

LETTER FROM THE CHAIRMAN

Last year, I discussed how my main goals as Chairman, President and CEO are to ensure that our company and leadership team best respond to evolving customer needs, engage our employees and deliver shareholder value through ArcBest as a leading logistics provider.

It has been another busy year on all fronts.

Let's begin with our customer efforts. We started off 2017 with a bang, as we began fully implementing our enhanced market approach. This comprehensive initiative to offer most logistic services under the ArcBest brand and ensure our customer experience is best-in-class had a wide range of related activities that unfolded all year and continue into 2018.

Unifying the sales, customer service and capacity sourcing teams under ArcBest was a major effort. Our customers have been asking for full logistics solutions from us and more manageable points of contact. By responding with a unified and collaborative approach in each of these areas, with offerings in both the asset-based and asset-light arenas, we more expertly answer their total supply chain needs.

This makes our customers' own businesses operate better in turn, whether they want one solution from us, two or more, or ask us to manage all of their logistics needs for them.

We know that our people and enhanced processes represent a winning strategy for ArcBest because the results of market research surveys, both internal and external, have improved considerably. In particular, our customers really respond to our people and their Skill & Will attitude to do the best job possible.

In this area, I'm pleased with the efforts we made in 2017 to ensure our employees are highly engaged, properly trained and always learning. This matters a lot, because multiple studies show that highly engaged employees are key to delivering shareholder value.

While our people clearly represent a differentiator for us, we also know that some customers may only seek a digital experience, particularly as younger generations come into decision-making roles. We are taking the proper steps to ensure that no matter the method in which our customers want to interact with us, we are ready with a best-in-class experience.

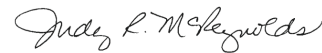
We also undertook a major effort to ensure that the value we provide customers is adequately compensated, particularly in our asset-based business. Our legacy of doing difficult things well positions us to keep earning our customers' trust and ongoing business across the entire supply chain.

As for the industry and operating environment, 2017 presented challenging conditions with tighter capacity resulting from an improving economy, as well as the devastating hurricanes in August and September. We expect tighter capacity will continue in 2018 as the Electronic Logging Device mandate took effect last December. I am proud of our team for being well ahead of the industry in meeting these requirements. I am confident that our assets, owner operators and relationships with contract carriers will continue to provide comprehensive options for our customers.

Importantly, we are heavily investing in technologies and analytics to improve everything we do. Among these investments are hardware and software for operations employees in the field to work more efficiently, and for our sales people to be more informed as they interact with customers, with a broader view of their history and upcoming needs. Going forward, the operating results of our asset-based and asset-light segments should reflect the investments we are making today.

All of this means that we continue to have a great opportunity to grow our company, while also keeping our costs under control. In order to profitably grow our asset-based business, we must have the appropriate cost structure and work rules to do so, and we continue to work on these areas. We also have a large opportunity to grow asset-light revenues thanks to our expanded range of logistics solutions and great relationships with our providers.

Our leadership team operates with full understanding that the logistics market will continue to evolve quickly. I am confident that we will continue to learn from our customers about their changing needs and respond appropriately. As our 29 percent share price appreciation in 2017 shows, by investing prudently, controlling our costs and ensuring that our employees focus on exceeding our customers' expectations, the future for ArcBest is promising.



Judy R. McReynolds
Chairman, President & Chief Executive Officer

