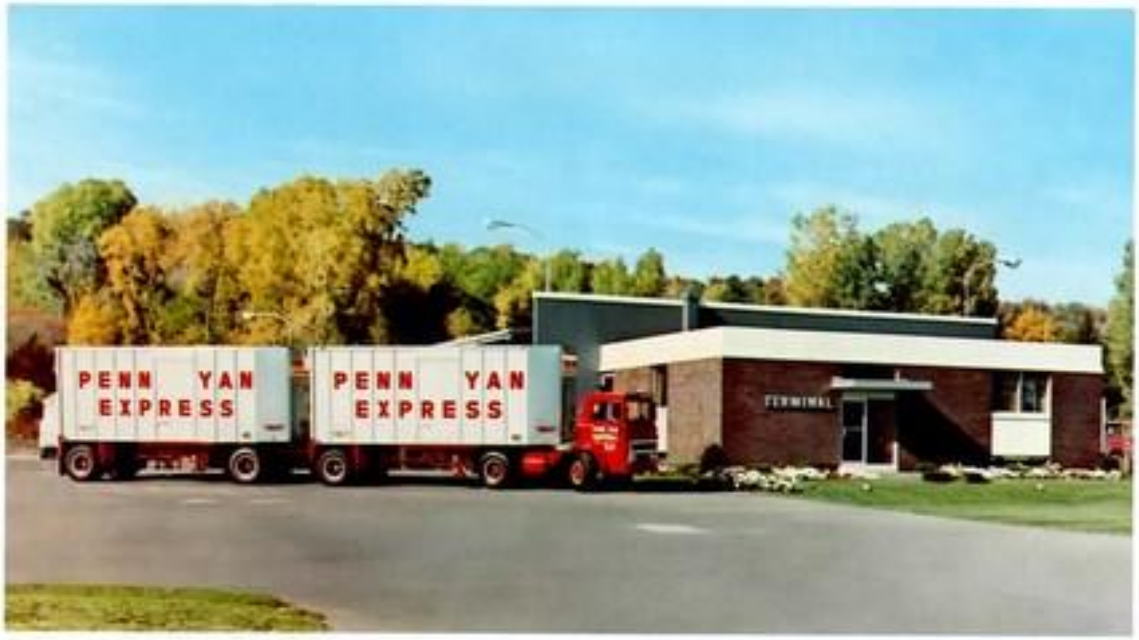

Penn Yan Express, Inc.

ANNUAL REPORT 1972

Board of Directors

ROBERT L. HINSON
Chairman of the Board and President of the Company

ROBERT G. CONROY
President, Motor Carrier Financing, Inc.

PAUL M. DONOVAN
Secretary of the Company; Senior Partner of Donovan, Graner, Davidson & Burns

HAROLD E. FORSHEY
Vice President and Treasurer of the Company

KENNETH VAUGHN
Director of Maintenance of the Company

ROBERT L. HINSON

Officers

ROBERT L. HINSON
Chairman of the Board and President

HAROLD E. FORSHEY
Vice President and Treasurer

WILLIAM B. JAQUITH
Executive Vice President—Operations and Marketing

JACK SCHINDLER
Vice President—Sales

PAUL M. DONOVAN
Secretary

KENNETH VAUGHN
Assistant Secretary and Assistant Treasurer

EXECUTIVE OFFICE
100 West Lake Road,
Penn Yan, New York

AUDITORS
Peat, Marwick, Mitchell & Co.,
Rochester, New York

TRANSFER AGENTS
Lincoln First Bank,
Rochester, New York

First National City Bank,
New York, New York

GENERAL COUNSEL
Donovan, Graner, Davidson & Burns,
Elmira, New York

I.C.C. COUNSEL
Major, Sage and King,
Alexandria, Virginia

The Annual Meeting of Shareholders of Penn Yan Express, Inc. will be held Friday, April 27, 1973 at 2 o'clock in the afternoon (E.S.T.) at the Morgan Guaranty Trust Company of New York, 299 Park Avenue, New York, in the Lecture Room on the Second Floor. Formal notice and proxy statement, with proxy, will be mailed to each stockholder prior to the meeting. Stockholders who do not plan to attend the meeting are requested to execute and return proxies.

To Our Stockholders

Penn Yan Express is pleased to report record level revenues and profits for the sixth consecutive year. 1972 net income rose 15.6% on a 6.7% increase in operating revenues.

Net income was $414,815 against last year's net income of $358,805 and operating revenues reached $8,150,748 compared to $7,636,003 a year ago. 1972 earnings per share were $1.08, based on 383,223 average shares outstanding. This compares to $1.02 on an average of 352,003 shares outstanding in 1971.

Earnings per share were affected by additional shares issued June 20, 1972, increasing the average shares outstanding by 8.9%. Dilution will continue to have an impact upon per share earnings through the year 1973.

We closed the year with an excellent balance sheet. Working capital was approximately $767,000 at December 31, 1972, compared to approximately $125,000 at December 31, 1971. Our current ratio was 1.75 to 1 compared to 1.10 to 1 last year. The debt to equity ratio improved to .75 to 1 because the public offering made possible the reduction in long term debt. In 1971 this ratio was 1.23 to 1.

The Company paid its first cash dividend in the amount of $.05 per Class A common share on July 31, 1972. Two additional $.05 cash dividends have been declared and paid. Management intends to maintain a regular quarterly dividend policy.

In June 1972 Penn Yan Express became publicly held through an offering of 150,000 Class A Common Shares at $10 a share. 90,000 of these shares were sold by selling stockholders. The remaining 60,000 shares were sold by the Company and the net proceeds of approximately $499,000 were applied against long term debt and purchase of new equipment.

Since this is our first annual report as a publicly held Company we would like to give you a brief picture of your Company, its history, operations, and future.

The Company's origin goes back to 1941 with the purchase of the operating rights of a small carrier operating one truck and one trailer. Its principal assets were the authority to operate within 50 miles of Penn Yan, New York. Over the past 32 years various acquisitions have been made to expand the operations in the States of New York, Northern New Jersey, and most recently, into Eastern Pennsylvania.

The Company operates as a regional general commodity carrier specializing in less than truckload freight, handling many shipments to various customers within the area we serve. Less than truckload freight accounted for 60.5% of operating revenue in 1972. Truckload revenue accounted for approximately 39.5% of operating revenue. At the present time we transport a wide variety of commodities to many customers. No one customer or commodity accounts for more than 5% of our business.

We believe that the reasons Penn Yan has grown in the past will continue to be present in our future. Penn Yan serves a regional area of approximately 300 miles consisting of a highly industrialized and populated section of the country. We are not competing with transcontinental motor carriers, railroads or airlines. However, while we do compete with other regional carriers and rail piggy-back service, our policy of providing good dependable service has built us a reputation as a reliable carrier with our customers.

The continuation of the growing revenue based on a rate of 12% improvement into the first ten weeks of 1973, and the expansion of our marketing area within Eastern Pennsylvania, permit the company to anticipate its 1973 operating revenues and net earnings will exceed all previous records. The present labor agreement with the Teamsters expires June 30, 1973. If the industry negotiates an equitable settlement without strike and we receive compensating rate relief, our prospects for additional profits during the coming year will be further enhanced.

In closing, management wishes to express its appreciation to all our customers and our employees. Their loyalty, dedication and support have made the Company's past successes possible, and encouraged us to look forward to another prosperous year.

Respectfully yours,

Robert L. Hinson

Robert L. Hinson, President

Revenue Equipment

Penn Yan pursues a policy of continuing fleet modernization by replacement of obsolete and high operating cost equipment on a planned replacement program. As of December 31, 1972, the company owned and operated 447 pieces of revenue equipment classified as follows:

	Total	Approximate Age of Equipment 1-3 years	3-6 years	6 years or older
Tractors	134	68	54	12
Line Haul Trailers, 40 feet and longer ...	213	100	105	8
Trailers, 23-foot[1]	95	95	—	—
Pickup and Delivery Trucks	5	5	—	—
Total	447	268	159	20

[1]23-foot Trailers are used in both intercity and city service.

The maximum utilization of revenue equipment is extremely important to a profitable company. As a result of recent changes in the laws within the State of New York, Penn Yan inaugurated the use of 23-foot trailers. These trailers operate in intercity service as double units, and are then used as single units in the city pickup and delivery operation. This permits the double utilization of our "short trailer" equipment. The tractor fleet, other than the large tandem axle tractors used on the Thruway, is used in both intercity and city pickup and delivery service, eliminating the need for duplicate equipment.

In order to provide consistent service to our customers, Penn Yan has a stringent preventive maintenance program to provide clean, dependable equipment. Penn Yan operates a complete maintenance facility at its Penn Yan operations and all equipment is scheduled through this facility on a regular program.

Capital Expenditures

During 1972 the Company purchased 16 single axle tractors and 99 trailers for a total outlay of $456,000. During the year 1973 contracts have been let for the purchase of 25 tandem axle tractors and 60 trailers for a cost of $584,000. The purchase of equipment is part of our current replacement program to allow the Company to pay for equipment out of operations and minimize borrowing. These units of equipment replace existing equipment in the fleet. Of the 60 new trailers, ten are equipped with air ride suspension to be used in Research and Development work with our customers.

HAROLD E. FORSHEY
Vice President and Treasurer

WILLIAM B. JAQUITH
Executive Vice President—Operations and Marketing

Company Profile

The Company purchased a terminal at Phillipsburg, New Jersey, on January 2, 1973, for $102,000 to serve our new Eastern Pennsylvania market area. This purchase was accomplished without borrowing.

Employees

The Company had 345 full time employees as of December 31, 1972. One hundred sixty-five of these employees are inter-city drivers, 35 dock handlers, 36 maintenance employees, 72 clerical, 13 salesmen, 19 in terminal management and 5 officers. Total compensation including benefits amounted to $4,754,000. The Company looks forward to maintaining good employee relations. The employees are participants in various incentive programs.

In February 1973 Mr. William B. Jaquith was employed as Executive Vice President of Operations and Marketing. The addition of Mr. Jaquith to the management team will contribute to management depth and provide additional time for the President to evaluate possible acquisitions, and plan the future growth of the company.

Mr. Jaquith, a Yale graduate, brings to the Company seven years of consulting management in marketing, sales, operations and cost controls with a leading transportation consulting firm. Mr. Jaquith for the past four years has participated in the development of management controls for Penn Yan Express.

Regulation

Penn Yan Express comes under the jurisdiction of the Interstate Commerce Commission. Regulation is often associated with the motor transport industry. Certainly it does exist, but its importance and magnitude can be overstated and misunderstood. Every industry is subject to a certain amount of regulation. Banking, public utilities, oil, air transport, food processing, insurance, investment banking, and many other major industries are regulated as much, if not more, than motor transport.

The ICC and comparable state agencies regulate certain areas of a carrier's business, among them issuing certificates of authority to operate. It is commonly thought that rates are set by the Interstate Commerce Commission, but this is not so. In conjunction with tariff bureaus, we determine and publish our own rates subject to ICC approval. If approved, the rates normally become effective 30 days after publication.

Insurance limits, equipment, safety regulations and driver qualifications all must meet minimum requirements set by the Department of Transportation. We consider these sound rules which help maintain high standards within the industry.

JACK SCHINDLER
Vice President—Sales

PAUL M. DONOVAN
Secretary

Penn Yan Express, Inc. and Subsidiaries

Consolidated Balance Sheet

December 31, 1972 with comparative figures for 1971

ASSETS

	1972	1971
Current assets:		
Cash (including time deposits of $200,000 in 1972)	$ 645,692	360,842
Accounts receivable, less allowance for doubtful accounts (1972—$12,100, 1971—$11,084):		
Freight revenue	463,531	423,374
Directors and officers	—	56,482
Other	143,743	50,509
Operating supplies, the lower of cost (first-in, first-out) or market	179,415	192,287
Prepaid expenses:		
Tires in service	210,732	176,128
Taxes, licenses, insurance and other	139,554	153,345
Total current assets	1,782,667	1,412,967
Tangible property, at cost (note 3):		
Land	261,363	280,575
Terminals and offices	1,254,378	1,312,031
Revenue equipment	3,607,598	3,693,924
Other operating equipment	1,096,383	1,055,725
	6,219,722	6,342,255
Less accumulated depreciation	1,990,960	2,123,262
Net tangible property	4,228,762	4,218,993
Intangible assets	510,905	510,905
Cash surrender value of life insurance	135,522	150,322
	$ 6,657,856	6,293,187

See accompanying notes to consolidated financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	1972	1971
Current liabilities:		
Notes payable—unsecured 6½%	$ —	192,457
Accounts payable	413,263	489,746
Dividends payable	10,207	—
Accrued expenses:		
Wages and vacation pay	170,607	207,657
Taxes other than Federal income	91,325	44,916
Interest	12,669	15,481
Profit-sharing (note 2)	40,000	63,000
Federal income taxes:		
Current	56,375	53,484
Deferred	95,000	93,000
Estimated liability for cargo loss and damage claims	23,769	16,458
Current maturities of long-term debt (note 3)	102,783	111,948
Total current liabilities	1,015,998	1,288,147
Long-term debt, less current portion (note 3)	2,199,452	2,523,446
Deferred income taxes	378,350	334,350
Stockholders' equity (notes 4, 5 and 6):		
Class A stock, $1 par value per share. Authorized 2,000,000 shares; issued 150,000 shares in 1972, 90,000 in 1971	150,000	90,000
Class B stock, $1 par value per share. Authorized 600,000 shares; issued 263,344 shares in 1972, 260,000 in 1971	263,344	260,000
Additional paid-in capital	464,123	—
Retained earnings (note 3)	2,186,589	1,797,244
Total stockholders' equity	3,064,056	2,147,244
	$ 6,657,856	6,293,187

Penn Yan Express, Inc. and Subsidiaries

Consolidated Statement of Income

Year ended December 31, 1972 with comparative figures for 1971

	1972	1971
Operating revenues	$ 8,150,748	7,636,003
Operating expenses:		
Equipment maintenance	646,206	628,525
Transportation	2,930,154	2,732,580
Terminal	1,105,189	1,046,926
Traffic	356,057	337,425
Insurance and safety	330,546	315,122
Administrative and general	656,394	680,715
Depreciation	614,125	566,385
Loss on disposal of operating equipment	24,907	12,176
Operating taxes and licenses	659,847	578,577
	7,323,425	6,898,431
Operating income	827,323	737,572
Nonoperating expense (income):		
Interest expense, principally on long-term debt	162,629	177,274
Gain on sale of nonoperating property	(4,621)	(16,507)
Income before Federal income tax	669,315	576,805
Federal income tax:		
Current	205,500	177,000
Deferred	49,000	41,000
	254,500	218,000
Net income ($1.08 per share in 1972, $1.02 in 1971)	$ 414,815	358,805

See accompanying notes to consolidated financial statements.

Penn Yan Express, Inc. and Subsidiaries

Consolidated Statement of Stockholders' Equity

Year ended December 31, 1972 with comparative figures for 1971

	Class A stock	Class B stock	Common stock	Additional paid-in capital	Retained earnings
Balances, December 31, 1970 ..	$ —	—	200,485	31,825	1,574,124
Net income for the year	—	—	—	—	358,805
Exercise of stock options	—	—	1,100	13,046	—
Repurchase and retirement of stock	—	—	(2,000)	(9,825)	(20,316)
Recapitalization (note 4)	90,000	260,000	(199,585)	(35,046)	(115,369)
Balances, December 31, 1971 ..	90,000	260,000	—	—	1,797,244
Net income for the year	—	—	—	—	414,815
Exercise of stock options (note 6)	—	3,344	—	25,432	—
Proceeds of sale of Class A stock, less expenses of sale of $101,309	60,000	—	—	438,691	—
Dividends declared ($.15 per share—Class A, $.0015 per share—Class B)	—	—	—	—	(25,470)
Balances, December 31, 1972	$ 150,000	263,344	—	464,123	2,186,589

See accompanying notes to consolidated financial statements.

Penn Yan Express, Inc. and Subsidiaries

Consolidated Statement of Changes in Financial Position

Year ended December 31, 1972 with comparative figures for 1971

	1972	1971
Working capital was provided by:		
Net income	$ 414,815	358,805
Expenses (income) not requiring outlay of working capital in the current period:		
Depreciation	614,125	566,385
Deferred income taxes (noncurrent)	44,000	39,850
Additional compensation expense resulting from the issuance of stock under stock option plan (note 6)	25,432	13,046
Loss on disposal of operating equipment	24,907	12,176
Gain on sale of nonoperating property	(4,621)	—
Working capital provided by operations	1,118,658	990,262
Proceeds from sale of stock, net of expenses of sale of $101,309	498,691	—
Proceeds from sale of stock under stock option plan (note 6)	3,344	1,100
Proceeds from sales and other disposals of tangible property	490,279	356,660
Proceeds from long-term borrowing	150,000	1,908,464
Proceeds from officer's life insurance policies redeemed	29,759	—
Working capital provided	2,290,731	3,256,486
Working capital was used for:		
Additions to tangible property	1,134,459	1,478,847
Payments on and retirement of long-term debt	473,994	979,024
Additions to intangible property	—	370,437
Increase in cash surrender value of life insurance	14,959	50,004
Repurchase and retirement of stock	—	32,141
Dividends declared	25,470	—
Working capital used	1,648,882	2,910,453
Increase in working capital (note 7)	$ 641,849	346,033

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

December 31, 1972

1. Summary of Accounting Policies

A. Principles of consolidation—The accompanying financial statements include the accounts of Penn Yan Express, Inc. and three wholly-owned subsidiaries after elimination of all intercompany accounts and transactions. During 1971, the stockholders of the Company and its affiliates approved the acquisition of the affiliates pending final approval by the Interstate Commerce Commission which was received on February 26, 1972. The acquisition resulted in the exchange of all the outstanding stock of the affiliates for 91,485 shares of common stock of the Company. The acquisition was accomplished March 22, 1972, and was accounted for under the pooling of interests method and accordingly the financial statements for 1971 include the accounts of such affiliates.

B. Specialized industry accounting principles—The consolidated financial statements have been prepared in conformity with generally accepted accounting principles which differ from accounting regulations of the Interstate Commerce Commission with respect to classification of current maturities of long-term debt, deferred income taxes, and the recording of certain operating rights acquired.

C. Tires in service—Tires in service are accounted for by expensing them over their useful lives for financial statement purposes and deducting them at the time they are placed in service for tax purposes.

D. Tangible property and depreciation—Tangible property is carried at cost. Major additions and betterments are charged to property accounts while maintenance and repairs which do not improve or extend the life of the respective assets are expensed currently. When property is retired or otherwise disposed of, the cost of the property is removed from the asset account, accumulated depreciation is charged with an amount equivalent to the depreciation provided, and the difference, if any, is charged or credited to income for financial statement purposes. For income tax purposes, the basis of the asset acquired is adjusted by the amount of the gain or loss on trade-ins of revenue equipment.

The provision for depreciation is based principally on the straight line method for financial statement purposes and principally on accelerated methods for tax purposes. The estimated useful lives used in computing depreciation are:

Terminals and offices	20-25 years
Revenue equipment	6-8 years
Other operating equipment	3-10 years

E. Intangible assets—Intangible assets consist principally of operating rights purchased. All present intangible assets were acquired prior to the effective date of Accounting Principles Board Opinion No. 17, and accordingly will be amortized only to the extent that a decline in value becomes evident or a definite term of existence is indicated. In the opinion of management, there has been no decline in values or indication of a limited term of existence of these assets at December 31, 1972.

F. Federal income taxes—Provisions for Federal income taxes are based on the tax effects of transactions which are included in the determination of pre-tax accounting income, and appropriate provision is made for deferred income taxes.

Deferred Federal income taxes result principally from the use of accelerated depreciation methods for tax purposes and primarily straight line methods for financial statement purposes, adjusting the basis of revenue equipment acquired for gains and losses on trade-ins for tax purposes and charging or crediting income for financial statement purposes and deducting tire costs at the time tires are placed in service for tax purposes and recognizing tires as an asset and expensing them over their useful lives for financial statement purposes.

The investment tax credit is treated by the Company as a reduction of Federal income taxes in the period in which the credit arises. The amount of the credit used to reduce Federal income tax expense was approximately $47,000 in 1972 and $44,000 in 1971.

G. Estimated liability for cargo loss and damage claims—The Company maintains a $1,000 deductible policy for cargo loss and damage claims and charges operations for estimated amounts not covered by insurance for financial statement purposes. For income tax purposes, such losses are deducted when paid.

H. Net income per share is calculated by dividing net income by the average number of common shares outstanding during the year. Stock options outstanding during the period have not been included in this computation since their effect is immaterial.

2. Profit Sharing Plan

The Company has a noncontributory Profit Sharing Plan for all eligible non-union employees which has been in effect since 1964. The Plan is qualified under the Internal Revenue Code of 1954.

The Plan provides for contributions by the Company in such amounts as the Board of Directors may annually determine, within the limits of the Plan, as defined to be a minimum of 3% of net operating profit before tax of the parent company and a maximum of 15% of the total compensation of participants in the Plan. The Company's contributions to the Plan were $55,000 in 1972 and $75,000 in 1971.

3. Long-Term Debt

Long-term debt consisted of the following:

	December 31, 1972	1971
Mortgage loans secured by certain tangible property, 6% to 7½% (6% to 8½% in 1971) payable through 1992	$ 462,186	579,234
Bank loan under revolving credit agreement (A)	1,600,000	1,731,000
Other obligations, at varying interest rates to 4% (7¾% in 1971), payable through 1979	240,049	325,160
	2,302,235	2,635,394
Less current portion	102,783	111,948
	$ 2,199,452	2,523,446

(A) The bank revolving credit agreement provides for interest at the commercial prime rate plus 1% (7% at December 31, 1972) and allows Penn Yan Express, Inc. and subsidiaries to borrow up to $2,500,000 unless otherwise limited by the borrowing base, defined in the agreement to be 90% of the net book value of the assigned equipment.

The Company has granted a security interest in its equipment to secure payment and performance of the bank loan. This security interest will not attach, however, until written notice is given by the bank.

So long as the Company maintains the required borrowing base and is not in default of other provisions of the agreement, payments on the principal of the revolving credit loan are not due. Accordingly, no portion of this loan is classified as a current liability. At the election of either the Company or the bank principal monthly payments will become due in varying amounts over a 60 month period. At December 31, 1972, neither the bank nor the Company had elected to terminate the agreement.

Dividends are restricted to 50% of the cumulative net income earned after December 31, 1971. Under terms of this loan agreement, at December 31, 1972, $181,937 was free from restrictions on the payment of cash dividends.

4. Recapitalization

On February 14, 1972, the directors and stockholders approved a recapitalization of the Company, which was approved by the Interstate Commerce Commission on May 26, 1972. This recapitalization resulted in the creation of 2,000,000 authorized shares of Class A stock ($1 par value per share) and 600,000 authorized shares of Class B stock ($1 par value per share). The 199,585 shares of common stock outstanding prior to the recapitalization were exchanged for 90,000 shares of Class A stock and 260,000 shares of Class B stock. This recapitalization was retroactively reflected in the financial statements as of December 31, 1971, and the earnings per share computation was made based upon the recapitalized structure.

5. Common stock

Class A stock and Class B stock have identical rights and privileges except as to cash dividends, which are payable on Class B stock at a rate of 1% of cash dividends payable on Class A stock.

Beginning January 1, 1973, Class B stock may be converted, at the option of the holder, into Class A stock on a share for share basis. The number of shares which may be so converted in any calendar year may not exceed 52,000 shares plus the number of shares which might have been but were not converted during any preceding year or years. The right of conversion during any year prior to 1978 is conditioned on a dividend of not less than $.05 per quarter having been paid on Class A stock prior to the year of conversion. On January 4, 1973, 52,000 shares of Class B stock was converted to Class A. The stated capital of the corporation has not been changed as a result of such conversion.

6. Stock Option Plans

In 1969, the Company adopted a nonqualified stock option plan for key employees. Options are for the purchase of Class B stock, expire five years after the date of grant and are generally exercisable in noncumulative increments of 20% beginning at the date of grant. No further options are to be granted under this plan.

The tabulation below shows options granted, outstanding, exercisable and exercised from December 31, 1971:

	Number of Class B shares	Option price		Fair market value (A)	
		Per share	Total	Per share	Total
Options granted and outstanding:					
Balance, December 31, 1971	10,346	$ 1.00	10,346	6.53-7.76	75,099
Exercised during the year	(3,344)	1.00	(3,344)	6.53-7.76	(24,379)
Balance, December 31, 1972	7,002		7,002	6.53-7.76	50,720
Options exercisable:					
Options which became exercisable and were exercised during the year ended December 31, 1972	3,344	$ 1.00	3,344	8.42-8.75	25,432

(A) At date of grant with respect to options granted, and at date options became exercisable or were exercised with respect to exercisable and exercised options.

The difference between the fair market value and the option prices at date of grant under the nonqualified option plan is being charged to operating expense over the lives of the option agreements. Amounts so charged were $25,432 in 1972 and $13,046 in 1971.

During 1972, the Company adopted a stock option plan qualified under Section 422 of the Internal Revenue Code of 1954. Under the plan 25,000 shares of Class B stock were reserved for issuance under the Plan and 25,000 shares of Class A stock have been reserved for conversion of the Class B shares. The Plan was adopted subject to approval of the U.S. Government Pay Board, which approved the Plan with certain qualifications on November 16, 1972. As a result of the Pay Board's decision and the present uncertainty involving Phase III of the Economic Stabilization Act, no formal option agreements have yet been entered into.

7. Working Capital

The increases in working capital shown in the consolidated statement of changes in financial position consist of:

	1972	1971
Increase (decrease) in current assets:		
Cash	$ 284,850	(59,638)
Accounts receivable	76,909	(653)
Operating supplies	(12,872)	(10,597)
Prepaid expenses	20,813	71,520
	369,700	632
Increase (decrease) in current liabilities:		
Notes payable	(192,457)	147,457
Accounts payable	(76,483)	110,430
Dividends payable	10,207	—
Accrued liabilities (including cargo loss and damage claims)	(9,142)	28,013
Federal income tax	4,891	(46,867)
Current maturities of long-term debt	(9,165)	(584,434)
	(272,149)	(345,401)
Increase in working capital	$ 641,849	346,033

Accountants' Report

The Board of Directors
Penn Yan Express, Inc.:

We have examined the consolidated balance sheet of Penn Yan Express, Inc. and subsidiaries as of December 31, 1972 and the related statements of income, changes in stockholders' equity and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, such financial statements present fairly the consolidated financial position of Penn Yan Express, Inc. and subsidiaries as of December 31, 1972, and the results of their operations, changes in stockholders' equity and the changes in their financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

Rochester, New York
February 28, 1973

Six-Year Summary

	1972	1971	1970	1969	1968	1967
Financial Data						
Operating Revenues	$8,150,748	7,636,003	7,248,066	6,492,084	5,824,691	5,447,506
Pre-tax Income	$ 669,315	576,805	459,027	346,360	246,191	325,143
Net Income	$ 414,815	358,805	230,027	205,360	124,191	202,143
Operating Ratio (ICC Basis)	93.6	94.0	94.8	95.5	95.3	94.5
Net Income per share	$ 1.08	1.02	.65	.58	.35	.57
Dividends	$ 25,470	—	—	—	—	—
Average shares outstanding	383,223	352,003	351,552	353,332	355,086	356,029
Operating Data						
Tons of freight	243,505	231,317	247,827	263,581	240,562	235,054
Number of shipments	205,110	201,041	219,296	223,004	223,763	230,214
Average length of haul	239.4	251.8	252.2	237.9	240.1	237.6
Intercity miles	4,267,597	3,879,807	4,294,971	4,047,962	4,429,019	4,478,763

Terminals

BINGHAMTON, NEW YORK
1301 Arterial Highway 607-723-5491

BUFFALO, NEW YORK
176 Vulcan Street 716-877-5111

CARLSTADT, NEW JERSEY
50 Kero Road 201-933-5770

ELMIRA, NEW YORK
1510 Grand Central Avenue ...607-733-6501

PENN YAN, NEW YORK
100 West Lake Road 315-536-3321

PHILLIPSBURG, NEW JERSEY
R. D. 1 201-454-8800

ROCHESTER, NEW YORK
16 Deep Rock Road 716-436-7722

SCRANTON, PENNSYLVANIA
749 North Keyser Avenue 717-346-7604

SYRACUSE, NEW YORK
752 Hiawatha Boulevard West ..315-474-7840

PENN YAN EXPRESS, INC.

HOME OFFICE • 100 West Lake Road • Penn Yan, New York 14527