
**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: October 28, 2014 (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 September 30, 2014 and its earnings conference call slides.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release dated October 28, 2014 of C.H. Robinson Worldwide, Inc.

99.2 Earnings conference call slides dated October 29, 2014.

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/ Ben G. Campbell
Ben G. Campbell
Vice President, General Counsel and Secretary

Date: October 28, 2014

EXHIBIT INDEX

- 99.1 Press Release dated October 28, 2014 of C.H. Robinson Worldwide, Inc.
- 99.2 Earnings conference call slides dated October 29, 2014.

C.H. Robinson Worldwide, Inc.
 14701 Charlson Road
 Eden Prairie, Minnesota 55347

Chad Lindbloom, chief financial officer (952) 937-7779
 Tim Gagnon, director, investor relations (952) 683-5007

FOR IMMEDIATE RELEASE

C.H. ROBINSON REPORTS THIRD QUARTER RESULTS

MINNEAPOLIS, October 28, 2014 – C.H. Robinson Worldwide, Inc. (“C.H. Robinson”) (NASDAQ: CHRW), today reported financial results for the quarter ended September 30, 2014. Summarized financial results for the quarter and nine months ended September 30 are as follows (dollars in thousands, except per share data):

	Three months ended September 30,			Nine months ended September 30,		
	2014	2013	% change	2014	2013	% change
Total revenues	\$3,467,362	\$3,316,665	4.5%	\$10,112,865	\$9,599,194	5.4%
Net revenues:						
Transportation						
Truckload	\$ 307,376	\$ 265,509	15.8%	\$ 882,774	\$ 798,448	10.6%
LTL	67,968	61,436	10.6%	195,482	180,638	8.2%
Intermodal	10,593	10,202	3.8%	30,396	29,223	4.0%
Ocean	57,380	49,692	15.5%	151,478	141,304	7.2%
Air	20,520	18,137	13.1%	59,721	55,107	8.4%
Customs	11,107	8,932	24.4%	30,751	27,307	12.6%
Other logistics services	19,043	16,070	18.5%	54,816	50,348	8.9%
Total transportation	493,987	429,978	14.9%	1,405,418	1,282,375	9.6%
Sourcing	29,801	30,553	-2.5%	91,541	101,151	-9.5%
Payment services	3,776	2,775	36.1%	8,877	8,104	9.5%
Total net revenues	527,564	463,306	13.9%	1,505,836	1,391,630	8.2%
Operating expenses	324,227	286,951	13.0%	945,146	864,093	9.4%
Operating income	203,337	176,355	15.3%	560,690	527,537	6.3%
Net income	\$ 124,981	\$ 107,737	16.0%	\$ 336,764	\$ 322,952	4.3%
Diluted EPS	\$ 0.85	\$ 0.69	23.2%	\$ 2.28	\$ 2.03	12.3%

Our truckload net revenues increased 15.8 percent in the third quarter of 2014 compared to the third quarter of 2013. Our North American truckload volumes increased approximately one percent. Our truckload net revenue margin increased in the third quarter of 2014 compared to the third quarter of 2013, due primarily to increased rate per mile. In North America, excluding the estimated impacts of the change in fuel, our average truckload rate per mile charged to our customers increased approximately ten percent in the third quarter of 2014 compared to the third quarter of 2013. In North America, our truckload transportation costs increased approximately eight percent, excluding the estimated impacts of the change in fuel. These increases were largely the result of market conditions and a change in the mix of our business.

(more)

Our less-than-truckload (“LTL”) net revenues increased 10.6 percent in the third quarter of 2014 compared to the third quarter of 2013. The increase was driven by a seven percent increase in total shipments and increased customer pricing, partially offset by higher costs.

Our intermodal net revenues increased 3.8 percent in the third quarter of 2014 compared to the third quarter of 2013. The increase in net revenues was primarily driven by increased operational efficiency and customer pricing.

Our ocean transportation net revenues increased 15.5 percent in the third quarter of 2014 compared to the third quarter of 2013. The increase in net revenues was primarily due to increased volumes and net revenue margin.

Our air transportation net revenues increased 13.1 percent in the third quarter of 2014 compared to the third quarter of 2013. The increase was primarily due to increased volumes and net revenue margin.

Our customs net revenues increased 24.4 percent in the third quarter of 2014 compared to the third quarter of 2013. The increase was due to increased rates and transaction volumes.

Our other logistics services revenues increased 18.5 percent in the third quarter of 2014 compared to the third quarter of 2013. The increase was primarily due to increases in transportation management services.

Sourcing net revenues decreased 2.5 percent in the third quarter of 2014 compared to the third quarter of 2013. We continued to experience volume and net revenue declines from a large customer.

Payment services net revenues increased 36.1 percent in the third quarter of 2014 compared to the third quarter of 2013. This was primarily due to a rate increase on our cash advance option in July 2014.

For the third quarter, operating expenses increased 13.0 percent to \$324.2 million in 2014 from \$287.0 million in 2013. Operating expenses as a percentage of net revenues decreased slightly to 61.5 percent in the third quarter of 2014 from 61.9 percent in the third quarter of 2013.

For the third quarter, personnel expenses increased 19.7 percent to \$244.6 million in 2014 from \$204.4 million in 2013. This was primarily due to an increase in the expenses related to incentive plans that are designed to keep expenses variable with changes in net revenues and profitability and an increase in our average headcount of 1.6 percent.

For the third quarter, other selling, general, and administrative expenses decreased 3.6 percent to \$79.6 million in 2014 from \$82.6 million in 2013. This was primarily due to a decrease in travel and claims expenses.

For the third quarter, interest and other expense was \$6.2 million in 2014 compared to \$2.6 million in the third quarter of 2013. This increase was primarily driven by the interest expense on our notes payable, issued during the third quarter of 2013 and used to fund share repurchases.

For the third quarter, our effective income tax rate was 36.6 percent in 2014 compared to 38.0 percent in the third quarter of 2013. The lower rate was primarily due to foreign tax credits, which increased earnings per share approximately \$0.03 for the third quarter.

Founded in 1905, C.H. Robinson Worldwide, Inc., is one of the largest non-asset based third party logistics companies in the world. C.H. Robinson is a global provider of multimodal transportation services and logistics solutions, currently serving over 46,000 active customers through a network of 282 offices in North America, South America, Europe, and Asia. C.H. Robinson maintains one of the largest networks of motor carrier capacity in North America and works with approximately 63,000 transportation providers worldwide.

(more)

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 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; the impact of war on the economy; and other risks and uncertainties detailed in our Annual and Quarterly Reports.

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 Third Quarter 2014 Earnings Conference Call
Wednesday, October 29, 2014 8:30 a.m. Eastern Time*

The call will be limited to 60 minutes, including questions and answers. 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 tim.gagnon@chrobinson.com](mailto:tim.gagnon@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: 888-523-1228

International callers dial +1-719-325-2455

Callers should reference the conference ID, which is 8557362

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

*Telephone audio replay available until 11:30 a.m. Eastern Time on November 5: 800-203-1112;
passcode: 8557362#*

International callers dial +1-719-457-0820

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

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Revenues:				
Transportation	\$3,069,056	\$2,880,901	\$ 8,911,683	\$8,302,160
Sourcing	393,980	432,373	1,190,604	1,287,036
Payment Services	4,326	3,391	10,578	9,998
Total revenues	<u>3,467,362</u>	<u>3,316,665</u>	<u>10,112,865</u>	<u>9,599,194</u>
Costs and expenses:				
Purchased transportation and related services	2,575,069	2,450,923	7,506,265	7,019,785
Purchased products sourced for resale	364,179	401,820	1,099,063	1,185,885
Purchased payment services	550	616	1,701	1,894
Personnel expenses	244,621	204,388	703,904	623,042
Other selling, general, and administrative expenses	79,606	82,563	241,242	241,051
Total costs and expenses	<u>3,264,025</u>	<u>3,140,310</u>	<u>9,552,175</u>	<u>9,071,657</u>
Income from operations	<u>203,337</u>	<u>176,355</u>	<u>560,690</u>	<u>527,537</u>
Interest and other expense	(6,204)	(2,635)	(18,587)	(3,284)
Income before provision for income taxes	197,133	173,720	542,103	524,253
Provision for income taxes	72,152	65,983	205,339	201,301
Net income	<u>\$ 124,981</u>	<u>\$ 107,737</u>	<u>\$ 336,764</u>	<u>\$ 322,952</u>
Net income per share (basic)	\$ 0.85	\$ 0.69	\$ 2.28	\$ 2.03
Net income per share (diluted)	\$ 0.85	\$ 0.69	\$ 2.28	\$ 2.03
Weighted average shares outstanding (basic)	146,646	156,924	147,661	158,820
Weighted average shares outstanding (diluted)	146,856	157,044	147,819	158,884

(more)

CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands)

	September 30, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 127,716	\$ 162,047
Receivables, net	1,640,634	1,449,581
Other current assets	56,366	52,857
Total current assets	1,824,716	1,664,485
Property and equipment, net	156,936	160,703
Intangible and other assets	960,132	977,630
Total Assets	\$ 2,941,784	\$ 2,802,818
Liabilities and stockholders' investment		
Current liabilities:		
Accounts payable and outstanding checks	\$ 822,129	\$ 755,007
Accrued compensation	108,153	85,247
Accrued income taxes	13,961	11,681
Other accrued expenses	39,959	43,046
Current portion of debt	345,000	375,000
Total current liabilities	1,329,202	1,269,981
Noncurrent income taxes payable	21,994	21,584
Deferred tax liabilities	71,653	70,618
Long-term debt	500,000	500,000
Other long term liabilities	218	911
Total liabilities	1,923,067	1,863,094
Total stockholders' investment	1,018,717	939,724
Total liabilities and stockholders' investment	\$ 2,941,784	\$ 2,802,818

(more)

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

	Nine months ended September 30,	
	2014	2013
Operating activities:		
Net income	\$ 336,764	\$ 322,952
Stock-based compensation	33,561	10,856
Depreciation and amortization	43,442	42,052
Provision for doubtful accounts	15,917	10,323
Deferred income taxes	901	28,696
Other	(1,280)	232
Changes in operating elements, net of acquisitions:		
Receivables	(206,970)	(197,468)
Prepaid expenses and other	(4,081)	(10,465)
Other non-current assets	270	—
Accounts payable and outstanding checks	67,125	103,226
Accrued compensation and profit-sharing contribution	23,058	(23,023)
Accrued income taxes	2,690	(94,027)
Other accrued liabilities	(6,075)	(10,425)
Net cash provided by operating activities	305,322	182,929
Investing activities:		
Purchases of property and equipment	(19,291)	(27,861)
Purchases and development of software	(5,845)	(6,375)
Acquisitions, net of cash	—	19,126
Other	428	221
Net cash used for investing activities	(24,708)	(14,889)
Financing activities:		
Borrowings on line of credit	3,498,000	3,054,023
Repayments on line of credit	(3,528,000)	(2,957,669)
Borrowings of long-term debt	—	500,000
Payment of contingent purchase price	—	(927)
Net repurchases of common stock	(127,106)	(700,631)
Excess tax benefit on stock-based compensation	6,202	26,180
Cash dividends	(157,590)	(167,130)
Net cash used for financing activities	(308,494)	(246,154)
Effect of exchange rates on cash	(6,451)	(2,182)
Net change in cash and cash equivalents	(34,331)	(80,296)
Cash and cash equivalents, beginning of period	162,047	210,019
Cash and cash equivalents, end of period	<u>\$ 127,716</u>	<u>\$ 129,723</u>
Operational Data:	As of September 30,	
	2014	2013
Employees	11,542	11,533
Branches	282	285

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Earnings Conference Call – Third Quarter 2014

October 29, 2014

John Wiehoff, Chairman & CEO

Chad Lindbloom, CFO

Tim Gagnon, Director, Investor Relations



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 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 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 Q3 2014

in thousands, except per share amounts

	Three months ended September 30			Nine months ended September 30		
	2014	2013	% Change	2014	2013	% Change
Total revenues	\$3,467,362	\$3,316,665	4.5%	\$10,112,865	\$9,599,194	5.4%
Total net revenues	\$527,564	\$463,306	13.9%	\$1,505,836	\$1,391,630	8.2%
Income from operations	\$203,337	\$176,355	15.3%	\$560,690	\$527,537	6.3%
Net income	\$124,981	\$107,737	16.0%	\$336,764	\$322,952	4.3%
Earnings per share (diluted)	\$0.85	\$0.69	23.2%	\$2.28	\$2.03	12.3%
Weighted average shares outstanding	146,856	157,044	-6.5%	147,819	158,884	-7.0%

- Net revenue growth in the third quarter was primarily driven by double digit net revenue increases in nearly all services
- Share repurchases positively impacted EPS growth in the third quarter
- Foreign tax credits increased earnings approximately \$.03 per share in the third quarter

Transportation Results Q3 2014

TRANSPORTATION in thousands

	Three months ended September 30			Nine months ended September 30		
	2014	2013	% Change	2014	2013	% Change
Total revenues	\$3,069,056	\$2,880,901	6.5%	\$8,911,683	\$8,302,160	7.3%
Total net revenues	\$493,987	\$429,978	14.9%	\$1,405,418	\$1,282,375	9.6%
Net revenue margin	16.1%	14.9%	7.8%	15.8%	15.4%	2.1%

TRANSPORTATION NET REVENUE MARGIN PERCENTAGE

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Q1	17.4%	18.3%	20.2%	18.2%	22.6%	17.4%	17.2%	16.9%	16.2%	15.3%
Q2	16.3%	17.1%	17.9%	15.4%	20.6%	15.8%	16.2%	14.9%	15.3%	15.9%
Q3	16.3%	17.5%	18.0%	15.9%	19.8%	16.6%	16.4%	15.6%	14.9%	16.1%
Q4	15.7%	18.3%	17.7%	19.0%	18.3%	17.6%	16.3%	15.8%	15.0%	
Year	16.3%	17.8%	18.4%	17.0%	20.2%	16.8%	16.5%	15.8%	15.3%	

- Net revenue growth exceeded total revenue growth as a result of margin expansion and a change in our mix of business
- Transportation net revenue margin improvement driven primarily by Truckload, Ocean and Air results

Truckload Results Q3 2014

TRUCKLOAD NET REVENUES in thousands

Three months ended Sept 30			Nine months ended Sept 30		
2014	2013	% Change	2014	2013	% Change
\$307,376	\$265,509	15.8%	\$882,774	\$798,448	10.6%

Year over year change

North America Truckload	Quarter	YTD
Volume	1%	2%
Approximate pricing*	10%	10%
Approximate cost*	8%	10%
Net revenue margin	↑	↑

*Pricing and cost measures exclude the estimated impact of the change in fuel

- Truckload net revenue margins expanded in the third quarter when compared to the third quarter of 2013 driven by increased pricing and a change in our mix of freight
- North American Truckload price per mile, excluding the impact of the change in fuel, increased approximately ten percent in the third quarter when compared to the third quarter of 2013
- North American Truckload cost per mile, excluding the impact of the change in fuel, increased approximately eight percent in the third quarter when compared to the third quarter of 2013

LTL Results Q3 2014

LTL NET REVENUES in thousands

Three months ended Sept 30			Nine months ended Sept 30		
2014	2013	% Change	2014	2013	% Change
\$67,968	\$61,436	10.6%	\$195,482	\$180,638	8.2%

LTL

Year over year change

	Quarter	YTD
Volume	7%	7%
Pricing	↑	↑
Net revenue margin	↔	↓

- Total shipments increased approximately seven percent in the third quarter when compared to the third quarter of 2013
- LTL net revenue growth primarily driven by volume growth and increased customer pricing partially offset by higher costs

Intermodal Results Q3 2014

INTERMODAL NET REVENUES in thousands

Three months ended Sept 30			Nine months ended Sept 30		
2014	2013	% Change	2014	2013	% Change
\$10,593	\$10,202	3.8%	\$30,396	\$29,223	4.0%

Year over year change

INTERMODAL	Quarter	YTD
Volume	0%	-1%
Pricing	↑	↑
Net revenue margin	↑	↑

- Net revenue growth was primarily driven by increased operational efficiency and customer pricing
- The Intermodal operating environment remains challenging as rail service issues are ongoing

Global Forwarding Results Q3 2014

Ocean, Air and Customs

NET REVENUES in thousands

	Three months ended Sept 30			Nine months ended Sept 30		
	2014	2013	% Change	2014	2013	% Change
Ocean	\$57,380	\$49,692	15.5%	\$151,478	\$141,304	7.2%
Air	\$20,520	\$18,137	13.1%	\$59,721	\$55,107	8.4%
Customs	\$11,107	\$8,932	24.4%	\$30,751	\$27,307	12.6%

OCEAN	Year over year change	
	Quarter	YTD
Volume	↑	↑
Pricing	↑	↑
Net revenue margin	↑	↔

AIR	Year over year change	
	Quarter	YTD
Volume	↑	↑
Pricing	↓	↓
Net revenue margin	↑	↑

- Combined Global Forwarding services net revenues increased 16.0% in the third quarter when compared to the third quarter of 2013
- Global Forwarding net revenue growth was driven by margin expansion and volume growth
- Operational uniformity and cross selling initiatives are producing the intended results

Other Logistics Services Results Q3 2014

NET REVENUES in thousands

Three months ended Sept 30			Nine months ended Sept 30		
2014	2013	% Change	2014	2013	% Change
\$19,043	\$16,070	18.5%	\$54,816	\$50,348	8.9%

- Other Logistics Services net revenues include transportation management services, warehousing and small parcel
- Transportation Management and Logistics Services, are providing continued growth in Other Logistics Services

Sourcing Results Q3 2014

SOURCING NET REVENUES in thousands

	Three months ended Sept 30			Nine months ended Sept 30		
	2014	2013	% Change	2014	2013	% Change
Total revenues	\$393,980	\$432,373	-8.9%	\$1,190,604	\$1,287,036	-7.5%
Total net revenues	\$29,801	\$30,553	-2.5%	\$91,541	\$101,151	-9.5%
Net revenue margin	7.6%	7.1%	7.0%	7.7%	7.9%	-2.2%

- Net revenue margin improvement to levels in line with historic ranges
- Declines in the business of one large customer offset the overall net revenue margin increase for the total service line

Summarized Income Statement

in thousands

	Three months ended September 30			Nine months ended September 30		
	2014	2013	% Change	2014	2013	% Change
Total revenues	\$3,467,362	\$3,316,665	4.5%	\$10,112,865	\$9,599,194	5.4%
Total net revenues	527,564	463,306	13.9%	1,505,836	1,391,630	8.2%
Personnel expenses	244,621	204,388	19.7%	703,904	623,042	13.0%
Selling, general & admin	79,606	82,563	-3.6%	241,242	241,051	0.1%
Total operating expenses	324,227	286,951	13.0%	945,146	864,093	9.4%
Income from operations	\$203,337	\$176,355	15.3%	\$560,690	\$527,537	6.3%
Percent of net revenue	38.5%	38.1%	1.3%	37.2%	37.9%	-1.8%

- Growth in personnel expense primarily the result of our variable compensation plans that are driven by changes in net revenue and profitability
- Average headcount was up approximately 1.6 percent when compared to the third quarter of 2013
- SG&A expenses decreased 3.6 percent when compared to the third quarter of 2013 primarily driven by reduced travel and claims expenses

Other Financial Information

in thousands

CASH FLOW DATA

Three months ended Sept 30

	2014	2013	% Change
Net cash provided by operating activities	\$176,954	\$124,658	42.0%
Capital expenditures, net	\$6,312	\$11,659	-45.9%

BALANCE SHEET DATA

	Sept 30, 2014
Cash & investments	\$127,716
Current assets	\$1,824,716
Total assets	\$2,941,784
Debt	\$845,000
Current liabilities	\$1,329,202
Stockholders' investment	\$1,018,717

- Strong cash flow quarter
- Total debt balance \$845 million
 - \$500 million, 4.28% average coupon
 - \$345 million drawn on revolver, 1.65% current rate

Capital Distribution

in thousands

	2009	2010	2011	2012 (a)	2013	Q3 2014	YTD 2014
Net income	\$360,830	\$387,026	\$431,612	\$447,007	\$415,904	\$124,981	\$336,764
Capital distribution							
Cash dividends paid	\$162,865	\$168,902	\$194,697	\$219,313	\$220,257	\$52,681	\$157,590
Share repurchases	266,906	157,381	250,274	255,849	807,449 (b)	76,762	136,919
Subtotal	\$429,771	\$326,283	\$444,971	\$475,162	\$1,027,706	\$129,443	\$294,509
Percent of net income							
Cash dividends paid	45%	44%	45%	49%	53%	42%	47%
Open market share repurchases	74%	41%	58%	57%	194%	61%	41%
Subtotal	119%	84%	103%	106%	247%	104%	87%

(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.

- Capital returned to shareholders during the quarter
 - \$52.7 million cash dividend
 - \$76.8 million in cash for repurchase activity
 - 1,127,100 shares
 - Average price \$66.36 of shares repurchased
- Target is to return approximately 90% of net income to shareholders annually

A look ahead

- The long term growth targets presented at the Investor Day, November 2013 outline our revenue and earnings targets
- We continue to execute on our long term growth strategies and initiatives focused on balanced growth
- North American Truckload net revenue growth in October has increased approximately 13% per business day when compared to October 2013
- We will invest in additional talent in 2015 and beyond

Appendix A: 2012 Summarized Adjusted Income Statement

In thousands, except per share amounts

Twelve months ended December 31, 2012

	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.

