
**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 (Date of earliest event reported): February 4, 2014

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, 2013 and its earnings conference call slides.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 99.1 Press Release dated February 4, 2014 of C.H. Robinson Worldwide, Inc.
- 99.2 Earnings conference call slides dated February 5, 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: February 4, 2014

EXHIBIT INDEX

- 99.1 Press Release dated February 4, 2014 of C.H. Robinson Worldwide, Inc.
- 99.2 Earnings conference call slides dated February 5, 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 FOURTH QUARTER RESULTS

MINNEAPOLIS, February 4, 2014 – C.H. Robinson Worldwide, Inc. (“C.H. Robinson”) (NASDAQ: CHRW), today reported financial results for the quarter ended December 31, 2013. Summarized financial results for the quarter ended December 31 are as follows (dollars in thousands, except per share data):

	Three months ended December 31,			Twelve months ended December 31,		
	2013	2012	% change	2013	2012	% change
Total revenues	\$3,152,882	\$2,970,876	6.1%	\$12,752,076	\$11,359,113	12.3%
Net revenues:						
Transportation						
Truckload	\$ 256,117	\$ 271,248	-5.6%	\$ 1,054,565	\$ 1,060,120	-0.5%
LTL	58,839	57,025	3.2%	239,477	224,160	6.8%
Intermodal	9,861	9,011	9.4%	39,084	38,815	0.7%
Ocean	46,367	33,707	37.6%	187,671	84,924	121.0%
Air	17,982	15,948	12.8%	73,089	44,444	64.5%
Customs	9,271	6,782	36.7%	36,578	18,225	100.7%
Other logistics services	17,583	15,420	14.0%	67,931	57,449	18.2%
Total transportation	416,020	409,141	1.7%	1,698,395	1,528,137	11.1%
Sourcing	25,799	30,543	-15.5%	126,950	136,438	-7.0%
Payment services	2,646	4,948	-46.5%	10,750	52,996	-79.7%
Total net revenues	444,465	444,632	0.0%	1,836,095	1,717,571	6.9%
Operating expenses	289,352	311,028	-7.0%	1,153,445	1,042,251	10.7%
Income from operations	155,113	133,604	16.1%	682,650	675,320	1.1%
Investment and other (expense) income	(6,005)	282,166	-102.1%	(9,289)	283,142	-103.3%
Net income	\$ 92,952	\$ 256,392	-63.7%	\$ 415,904	\$ 593,804	-30.0%
Diluted earnings per share	\$ 0.62	\$ 1.58	-60.8%	\$ 2.65	\$ 3.67	-27.8%

Pro Forma Comparison - The following shows the effects of the disposition of the Company’s T-Chek Payment Services business (“T-Chek”), which was completed in October 2012, and the acquisition of Phoenix International Freight Services, Ltd. (“Phoenix”), which was completed in November 2012, as if these transactions had occurred at the beginning of 2012. A reconciliation of these pro forma measures is described on page 3.

	Three months ended December 31,			Twelve months ended December 31,		
	2013 Reported	2012 Pro Forma	% change	2013 Reported	2012 Pro Forma	% change
Total net revenues	\$444,465	\$453,782	-2.1%	\$1,836,095	\$1,812,631	1.3%
Personnel expenses	203,619	198,307	2.7%	826,661	788,959	4.8%
Selling, general, and administrative expenses	80,718	75,006	7.6%	306,656	279,744	9.6%
Amortization of acquisition intangibles	5,015	5,022	-0.1%	20,128	19,859	1.4%
Total operating expenses	289,352	278,335	4.0%	1,153,445	1,088,562	6.0%
Income from operations	155,113	175,447	-11.6%	682,650	724,069	-5.7%
Net income	\$ 92,952	\$106,567	-12.8%	\$ 415,904	\$ 466,179	-10.8%
Diluted earnings per share	\$ 0.62	\$ 0.66	-6.1%	\$ 2.65	\$ 2.74	-3.3%

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Discussion of Fourth Quarter 2013 Results

Our truckload net revenues decreased 5.6 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. Our truckload volumes increased approximately seven percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. Our North American truckload volumes increased approximately six percent. Our truckload net revenue margin decreased in the fourth quarter of 2013 compared to the fourth quarter of 2012, due primarily to increased cost 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 3.5 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. In North America, our truckload transportation costs increased approximately five percent, excluding the estimated impacts of the change in fuel.

Our less-than-truckload ("LTL") net revenues increased 3.2 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. The increase was driven by an increase in total shipments of approximately four percent, partially offset by decreased net revenue margin.

Our intermodal net revenues increased 9.4 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. This was due to increased net revenue margin, partially offset by decreased volumes. Our net revenue margin increase was due to a change in our mix of business and improved customer pricing.

Our ocean transportation net revenues increased 37.6 percent, our air transportation net revenues increased 12.8 percent, and our customs net revenues increased 36.7 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. These increases were primarily due to our acquisition of Phoenix in November 2012.

Sourcing net revenues decreased 15.5 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. We continued to experience volume and net revenue declines from a large customer and expect this to continue throughout 2014. Sourcing net revenue margins declined due to weather and changes in our commodity and service mix. Case volumes decreased approximately two percent in the fourth quarter of 2013 compared to the fourth quarter of 2012.

Our Payment Services net revenues decreased 46.5 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012 due to the T-Chek divestiture in the fourth quarter of 2012.

For the fourth quarter, operating expenses decreased 7.0 percent to \$289.4 million in 2013 from \$311.0 million in 2012. This was due to a decrease of 9.9 percent in personnel expense and an increase of 0.9 percent in other selling, general, and administrative expenses. Operating expenses as a percentage of net revenues decreased to 65.1 percent in the fourth quarter of 2013 from 70.0 percent in 2012. During the fourth quarter of 2012, operating expenses were a higher percentage of net revenues primarily due to \$33.0 million of incremental performance-based stock vesting expense as a result of the sale of T-Chek.

For the fourth quarter, personnel expenses decreased 9.9 percent to \$203.6 million in 2013 from \$226.0 million in 2012. This decrease was primarily due to the performance-based stock vesting expense as a result of sale of T-Chek in 2012. On a pro forma basis, personnel expense increased 2.7 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. This increase was due to growth in our average headcount of approximately 32 percent, related primarily to the acquisitions of the Phoenix in the fourth quarter of 2012. We estimate that our average headcount, excluding acquisitions and divestitures, increased approximately eight percent in the fourth quarter of 2013 compared to 2012. The increase in personnel expense from headcount growth was partially offset by declines in expenses related to incentive plans that are designed to keep expenses variable with changes in net revenues and profitability.

For the fourth quarter, other selling, general, and administrative expenses increased 0.9 percent to \$85.7 million in 2013 from \$85.0 million in 2012. In the fourth quarter of 2012, we had approximately \$9.1 million of non-recurring acquisition and divestiture expenses. On a pro forma basis, selling, general, and administrative expense increased 7.1 percent in the fourth quarter of 2013 compared to the fourth quarter of 2012. This increase was primarily due to Phoenix operations and a higher provision for bad debt.

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 285 offices in North America, South America, Europe, Asia, and Australia. 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.

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

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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.

Non-GAAP vs. GAAP Financial and Pro Forma Financial Measures

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 from time to time. We use non-GAAP measures, including those set forth in this release, 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. However, non-GAAP results should not be regarded as a substitute for corresponding GAAP measures, and should be viewed in conjunction with our consolidated financial statements prepared in accordance with GAAP. To provide investors with information to assist them in assessing our financial results on a comparable basis with historical results, we have provided certain non-GAAP financial measures in this press release that include the effects of the disposition of T-Chek and the acquisition of Phoenix as if they had occurred at the beginning of our 2012 fiscal year.

A reconciliation of our reported results to pro forma financial measures for the quarter ended December 31, 2012 is as follows (dollars in thousands):

	Reported	Non-Recurring Acquisition Impact ⁽¹⁾	T-Chek Operations ⁽²⁾	Phoenix Operations ⁽²⁾	Pro Forma
Total revenues	\$2,970,876	\$ —	\$ (2,290)	\$ 70,009	\$3,038,595
Purchased transportation and related services	2,176,789	—	—	58,569	2,235,358
Purchased products sourced for resale	348,936	—	—	—	348,936
Purchased payment services	519	—	—	—	519
Total purchased services and products	2,526,244	—	—	58,569	2,584,813
Net revenues ⁽³⁾	444,632	—	(2,290)	11,440	453,782
Personnel expenses	226,042	(34,592)	(609)	7,466	198,307
Selling, general and administrative expenses	81,319	(9,115)	(479)	3,281	75,006
Amortization of acquisition intangibles	3,667	—	—	1,355	5,022
Total other operating expenses	311,028	(43,707)	(1,088)	12,102	278,335
Income from operations	133,604	43,707	(1,202)	(662)	175,447
Investment and other income	282,166	(281,551)	1	(1,369)	(753)
Income before provision for income taxes	415,770	(237,844)	(1,201)	(2,031)	174,694
Provision for income taxes	159,378	(90,023)	(480)	(748)	68,127
Net income	\$ 256,392	\$ (147,821)	\$ (721)	\$ (1,283)	\$ 106,567
Net income per share (diluted)	\$ 1.58				\$ 0.66
Weighted average shares outstanding	161,799	(1,190)	—	1,108	161,717

- 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. The adjustments to other operating expenses reflect fees paid to third parties for investment banking fees related to the acquisition of Phoenix and external legal and accounting fees related to the acquisitions of Apreo Logistics S.A. ("Apreo") and Phoenix International Freight Services, Ltd. ("Phoenix") and the divestiture of T-Chek. The adjustment to investment and other income reflects the gain from the divestiture of T-Chek. The adjustment to diluted weighted average shares outstanding relates to the shares of C.H. Robinson

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- stock issued as consideration paid to the sellers in the acquisition of Phoenix and the additional vesting of performance-based restricted stock as a result of the gain on sale recognized from the divestiture of T-Chek.
- Adjustments have been made to historical Phoenix operations for the addition of amortization expense of finite-lived intangible assets recorded in connection with the acquisition (\$1.4 million), rent expense for lease agreements entered into in connection with the acquisition (\$28 thousand), depreciation on a building acquired in the acquisition (\$12 thousand), and incremental interest expense on the borrowings associated with the acquisition (\$213 thousand). Adjustments have been made for the elimination of additional bonuses (\$1.4 million) and third party advisory fees (\$582 thousand) paid by Phoenix. An adjustment has also been made to reduce purchased transportation and related services (\$2.5 million) and other selling, general, and administrative expenses (\$5.0 million) and to increase personnel expenses (\$7.5 million) to conform to C.H. Robinson's historical financial reporting presentation. 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. There were no pro forma adjustments to the T-Chek historical results.
 - Net revenues are our total revenues less purchased transportation and related services, including contracted motor carrier, rail, ocean, air, and other costs, and the purchased price and services related to the products we source.

A reconciliation of our reported results to pro forma financial measures for the twelve months ended December 31, 2012 is as follows (dollars in thousands):

	Reported	Non-Recurring Acquisition Impact ⁽¹⁾	T-Chek Operations ⁽²⁾	Phoenix Operations ⁽²⁾	Pro Forma
Total revenues	\$11,359,113	\$ —	\$ (41,623)	\$692,836	\$12,010,326
Purchased transportation and related services	8,157,278	—	—	556,153	8,713,431
Purchased products sourced for resale	1,483,745	—	—	—	1,483,745
Purchased payment services	519	—	—	—	519
Total purchased services and products	9,641,542	—	—	556,153	10,197,695
Net revenues ⁽³⁾	1,717,571	—	(41,623)	136,683	1,812,631
Personnel expenses	766,006	(34,592)	(11,819)	69,364	788,959
Selling, general and administrative expenses	269,941	(10,604)	(9,226)	29,633	279,744
Amortization of acquisition intangibles	6,304	—	—	13,555	19,859
Total other operating expenses	1,042,251	(45,196)	(21,045)	112,552	1,088,562
Income from operations	675,320	45,196	(20,578)	24,131	724,069
Investment and other income	283,142	(281,551)	(67)	(5,348)	(3,824)
Income before provision for income taxes	958,462	(236,355)	(20,645)	18,783	720,245
Provision for income taxes	364,658	(89,558)	(7,841)	6,807	274,066
Net income	\$ 593,804	\$ (146,797)	\$ (12,804)	\$ 11,976	\$ 446,179
Net income per share (diluted)	\$ 3.67				\$ 2.74
Weighted average shares outstanding	161,946	(277)	—	1,108	162,777

- 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. The adjustments to other operating expenses reflect fees paid to third parties for investment banking fees related to the acquisition of Phoenix and external legal and accounting fees related to the acquisitions of Apreo and Phoenix and the divestiture of T-Chek. The adjustment to investment and other income reflects the gain from the divestiture of T-Chek. 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 and the additional vesting of performance-based restricted stock as a result of the gain on sale recognized from the divestiture of T-Chek.
- Adjustments have been made to historical Phoenix operations for addition of amortization expense of finite-lived intangible assets recorded in connection with the acquisition (\$13.6 million), rent expense for lease agreements entered into in

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connection with the acquisition (\$280 thousand), depreciation on a building acquired in the acquisition (\$123 thousand), and incremental interest expense on the borrowings associated with the acquisition (\$2.1 million). Adjustments have been made for the elimination of contractual changes in compensation (\$5.1 million), and additional bonuses (\$1.4 million) and third party advisory fees (\$582 thousand) paid by Phoenix. An adjustment has also been made to reduce purchased transportation and related services (\$24.4 million) and other selling, general, and administrative expenses (\$50.1 million) and to increase personnel expenses (\$74.5 million) to conform to C.H. Robinson's historical financial reporting presentation. 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. There were no pro forma adjustments to the T-Chek historical results.

3. Net revenues are our total revenues less purchased transportation and related services, including contracted motor carrier, rail, ocean, air, and other costs, and the purchased price and services related to the products we source.

Conference Call Information:

*C.H. Robinson Worldwide Fourth Quarter 2013 Earnings Conference Call
Wednesday February 5, 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. If time permits, we will accept live questions. To submit your question(s) in advance of the call, please email 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: 877-941-0844

Callers should reference the conference ID, which is 4660962#

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

Telephone audio replay available until 12:59 a.m. Eastern Time on February 7: 800-406-7325; passcode: 4660962#

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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,	
	2013	2012	2013	2012
Revenues:				
Transportation	\$2,767,550	\$2,585,930	\$11,069,710	\$ 9,685,415
Sourcing	382,098	379,479	1,669,134	1,620,183
Payment Services	3,234	5,467	13,232	53,515
Total revenues	<u>3,152,882</u>	<u>2,970,876</u>	<u>12,752,076</u>	<u>11,359,113</u>
Costs and expenses:				
Purchased transportation and related services	2,351,530	2,176,789	9,371,315	8,157,278
Purchased products sourced for resale	356,299	348,936	1,542,184	1,483,745
Purchased payment services	588	519	2,482	519
Personnel expenses	203,619	226,042	826,661	766,006
Other selling, general, and administrative expenses	85,733	84,986	326,784	276,245
Total costs and expenses	<u>2,997,769</u>	<u>2,837,272</u>	<u>12,069,426</u>	<u>10,683,793</u>
Income from operations	<u>155,113</u>	<u>133,604</u>	<u>682,650</u>	<u>675,320</u>
Investment, interest, and other (expense) income	(6,005)	282,166	(9,289)	283,142
Income before provision for income taxes	149,108	415,770	673,361	958,462
Provision for income taxes	56,156	159,378	257,457	364,658
Net income	<u>\$ 92,952</u>	<u>\$ 256,392</u>	<u>\$ 415,904</u>	<u>\$ 593,804</u>
Net income per share (basic)	\$ 0.62	\$ 1.59	\$ 2.65	\$ 3.68
Net income per share (diluted)	\$ 0.62	\$ 1.58	\$ 2.65	\$ 3.67
Weighted average shares outstanding (basic)	150,856	160,880	156,915	161,557
Weighted average shares outstanding (diluted)	151,130	161,799	157,080	161,946

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CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited, in thousands)

	December 31, 2013	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 162,047	\$ 210,019
Receivables, net	1,449,581	1,412,136
Other current assets	52,857	50,135
Total current assets	1,664,485	1,672,290
Property and equipment, net	160,703	149,851
Intangible and other assets	977,630	982,084
Total assets	\$ 2,802,818	\$ 2,804,225
Liabilities and stockholders' investment		
Current liabilities:		
Accounts payable and outstanding checks	\$ 755,007	\$ 707,476
Accrued compensation	85,247	103,343
Accrued income taxes	11,681	121,581
Other accrued expenses	43,046	46,171
Current portion of debt	375,000	253,646
Total current liabilities	1,269,981	1,232,217
Noncurrent income taxes payable	21,584	20,590
Deferred tax liabilities	70,618	45,113
Long-term debt	500,000	—
Other long term liabilities	911	1,933
Total liabilities	1,863,094	1,299,853
Total stockholders' investment	939,724	1,504,372
Total liabilities and stockholders' investment	\$ 2,802,818	\$ 2,804,225

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited, in thousands, except operational data)

	Twelve months ended December 31,	
	2013	2012
Operating activities:		
Net income	\$ 415,904	\$ 593,804
Stock-based compensation	9,094	59,381
Depreciation and amortization	56,882	38,090
Provision for doubtful accounts	15,587	10,459
Gain on divestiture	—	(281,551)
Deferred income taxes	25,226	(14,442)
Other	319	3,721
Changes in operating elements		
Receivables	(87,316)	(88,107)
Prepaid expenses and other	(5,254)	5,260
Accounts payable and outstanding checks	47,488	61,732
Accrued compensation	(15,097)	(19,064)
Accrued income taxes	(105,857)	104,542
Other accrued liabilities	(9,199)	(13,483)
Net cash provided by operating activities	347,777	460,342
Investing activities:		
Purchases of property and equipment	(40,354)	(36,096)
Purchases and development of software	(7,852)	(14,560)
Sale of T-Chek, net of cash sold	—	274,802
Cash paid for acquisitions, net of cash acquired	19,126	(583,631)
Other	221	419
Net cash used for investing activities	(28,859)	(359,066)
Financing activities:		
Borrowings on line of credit	4,165,023	324,051
Repayments on line of credit	(4,043,669)	(75,688)
Borrowings of long-term debt	500,000	—
Payment of contingent purchase price	(927)	(12,661)
Net repurchases of common stock	(792,283)	(236,981)
Excess tax benefit on stock-based compensation	27,209	12,294
Cash dividends	(220,257)	(275,353)
Net cash used for financing activities	(364,904)	(264,338)
Effect of exchange rates on cash	(1,986)	(588)
Net change in cash and cash equivalents	(47,972)	(163,650)
Cash and cash equivalents, beginning of period	210,019	373,669
Cash and cash equivalents, end of period	<u>\$ 162,047</u>	<u>\$ 210,019</u>
Operational Data:	As of December 31,	
	2013	2012
Employees	11,676	10,929
Branches	285	276

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Earnings Conference Call – Fourth Quarter 2013

February 5, 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 capital structure and termination of our accelerated share repurchase program; and the impact of war on the economy; and other risks and uncertainties detailed in our Annual and Quarterly Reports.

We have included herein certain non-GAAP financial information, including certain fiscal 2012 information adjusted to reflect an acquisition and a divestiture that occurred during 2012. In addition to helping us assess our operating performance, we believe that these non-GAAP financial measures assist investors in understanding our operations and results. However, non-GAAP results should not be regarded as a substitute for corresponding GAAP measures, and should be viewed in conjunction with our consolidated financial statements prepared in accordance with GAAP. Reconciliations of such non-GAAP information to actual results are set forth in Appendices A, B and C.

Q4 2013 Results

in thousands, except per share amounts

	Three months ended December 31,			Twelve months ended December 31,		
	2013	2012	% Change	2013	2012	% Change
Total revenues	\$3,152,882	\$2,970,876	6.1%	\$12,752,076	\$11,359,113	12.3%
Total net revenues	\$444,465	\$444,632	0.0%	\$1,836,095	\$1,717,571	6.9%
Income from operations	\$155,113	\$133,604	16.1%	\$682,650	\$675,320	1.1%
Net income	\$92,952	\$256,392	-63.7%	\$415,904	\$593,804	-30.0%
Earnings per share (diluted)	\$0.62	\$1.58	-60.8%	\$2.65	\$3.67	-27.8%

- 2012 includes the gain on the sale of T-Chek Systems, Inc. and the acquisition related costs for Phoenix International, Inc.
- T-Chek Systems, Inc. was sold on October 16, 2012
- Phoenix was acquired on November 1, 2012

2013 Actual Compared to 2012 Pro Forma

in thousands

	Three months ended December 31,			Twelve months ended December 31,		
	2013 Actual	2012 Pro Forma	% Change Pro Forma	2013 Actual	2012 Pro Forma	% Change Pro Forma
Total revenues	\$3,152,882	\$3,038,595	3.8%	\$12,752,076	\$12,010,326	6.2%
Total net revenues	\$444,465	\$453,782	-2.1%	\$1,836,095	\$1,812,631	1.3%
Personnel expenses	203,619	198,307	2.7%	826,661	788,959	4.8%
Selling, general & admin	80,718	75,006	7.6%	306,656	279,744	9.6%
Acquisition amortization	5,015	5,022	-0.1%	20,128	19,859	1.4%
Total operating expenses	289,352	278,335	4.0%	1,153,445	1,088,562	6.0%
Income from operations	\$155,113	\$175,447	-11.6%	\$682,650	\$724,069	-5.7%
Percent of net revenue	34.9%	38.7%	-9.7%	37.2%	39.9%	-6.8%

- 2012 Pro Forma includes the effects of the divestiture of T-Chek and acquisition of Phoenix as if they had occurred at the beginning of our 2012 fiscal year. A reconciliation of actual results for the fourth quarter and full year of 2012 to pro forma appears in Appendix A and B
- Total revenue growth continues to outpace net revenue growth resulting from margin compression
- Income from operations declined as a result of a 2.1% decrease in net revenues and a four percent increase in operating expenses (2013 Actual compared to 2012 Pro Forma)
- The Phoenix integration progressed as planned and the Global Forwarding results were strong in the fourth quarter

Transportation Results Q4 2013

TRANSPORTATION in thousands

	Three months ended December 31,			Twelve months ended December 31,		
	2013	2012	% Change	2013	2012	% Change
Total revenues	\$2,767,550	\$2,585,930	7.0%	\$11,069,710	\$9,685,415	14.3%
Total net revenues	\$416,020	\$409,141	1.7%	\$1,698,395	\$1,528,137	11.1%
Net revenue margin	15.0%	15.8%	-5.0%	15.3%	15.8%	-2.8%

TRANSPORTATION NET REVENUE MARGIN PERCENTAGE

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Q1	17.7%	17.8%	16.8%	17.4%	18.3%	20.2%	18.2%	22.6%	17.4%	17.2%	16.9%	16.2%
Q2	16.1%	15.9%	15.4%	16.3%	17.1%	17.9%	15.4%	20.6%	15.8%	16.2%	14.9%	15.3%
Q3	15.6%	16.0%	15.9%	16.3%	17.5%	18.0%	15.9%	19.8%	16.6%	16.4%	15.6%	14.9%
Q4	16.2%	15.8%	16.0%	15.7%	18.3%	17.7%	19.0%	18.3%	17.6%	16.3%	15.8%	15.0%
Year	16.3%	16.3%	16.0%	16.3%	17.8%	18.4%	17.0%	20.2%	16.8%	16.5%	15.8%	15.3%

- Transportation net revenue margin compression continued in the fourth quarter
- Truckload margin compression continued in the fourth quarter

Truckload Results Q4 2013

TRUCKLOAD NET REVENUES in thousands

Three months ended December 31, Twelve months ended December 31,

2013	2012	% Change	2013	2012	% Change
\$256,117	\$271,248	-5.6%	\$1,054,565	\$1,060,120	-0.5%

TRUCKLOAD	Year over year change	
	Quarter	Year to Date
Volume	7%	10%
Pricing *	3.5%	2%
Net revenue margin	↓	↓

*Pricing measures represent North America only and excludes estimated impact of the change in fuel

- North America Truckload volumes grew approximately six percent in the fourth quarter when compared to the fourth quarter of 2012
- North America Truckload cost per mile, excluding the impact of the change in fuel, increased approximately five percent in the fourth quarter of 2013 when compared to the fourth quarter of 2012
- North America Truckload price per mile, excluding the impact of the change in fuel, increased approximately 3.5 percent in the fourth quarter of 2013 when compared to the fourth quarter of 2012

LTL Results Q4 2013

LTL NET REVENUES in thousands

Three months ended December 31, Twelve months ended December 31,

2013	2012	% Change	2013	2012	% Change
\$58,839	\$57,025	3.2%	\$239,477	\$224,160	6.8%

LTL	Year over year change	
	Quarter	Year to Date
Volume	4%	7%
Pricing	↑	↑
Net revenue margin	↓	↓

- Net revenue growth rate slowed in the fourth quarter when compared to the growth rate in the first three quarters of 2013
- LTL experienced net revenue margin compression in the fourth quarter of 2013 when compared to the fourth quarter of 2012
 - Carrier costs are increasing industry wide, customer pricing has not kept up with the increase in carrier costs
 - LTL marketplace remains very competitive

Intermodal Results Q4 2013

INTERMODAL NET REVENUES in thousands

Three months ended December 31, Twelve months ended December 31,

2013	2012	% Change	2013	2012	% Change
\$9,861	\$9,011	9.4%	\$39,084	\$38,815	0.7%

Year over year change

	Quarter	Year to Date
Volume	↓	↓
Pricing	↑	↑
Net revenue margin	↑	↑

- Net revenues increase was driven by a change in the mix of business and improved customer pricing
- Intermodal volume declined in the fourth quarter of 2013 when compared to the fourth quarter of 2012

Global Forwarding Results Q4 2013

Ocean, Air and Customs

NET REVENUES in thousands

	Three months ended December 31,			Twelve months ended December 31,		
	2013	2012	% Change	2013	2012	% Change
Ocean	\$46,367	\$33,707	37.6%	\$187,671	\$84,924	121.0%
Air	\$17,982	\$15,948	12.8%	\$73,089	\$44,444	64.5%
Customs	\$9,271	\$6,782	36.7%	\$36,578	\$18,225	100.7%

OCEAN	Year over year change	
	Quarter	Year to Date
Volume	↑	↑
Pricing	↓	↔
Net revenue margin	↑	↑

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

- Net revenue growth across all Global Forwarding Services when compared to the fourth quarter of 2012
- In the fourth quarter, CHRW was again the #1 NVOCC from China, Eastbound and finished the year at #1 (ranking based on TEU's shipped in the fourth quarter and full year of 2013)

Phoenix Integration Update

in thousands

OCEAN, AIR, AND CUSTOMS NET REVENUE

	Three months ended December 31,			Twelve months ended December 31,		
	2013	2012	% Change	2013	2012	% Change
Actual C.H. Robinson net revenue	\$73,620	\$56,437	30.4%	\$297,338	\$147,593	101.5%
Phoenix net revenue *		\$11,440			\$136,683	
Total *	\$73,620	\$67,877	8.5%	\$297,338	\$284,276	4.6%

* See Appendices A and B for reconciliation information for 2012 periods

- Global Forwarding results through four quarters on track with the acquisition plan
- Offices, agents, gateways & operational process integrations are complete
- Systems integration for Phoenix offices is under way and will continue through 2014

Other Logistics Services Results Q4 2013

NET REVENUES in thousands

Three months ended December 31, Twelve months ended December 31,

2013	2012	% Change	2013	2012	% Change
\$17,583	\$15,420	14.0%	\$67,931	\$57,449	18.2%

- Other Logistics Services net revenues include transportation management services, warehousing and small parcel
- These services continued to perform well and the sales pipeline is strong

Sourcing Results Q4 2013

SOURCING in thousands

	Three months ended December 31,			Twelve months ended December		
	2013	2012	% Change	2013	2012	% Change
Total revenues	\$382,098	\$379,479	0.7%	\$1,669,134	\$1,620,183	3.0%
Total net revenues	\$25,799	\$30,543	-15.5%	\$126,950	\$136,438	-7.0%
Net revenue margin	6.8%	8.0%	-16.1%	7.6%	8.4%	-9.7%

- Continued volume and net revenue decreases from a large customer, impact will continue in 2014
- Case volume decreased approximately two percent in the fourth quarter of 2013 when compared to the fourth quarter of 2012
- Sourcing margins were impacted by weather and a change in our commodity and service mix

Other Financial Information

in thousands

CASH FLOW DATA

Three months ended December 31

Twelve months ended December 31

	2013	2012	% Change	2013	2012	% Change
Net cash provided by operating activities - actual/reported	\$164,848	\$193,186	-14.7%	\$347,777	\$460,342	-24.5%
Adjust: Impact of accrued income taxes	-11,830	103,853		-105,857	104,542	
Net cash provided by operating activities - adjusted	\$176,678	\$89,333	97.8%	\$453,634	\$355,800	27.5%
Capital expenditures, net	\$13,970	\$11,765	18.7%	\$48,206	\$50,656	-4.8%

BALANCE SHEET DATA

	December 31, 2013
Cash & investments	\$162,047
Current assets	\$1,664,485
Total assets	\$2,802,818
Debt	\$875,000
Current liabilities	\$1,269,981
Stockholders' investment	\$939,724

- Strong operating cash flow
- Total debt \$875 million
 - \$500 million, 15 year average duration, 4.28% weighted average coupon
 - \$375 million drawn on revolver, 1.67% current rate

Repurchases of Common Stock

in thousands, except per share

	Q4 2013			YTD through December 31, 2013		
	ASR	Other Activity	Total	ASR	Other Activity	Total
Shares	1,195	1,540	2,735	7,314	5,211	12,525
Average price per share		\$59.04			\$59.57	
Total cost of shares		\$90,923			\$310,449	

- Other activity includes the shares withheld on the delivery of restricted shares to employees
- \$500 million Accelerated Share Repurchase (ASR) initiated on August 26, 2013
- 6.1 million shares delivered upon initial purchase, approximately 70% of total expected shares
 - One of the two banks terminated their ASR plan and delivered 1.2 million shares
 - The remaining ASR plan will terminate on or before April 16, 2014 at the banks discretion
 - Final number of shares delivered to CHR will be based upon the average of the daily VWAP, less an agreed to discount of .94% during the duration of the ASR plan
 - Balance of shares under the ASR calculation will be delivered upon termination of the plan

2014 Thoughts and Initiatives

	CAGR 1997-2007	CAGR 2007-2012	Long Term Growth Target
Total revenue growth	15%	9%	6-11%
Net revenue growth	20%	7%	5-10%
Income from operations growth	25%	7%	5-10%
Diluted earnings per share growth	24%	8%	7-12%

- Our long term growth targets assume margin stabilization, margins continued to compress throughout 2013
- Net revenues decreased in January 2014 when compared to January 2013
- Pricing will be a high priority in 2014
- Growth continues to be our top priority through leveraging our current resources

Appendix A: Q4 2012 Actual to Pro Forma Reconciliation

in thousands

Three months ended December 31,

	2012 Actual	Non Recurring Acquisition & Divestiture Impacts (1)	T-Chek Operations (2)	Phoenix Operations (3)	2012 Pro Forma
Total revenues	\$2,970,876	-	-\$2,290	\$70,009	\$3,038,595
Purchased transportation and related services	2,176,789	-	-	58,569	2,235,358
Purchased products sourced for resale	348,936	-	-	-	348,936
Purchased payment services	519	-	-	-	519
Total purchased services and products	2,526,244	-	-	58,569	2,584,813
Net revenues (3)	444,632	-	-2,290	11,440	453,782
Personnel expenses	226,042	-34,592	-609	7,466	198,307
Selling, general and administrative expenses	81,319	-9,115	-479	3,281	75,006
Amortization of acquisition intangibles	3,667	-	-	1,355	5,022
Total other operating expenses	311,028	-43,707	-1,088	12,102	278,335
Income from Operations	\$133,604	\$43,707	-\$1,202	-\$662	\$175,447

* See next slide for explanation of footnotes 1, 2 & 3

Appendix A: Q4 2012 Actual to Pro Forma Reconciliation

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. The adjustments to other operating expenses reflect fees paid to third parties for investment banking fees related to the acquisition of Phoenix and external legal and accounting fees related to the acquisitions of Apreo and Phoenix and the divestiture of T-Chek. The adjustment to investment and other income reflects the gain from the divestiture of T-Chek. 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 and the additional vesting of performance-based restricted stock as a result of the gain on sale recognized from the divestiture of T-Chek.
2. Adjustments have been made to historical Phoenix operations for the addition of amortization expense of finite-lived intangible assets recorded in connection with the acquisition (\$1.4 million), rent expense for lease agreements entered into in connection with the acquisition (\$28 thousand), depreciation on a building acquired in the acquisition (\$12 thousand), and incremental interest expense on the borrowings associated with the acquisition (\$213 thousand). Adjustments have been made for the elimination of additional bonuses (\$1.4 million) and third party advisory fees (\$582 thousand) paid by Phoenix. An adjustment has also been made to reduce purchased transportation and related services (\$2.5 million) and other selling, general, and administrative expenses (\$5.0 million) and to increase personnel expenses (\$7.5 million) to conform to C.H. Robinson's historical financial reporting presentation. 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. There were no pro forma adjustments to the T-Chek historical results.
3. Net revenues are our total revenues less purchased transportation and related services, including contracted motor carrier, rail, ocean, air, and other costs, and the purchased price and services related to the products we source.

Appendix B: 2012 Actual to Pro Forma Reconciliation

in thousands

Twelve months ended December 31,

	2012 Actual	Non Recurring Acquisition & Divestiture Impacts (1)	T-Chek Operations (2)	Phoenix Operations (2)	2012 Pro Forma
Total revenues	\$11,359,113	-	-\$41,623	\$692,836	\$12,010,326
Purchased transportation and related services	8,157,278	-	-	556,153	8,713,431
Purchased products sourced for resale	1,483,745	-	-	-	1,483,745
Purchased payment services	519	-	-	-	519
Total purchased services and products	9,641,542	-	-	556,153	10,197,695
Net revenues (3)	1,717,571	-	-41,623	136,683	1,812,631
Personnel expenses	766,006	-34,592	-11,819	69,364	788,959
Selling, general and administrative expenses	269,941	-10,604	-9,226	29,633	279,744
Amortization of acquisition intangibles	6,304	-	-	13,555	19,859
Total other operating expenses	1,042,251	-45,196	-21,045	112,552	1,088,562
Income from Operations	\$675,320	45,196	-\$20,578	\$24,131	\$724,069

* See next slide for explanation of footnotes 1, 2 & 3

Appendix B: Twelve Month 2012 Actual to Pro Forma Reconciliation

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. The adjustments to other operating expenses reflect fees paid to third parties for investment banking fees related to the acquisition of Phoenix and external legal and accounting fees related to the acquisitions of Apreo and Phoenix and the divestiture of T-Chek. The adjustment to investment and other income reflects the gain from the divestiture of T-Chek. 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 and the additional vesting of performance-based restricted stock as a result of the gain on sale recognized from the divestiture of T-Chek.
2. Adjustments have been made to historical Phoenix operations for addition of amortization expense of finite-lived intangible assets recorded in connection with the acquisition (\$13.6 million), rent expense for lease agreements entered into in connection with the acquisition (\$280 thousand), depreciation on a building acquired in the acquisition (\$123 thousand), and incremental interest expense on the borrowings associated with the acquisition (\$2.1 million). Adjustments have been made for the elimination of contractual changes in compensation (\$5.1 million), and additional bonuses (\$1.4 million) and third party advisory fees (\$582 thousand) paid by Phoenix. An adjustment has also been made to reduce purchased transportation and related services (\$24.4 million) and other selling, general, and administrative expenses (\$50.1 million) and to increase personnel expenses (\$74.5 million) to conform to C.H. Robinson's historical financial reporting presentation. 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. There were no pro forma adjustments to the T-Chek historical results.
3. Net revenues are our total revenues less purchased transportation and related services, including contracted motor carrier, rail, ocean, air, and other costs, and the purchased price and services related to the products we source.

