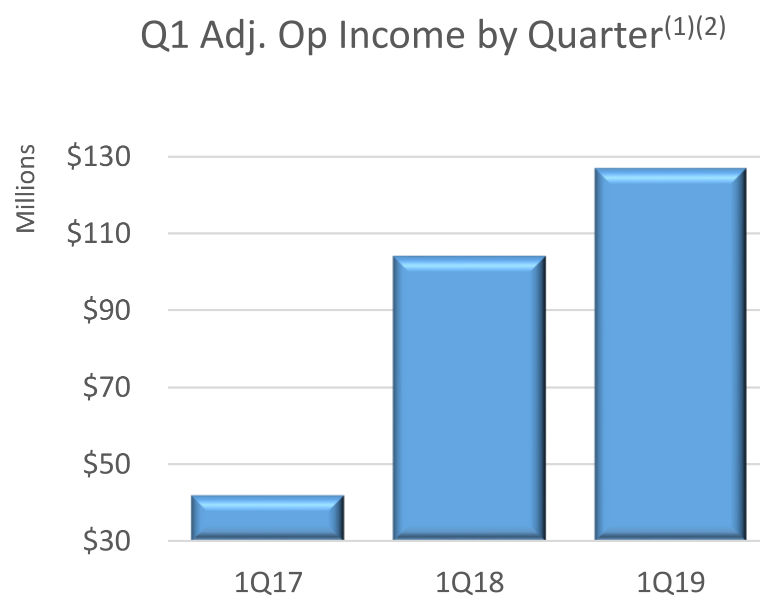
First Quarter 2019 Comparative Results



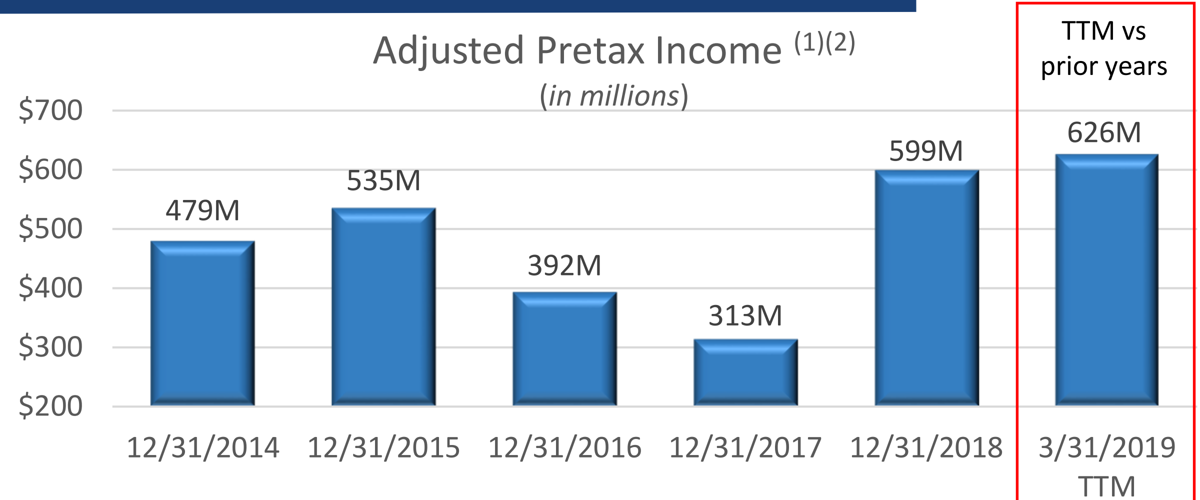


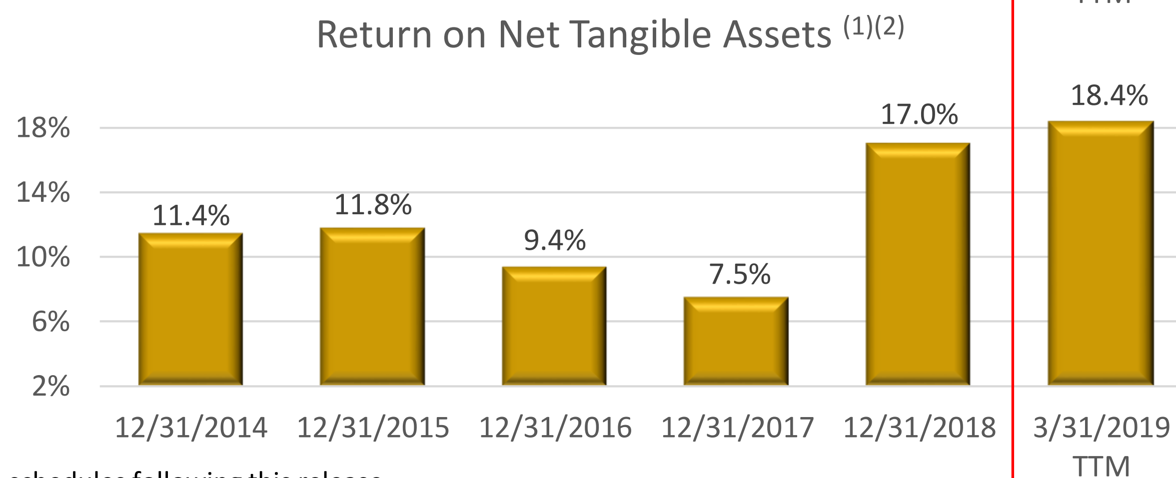
(1) Historical information prior to the Swift merger in Sept 2017 has not been prepared in accordance with the rules of the Securities and Exchange Commission, including Article 11 of Regulation S-X, and it therefore does not reflect any of the pro forma adjustments that would be required by Article 11 of Regulation S-X. The Swift Historical Information does not purport to indicate the results that would have been obtained had the Swift and Knight businesses been operated together during the periods presented, or which may be realized in the future.
(2) See GAAP to non-GAAP reconciliation in the schedules following this release

Significant Value Creation

- Knight-Swift continues to generate meaningful income growth while diversifying its asset-light businesses

- **18.4%** TTM Return on Net Tangible Assets





(1) See GAAP to non-GAAP reconciliation in the schedules following this release.
(2) Historical information prior to the Swift merger in Sept 2017 has not been prepared in accordance with the rules of the United States Securities and Exchange Commission, including Article 11 of Regulation S-X, and it therefore does not reflect any of the pro forma adjustments that would be required by Article 11 of Regulation S-X. The Swift Historical Information does not purport to indicate the results that would have been obtained had the Swift and Knight businesses been operated together during the period presented, or which may be realized in the future.

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Operating Performance – Trucking

- 220 bps improvement in Adj. Operating Ratio
- 15% growth in Adjusted Operating Income
- 106 sequential average tractor growth to 18,934
- 9.4% improvement in revenue excluding fsc per mile from Q1 2018
- 85.3% Swift Truckload Adjusted Operating Ratio
- 81.4% Knight Truckload Adjusted Operating Ratio

Trucking Financial Metrics

	Q1 19	Q1 18	Change
Revenue excluding fsc	$ 865,630	$ 908,254	(4.7)%
Operating Income	$ 115,175	$ 100,251	14.9%
Adjusted Operating Income(1)	$ 115,524	$100,416	15.0%
Operating Ratio	88.2%	90.3%	(210) bps
Adjusted Operating Ratio(1)	86.7%	88.9%	(220) bps

Trucking Operating Statistics
(dollars in thousands)

	Q1 19	Q1 18	Change
Average revenue per Tractor	$45,718	$46,222	(1.1)%
Average Tractors	18,934	19,650	(3.6)%
Average Trailers	58,934	65,336	(9.8)%
Miles per Tractor	22,523	24,681	(8.7)%

(1) See GAAP to non-GAAP reconciliation in the schedules following this presentation.

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Operating Performance – Logistics

- 84.0% increase in Operating Income to $7.3M
- 1.3% improvement in revenue excluding intersegment transactions
- 380 bps improvement in Adjusted Operating Ratio to 91.6%
- 470 bps improvement in Brokerage gross margin 17.8%

Logistics Financial Metrics

	Q1 19	Q1 18	Change
Revenue ex Intersegment	$ 87,191	$ 86,051	1.3%
Operating Income	$ 7,283	$ 3,959	84.0%
Operating Ratio	91.8%	95.6%	(380)bps
Adjusted Operating Ratio[1]	91.6%	95.4%	(380)bps

Brokerage Only Operating Statistics
(dollars in thousands)

	Q1 19	Q1 18	Change
Revenue per load	$1,432	$1,627	(12.0)%
Gross Margin	17.8%	13.1%	470bps

(1) See GAAP to non-GAAP reconciliation in the schedules following this presentation.

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Operating Performance – Intermodal

- 5.0% growth in Revenue excluding intersegment transactions
- 11.5% increase in revenue per load
- Inclement weather negatively impacted load volumes and increased drayage costs
- Increased container capacity to support future growth
- 160 bps increase in Adjusted Operating Ratio to 98.0%

Intermodal Financial Metrics

	Q1 19	Q1 18	Change
Revenue ex Intersegment	$ 115,677	$ 110,130	5.0%
Operating Income	$ 2,361	$ 3,948	(40.2)%
Operating Ratio	98.0%	96.4%	160 bps
Adjusted Operating Ratio[(1)]	98.0%	96.4%	160 bps

Intermodal Operating Statistics
(dollars in thousands)

	Q1 19	Q1 18	Change
Average revenue per load	$2,456	$2,203	11.5%
Load Count	47,109	49,997	(5.8)%
Average Tractors	693	580	19.5%
Average Containers	9,866	9,121	8.2%

(1) See GAAP to non-GAAP reconciliation in the schedules following this presentation.

1Q19 Capital Deployment

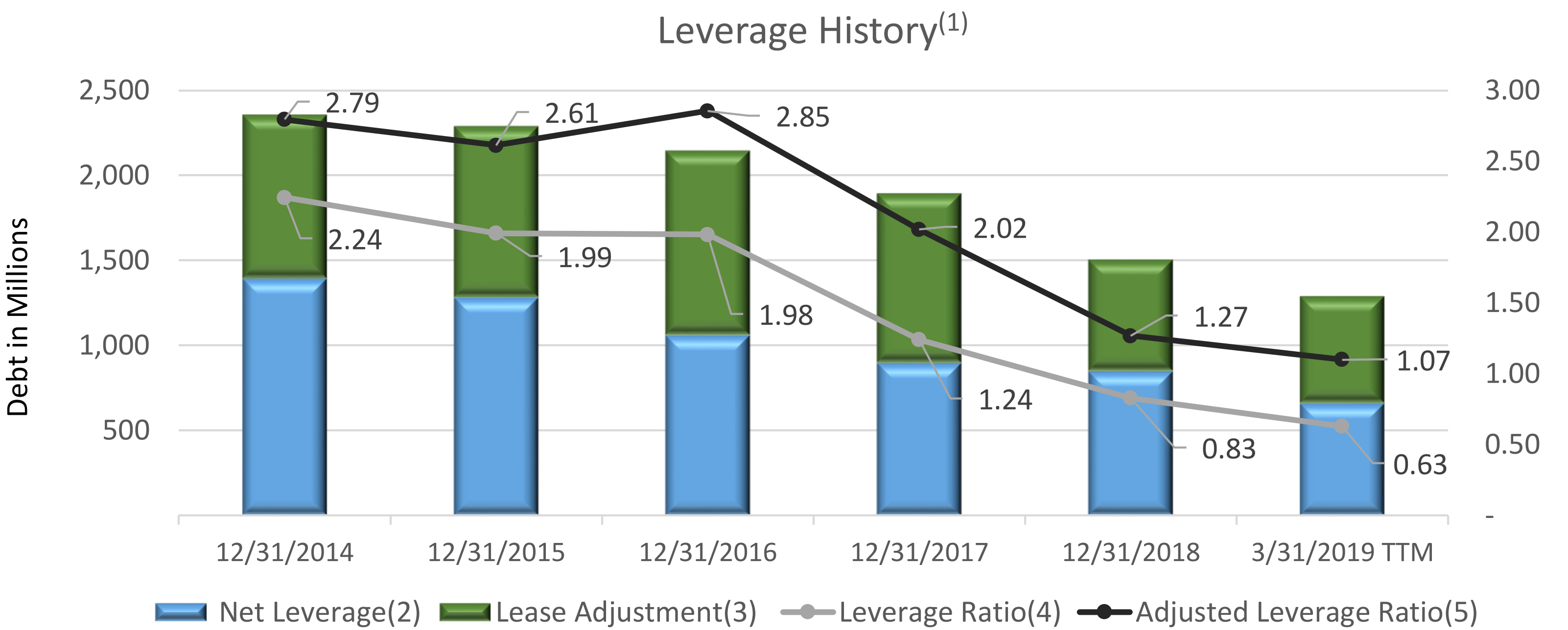
- **$194M** of Free Cash Flow (Cash from Operations less Net Cash Capex)
- **$19M** reduction in operating lease liabilities

$243 Million
Cash from Operations

- **$187 Million**
  Reduction in Net Debt
- **$49 Million**
  Net Cash CapEx
- **$11 Million**
  Quarterly Dividend Paid

Historical Leverage Ratio

Achieved post merger target leverage ratio in 6 quarters



(1) Based on historical reported results for Swift for periods prior to the 2017 Merger and for combined Knight-Swift results for periods subsequent to the 2017 Merger.
(2) Net Leverage is on-balance sheet debt net of unrestricted cash and cash equivalents at the balance sheet date and is calculated in accordance with the provisions of Swift's senior credit facility for all periods prior to the 2017 Merger and Knight-Swift's senior credit facility for all periods subsequent to the 2017 Merger.
(3) Lease Adjustment is management's estimated value of operating leases as if they were capital leases. This number is used by management for analysis purposes only and does not purport to be calculated in the same manner or intended for the same purpose as the right-of-use asset and liability calculations prescribed under US GAAP.
(4) Leverage Ratio is calculated in accordance with the provisions of Swift's senior credit facility for all periods prior to the 2017 Merger and Knight-Swift's senior credit facility for all periods subsequent to the 2017 Merger.
(5) Adjusted Leverage Ratio represents the Leverage Ratio adjusted to include the Lease Adjustment in Net Leverage while also adding back the corresponding rent expense into Adjusted EBITDA in order to calculate the adjusted leverage ratio. (Adjusted EBITDA is EBITDA less certain adjustments pursuant to the credit facilities.)

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2019 Market Outlook

- Opportunities to grow Logistics and Intermodal
- Actively pursue acquisition opportunities
- Fewer and less attractive non-contract opportunities
- Contract rates continue to be positive
- Signs of capacity rationalization

Q2 & Q3 2019 Guidance

- Expected Adjusted EPS for the second quarter 2019 of $0.62 - $0.64
- Expected Adjusted EPS for the third quarter 2019 of $0.62 - $0.66

Guidance Assumptions

- Tractor count to remain stable
- Contract rate improvements remain positive with fewer non-contract opportunities
- Q2 and Q3 year over year Adjusted Operating Ratio improvements in some of the Swift businesses
- The unfavorable year-over-year percent changes in miles per tractor will lessen
- Tax rate of 25-26%
- Expected 2019 net cash capex of $550M - $575M

These estimates represent Management's best estimates based on current information available. Actual results may differ materially from these estimates. We would refer you to the Risk Factors sections of the Company's annual report for a discussion of the risks that may affect results.

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Appendix

Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Adjusted Operating Income and Adjusted Operating Ratio [1 2]

	Quarter Ended March 31,	
	2019	2018 (recast)
GAAP Presentation	(Dollars in thousands)	
Total revenue	$ 1,204,535	$ 1,271,132
Total operating expenses	(1,088,236)	(1,177,388)
Operating income	$ 116,299	$ 93,744
Operating ratio	90.3%	92.6%
Non-GAAP Presentation		
Total revenue	$ 1,204,535	$ 1,271,132
Trucking fuel surcharge	(107,579)	(129,091)
Revenue, excluding trucking fuel surcharge	1,096,956	1,142,041
Total operating expenses	1,088,236	1,177,388
Adjusted for:		
Trucking fuel surcharge	(107,579)	(129,091)
Amortization of intangibles [3]	(10,693)	(10,509)
Adjusted Operating Expenses	969,964	1,037,788
Adjusted Operating Income	$ 126,992	$ 104,253
Adjusted Operating Ratio	88.4%	90.9%

1 Pursuant to the requirements of Regulation G, this table reconciles consolidated GAAP operating ratio to consolidated non-GAAP Adjusted Operating Ratio.

2 The reported results do not include the results of operations of Abilene and its subsidiaries on and prior to its acquisition by Knight on March 16, 2018 in accordance with the accounting treatment applicable to the transaction.

3 "Amortization of intangibles" reflects the non-cash amortization expense relating to intangible assets identified in the 2017 Merger, Abilene Acquisition, and historical Knight acquisitions.

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Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):

Adjusted Net Income Attributable to Knight-Swift and Adjusted EPS [1 2]

	Quarter Ended March 31,	
	2019	2018
	(Dollars In thousands)	
GAAP: Net income attributable to Knight-Swift	$ 87,938	$ 70,364
Adjusted for:		
Income tax expense attributable to Knight-Swift	27,923	18,975
Income before income taxes attributable to Knight-Swift	115,861	89,339
Amortization of intangibles [3]	10,693	10,344
Adjusted income before income taxes	126,554	99,683
Provision for income tax expense at effective rate	(30,373)	(21,172)
Non-GAAP: Adjusted Net Income Attributable to Knight-Swift	$ 96,181	$ 78,511

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Non-GAAP Reconciliation

Note: Because the numbers reflected in the table below are calculated on a per share basis, they may not foot due to rounding.

	Quarter Ended March 31,	
	2019	2018
GAAP: Earnings per diluted share	$ 0.51	$ 0.39
Adjusted for:		
Income tax expense attributable to Knight-Swift	0.16	0.11
Income before income taxes attributable to Knight-Swift	0.67	0.50
Amortization of intangibles [3]	0.06	0.06
Adjusted income before income taxes	0.73	0.56
Provision for income tax expense at effective rate	(0.17)	(0.12)
Non-GAAP: Adjusted EPS	$ 0.55	$ 0.44

1 Pursuant to the requirements of Regulation G, these tables reconcile consolidated GAAP net income attributable to Knight-Swift to non-GAAP consolidated Adjusted Net Income Attributable to Knight-Swift and consolidated GAAP diluted earnings per share to non-GAAP consolidated Adjusted EPS.

2 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 2.

3 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 3.

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Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Segment Adjusted Operating Income and Adjusted Operating Ratio

Trucking Segment [1, 2]	Quarter Ended March 31, 2019	Quarter Ended March 31, 2018 (recast)
GAAP Presentation	(Dollars in thousands)	
Total revenue	$ 973,245	$ 1,037,364
Total operating expenses	(858,070)	(937,113)
Operating income	$ 115,175	$ 100,251
Operating ratio	88.2%	90.3%
Non-GAAP Presentation		
Total revenue	$ 973,245	$ 1,037,364
Trucking fuel surcharge	(107,579)	(129,091)
Intersegment transactions	(36)	(19)
Revenue, excluding trucking fuel surcharge and intersegment transactions	865,630	908,254
Total operating expenses	858,070	937,113
Adjusted for:		
Trucking fuel surcharge	(107,579)	(129,091)
Intersegment transactions	(36)	(19)
Amortization of intangibles [3]	(349)	(165)
Adjusted Operating Expenses	750,106	807,838
Adjusted Operating Income	$ 115,524	$ 100,416
Adjusted Operating Ratio	86.7%	88.9%

1 Pursuant to the requirements of Regulation G, this table reconciles consolidated GAAP operating ratio to consolidated non-GAAP Adjusted Operating Ratio.

2 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 2.

3 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 3.

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Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Segment Adjusted Operating Income and Adjusted Operating Ratio — Continued

	Quarter Ended March 31,	
Logistics Segment [1] [2]	2019	2018 (recast)
GAAP Presentation	(Dollars in thousands)	
Total revenue	$ 88,952	$ 89,189
Total operating expenses	(81,669)	(85,230)
Operating income	$ 7,283	$ 3,959
Operating ratio	91.8%	95.6%
Non-GAAP Presentation		
Total revenue	$ 88,952	$ 89,189
Intersegment transactions	(1,761)	(3,138)
Revenue, excluding intersegment transactions	87,191	86,051
Total operating expenses	81,669	85,230
Adjusted for:		
Intersegment transactions	(1,761)	(3,138)
Adjusted Operating Expenses	79,908	82,092
Adjusted Operating Income	$ 7,283	$ 3,959
Adjusted Operating Ratio	91.6%	95.4%

1 Pursuant to the requirements of Regulation G, this table reconciles consolidated GAAP operating ratio to consolidated non-GAAP Adjusted Operating Ratio.

2 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 2.

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Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Segment Adjusted Operating Income and Adjusted Operating Ratio — Continued

	Quarter Ended March 31,	
Intermodal Segment [1 2]	**2019**	**2018 (recast)**
GAAP Presentation	**(Dollars in thousands)**	
Total revenue	$ 116,367	$ 110,267
Total operating expenses	(114,006)	(106,319)
Operating income	$ 2,361	$ 3,948
Operating ratio	98.0%	96.4%
Non-GAAP Presentation		
Total revenue	$ 116,367	$ 110,267
Intersegment transactions	(690)	(137)
Revenue, excluding intersegment transactions	115,677	110,130
Total operating expenses	114,006	106,319
Adjusted for:		
Intersegment transactions	(690)	(137)
Adjusted Operating Expenses	113,316	106,182
Adjusted Operating Income	$ 2,361	$ 3,948
Adjusted Operating Ratio	98.0%	96.4%

1 Pursuant to the requirements of Regulation G, this table reconciles consolidated GAAP operating ratio to consolidated non-GAAP Adjusted Operating Ratio.

2 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 2.

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Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Return on Net Tangible Assets [1] [2]

	March 31,		December 31,					
	2019	2018	2018	2017	2016	2015	2014	2013
				(Dollars in thousands)				
Total Assets								
Consolidated: Post-merger	8,081,142	7,656,086	7,911,885	7,683,442	—	—	—	—
Knight: Pre-merger	—	—	—	—	1,078,525	1,120,232	1,082,285	807,121
Swift: Pre-merger	—	—	—	—	2,745,666	2,919,667	2,892,721	2,809,008
Adjusted for:								
Deferred income tax assets								
Consolidated: Post-merger	—	—	—	—	—	—	—	—
Knight: Pre-merger	—	—	—	—	—	—	(3,187)	(3,359)
Swift: Pre-merger	—	—	—	—	—	—	—	(46,833)
Intangible assets, net								
Consolidated: Post-merger	(1,410,227)	(1,453,395)	(1,420,919)	(1,440,903)	—	—	—	—
Knight: Pre-merger	—	—	—	—	(2,575)	(3,075)	(3,575)	—
Swift: Pre-merger	—	—	—	—	(266,305)	(283,119)	(299,933)	(316,747)
Goodwill								
Consolidated: Post-merger	(2,919,222)	(2,910,101)	(2,919,176)	(2,887,867)	—	—	—	—
Knight: Pre-merger	—	—	—	—	(47,031)	(47,050)	(47,067)	(10,257)
Swift: Pre-merger	—	—	—	—	(253,256)	(253,256)	(253,256)	(253,256)
Tangible Assets	3,751,693	3,292,590	3,571,790	3,354,672	3,255,024	3,453,399	3,367,988	2,985,677

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Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Return on Net Tangible Assets (1) (2) - (Continued)

	March 31,		December 31,					
	2019	2018	2018	2017	2016	2015	2014	2013
Total Liabilities								
Consolidated: Post-merger	2,536,519	2,346,894	2,449,166	2,443,072	—	—	—	—
Knight: Pre-merger	—	—	—	—	289,794	379,860	403,010	252,588
Swift: Pre-merger	—	—	—	—	2,073,411	2,302,540	2,422,427	2,525,421
Adjusted for:								
Revolving line of credit, capital lease obligations, long-term debt and fair value of interest rate swaps								
Consolidated: Post-merger	(545,757)	(586,878)	(689,510)	(665,905)	—	—	—	—
Knight: Pre-merger	—	—	—	—	(18,000)	(112,000)	(134,400)	(38,000)
Swift: Pre-merger	—	—	—	—	(865,741)	(1,160,972)	(1,167,175)	(1,350,588)
Accounts receivable securitization								
Consolidated: Post-merger	(174,645)	(280,000)	(239,606)	(305,000)	—	—	—	—
Knight: Pre-merger	—	—	—	—	—	—	—	—
Swift: Pre-merger	—	—	—	—	(279,285)	(223,927)	(334,000)	(264,000)
Deferred income tax liabilities								
Consolidated: Post-merger	(730,516)	(671,111)	(739,538)	(679,077)	—	—	—	—
Knight: Pre-merger	—	—	—	—	(178,000)	(174,165)	(162,007)	(140,149)
Swift: Pre-merger	—	—	—	—	(427,722)	(463,832)	(437,389)	(484,200)
Non-Interest Bearing Liabilities, excluding deferred income tax liabilities	1,085,601	808,905	780,512	793,090	594,457	547,504	590,466	501,072
Net Tangible Assets	2,666,092	2,483,685	2,791,278	2,561,582	2,660,567	2,905,895	2,777,522	2,484,605
Average Net Tangible Assets	2,574,889		2,676,430	2,611,075	2,783,231	2,841,709	2,631,064	
Adjusted Net Income	473,740		456,070	195,545	260,894	335,340	301,221	
Return on Net Tangible Assets	18.4%		17.0%	7.5%	9.4%	11.8%	11.4%	

(1) Pursuant to the requirements of Regulation G, this table reconciles Total Assets and Total Liabilities to Average Net Tangible Assets.

(2) The Swift Historical Information has not been prepared in accordance with the rules of the Securities and Exchange Commission, including Article 11 of Regulation S-X, and it therefore does not reflect any of the pro forma adjustments that would be required by Article 11 of Regulation S-X. The Swift Historical Information does not purport to indicate the result that would have been obtained had the Swift and Knight businesses been operated together during the period presented, or which may be realized in the future.

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Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Adjusted Income Before Income Taxes and Adjusted Net Income (1) (2)

	Three Months Ended March 31, 2019	Year Ended December 31, 2018	Three Months Ended March 31, 2018	Twelve Months Ended March 31, 2019
	(Dollars in thousands)			
GAAP: Net income attributable to Knight-Swift	$ 87,938	419,264	70,364	436,838
Adjusted for:				
Income tax expense attributable to Knight-Swift	27,923	131,389	18,975	140,337
Income before income taxes attributable to Knight-Swift	115,861	550,653	89,339	577,175
Amortization of intangibles (2)	10,693	42,584	10,344	42,933
Impairments (3)	—	2,798	—	2,798
Severance expense (4)	—	1,958	—	1,958
Accrual for class action lawsuits (5)	—	1,000	—	1,000
Adjusted income before income taxes	126,554	598,993	99,683	625,864
Provision	(30,373)	(142,923)	(21,172)	(152,124)
Adjusted net income	96,181	456,070	78,511	473,740

(1) Pursuant to the requirements of Regulation G, this table reconciles Knight-Swift's GAAP Income before income taxes to Knight-Swift's Adjusted Income before Income Taxes and Adjusted Net Income.

(2) "Amortization of certain intangibles" reflects the non-cash amortization expense relating to intangible assets identified in the 2017 Merger, Abilene Acquisition, and historical Knight acquisitions.

(3) During the fourth quarter of 2018, the Company incurred impairment charges related to the Company airplane of $2.2 million and incurred impairment charges related to replaced software systems of $0.6 million.

(4) Severance expenses were incurred during the third and fourth quarters of 2018 in relation to certain organizational changes at Swift.

(5) In 2018, the Company incurred expenses related to certain class action lawsuits involving employment-related claims.

Non-GAAP Reconciliation

Non-GAAP Reconciliation (Unaudited):
Adjusted Income Before Income Taxes and Adjusted Net Income - Knight, Swift and Combined (1) (2)

	Knight				Swift				Combined			
	Year Ended December 31,				Year Ended December 31,				Year Ended December 31,			
	2017	2016	2015	2014	2017	2016	2015	2014	2017	2016	2015	2014
	(Dollars in thousands)											
GAAP: Net income attributable to	$ 130,453	$ 93,863	$ 116,718	$ 102,862	$ 365,135	$ 149,267	$ 197,577	$ 161,152	$ 495,588	$ 243,130	$ 314,295	$ 264,014
Adjusted for: (3)												
Income tax (benefit) expense	(25,314)	57,592	68,047	67,809	(263,506)	65,702	119,209	89,474	(288,820)	123,294	187,256	157,283
Income before income taxes attributable to	105,139	151,455	184,765	170,671	101,629	214,969	316,786	250,626	206,768	366,424	501,551	421,297
Amortization of intangibles (4)	—	—	—	—	23,652	15,648	15,648	15,648	23,652	15,648	15,648	15,648
Impairments (5)	—	—	—	—	22,318	807	1,480	2,308	22,318	807	1,480	2,308
Accrual for class action lawsuits (6)	1,900	2,450	7,163	—	—	—	—	—	1,900	2,450	7,163	—
Moyes retirement package	—	—	—	—	—	7,079	—	—	—	7,079	—	—
Loss on debt extinguishment	—	—	—	—	—	—	9,567	39,909	—	—	9,567	39,909
Merger and acquisition related expenses (7)	23,112	—	—	—	35,123	—	—	—	58,235	—	—	—
Adjusted income before income taxes	130,151	153,905	191,928	170,671	182,722	238,503	343,481	308,491	312,873	392,408	535,409	479,162
Provision	(48,807)	(58,532)	(70,815)	(67,809)	(68,521)	(72,982)	(129,254)	(110,132)	(117,328)	(131,514)	(200,069)	(177,941)
Adjusted net income	$ 81,344	$ 95,373	$ 121,113	$ 102,862	$ 114,201	$ 165,521	$ 214,227	$ 198,359	$ 195,545	$ 260,894	$ 335,340	$ 301,221

(1) Pursuant to the requirements of Regulation G, this table reconciles GAAP net income to Adjusted Income before Income Taxes and Adjusted Net Income.
(2) The Swift Historical Information has not been prepared in accordance with the rules of the Securities and Exchange Commission, including Article 11 of Regulation S-X, and it therefore does not reflect any of the pro forma adjustments that would be required by Article 11 of Regulation S-X. The Combined Historical Information does not purport to indicate the result that would have been obtained had the Swift and Knight businesses been operated together during the period presented, or which may be realized in the future.
(3) For explanation of Swift's Adjustments prior to 2017, see Swift's GAAP to Non-GAAP reconciliation to consolidated Adjusted EPS under "Non-GAAP Financial Measures" included in Part II, Item 7 in Swift's 2016 Annual Report on Form 10-K.
(4) "Amortization of intangibles" in Swift's post-merger results specifically reflects the non-cash amortization expense relating to certain intangible assets identified in the 2017 Merger. "Amortization of intangibles" in Swift's pre-merger 2017 results reflects the non-cash amortization expense relating to certain intangible assets identified in the 2007 going-private transaction through which Swift Corporation acquired Swift Transportation Co.
(5) During 2017, Swift terminated the implementation of it's enterprise resource planning system, resulting in an impairment loss.
(6) In 2017, 2016 and 2015, Knight incurred expenses related to certain class action lawsuits involving employment-related claims.
(7) In 2017, both Knight and Swift incurred certain merger-related expenses associated with the 2017 Merger.

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