UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K/A
(Amendment No. 1)

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

October 24, 2012
Date of report (Date of earliest event reported)

XPO Logistics, Inc.
(Exact name of registrant as specified in its charter)

Delaware	001-32172	03-0450326
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

Five Greenwich Office Park
Greenwich, CT 06831
(Address of principal executive offices)

(855) 976-4636
(Registrant's telephone number, including area code)

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 (*see* General Instruction A.2. below):

☐ 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))

Item 2.01. Completion of Acquisition or Disposition of Assets.

This Amendment No. 1 to Form 8-K amends our Form 8-K dated October 24, 2012, originally filed with the Securities and Exchange Commission on October 29, 2012 (the "Original Report"). We filed the Original Report to report our acquisition of the assets of Turbo Logistics, Inc. and Turbo Dedicated, Inc. (collectively, "Turbo").

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

The combined balance sheets of Turbo Logistics, Inc. and Turbo Dedicated, Inc. as of December 31, 2011 and December 31, 2010 and the related combined statements of operations, parent company equity and cash flows for the years ended December 31, 2011, December 31, 2010 and December 31, 2009 required by this Item 9.01(a) are attached hereto as Exhibit 99.2 and are incorporated herein by reference.

The combined balance sheets of Turbo Logistics, Inc. and Turbo Dedicated, Inc. as of June 30, 2012 and December 31, 2011, and the related combined statements of operations, parent company equity and cash flows for the six months ended June 30, 2012 and June 30, 2011 required by this Item 9.01(a) are attached hereto as Exhibit 99.3 and are incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma financial information required by Item 9.01(b) pursuant to Article 11 of Regulation S-X is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

(d) Exhibits.

Exhibit Number	
23.1	Consent of Ernst & Young LLP, independent auditors
23.2	Acknowledgement of Ernst & Young LLP, independent accountants
99.1	Pro Forma Financial Information
	Unaudited pro forma condensed combined consolidated balance sheet as of June 30, 2012, and statements of operations for the six months ended June 30, 2012 and the year ended December 31, 2011
99.2	Financial Statements of Businesses Acquired
	(i) Report of Independent Auditors
	(ii) Combined balance sheets of Turbo Logistics, Inc. and Turbo Dedicated, Inc. as of December 31, 2011 and December 31, 2010, and the related combined statements of operations, parent company equity and cash flows for the years ended December 31, 2011, December 31, 2010 and December 31, 2009
99.3	Financial Statements of Businesses Acquired
	(i) Report of Independent Accountants
	(ii) Combined balance sheets of Turbo Logistics, Inc. and Turbo Dedicated, Inc. as of June 30, 2012 and December 31, 2011, and the related combined statements of operations, parent company equity and cash flows for the six months ended June 30, 2012 and June 30, 2011

SIGNATURES

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 thereunto duly authorized.

XPO Logistics, Inc.

/s/ John J. Hardig

John J. Hardig
Chief Financial Officer

Date: January 4, 2013

EXHIBIT INDEX

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Exhibit 23.1

Consent of Independent Auditors

We consent to the incorporation by reference in the Registration Statement No. 333-1767000 on Form S-3 of XPO Logistics, Inc. of our report dated January 4, 2013, with respect to the audited combined financial statements of Turbo Logistics Inc. and Turbo Dedicated Inc. which appear in this Amendment No. 1 to the Current Report on Form 8-K/A of XPO Logistics, Inc. dated January 4, 2013.

/s/ Ernst & Young LLP

Nashville, TN
January 4, 2013

Exhibit 23.2

Acknowledgement of Independent Accountants

We are aware of the incorporation by reference in the Registration Statement No. 333-1767000 on Form S-3 of XPO Logistics, Inc. of our report dated January 4, 2013 relating to the unaudited condensed combined interim financial statements of Turbo Logistics Inc. and Turbo Dedicated Inc. for the six-month periods ended June 30, 2012 and 2011 which appear in this Amendment No. 1 to the Current Report on Form 8-K/A of XPO Logistics, Inc. dated January 4, 2013.

/s/ Ernst & Young LLP

Nashville, TN
January 4, 2013

Exhibit 99.1

On October 24, 2012, XPO Logistics, Inc. ("XPO Logistics" or the "Company") and its wholly-owned subsidiary, XPO Logistics, LLC, entered into a definitive asset purchase agreement (the "Agreement") with Turbo Logistics, Inc. ("Turbo Logistics"), Turbo Dedicated, Inc. ("Turbo Dedicated", and together with Turbo Logistics, "Turbo"), Ozburn-Hessey Logistics, LLC, and OHH Acquisition Corporation (collectively, the "Sellers"). Turbo primarily operates a non-asset-based, third party logistics business in Gainesville, Ga.; Reno, Nev.; Chicago, Ill.; and Dallas, Texas. Pursuant to the Agreement, on October 24, 2012 the Company purchased substantially all of the assets of Turbo for total cash consideration of $50.075 million, excluding any working capital adjustments, with no assumption of debt (the "Transaction"). The assets acquired pursuant to the Agreement included rights under certain contracts, intellectual property, equipment, accounts receivable, and other related assets.

The following unaudited pro forma condensed combined financial statements and related notes combine the historical consolidated balance sheets and statements of operations of XPO Logistics and the combined balance sheets and statements of operations of Turbo. For purposes of preparing the unaudited pro forma condensed combined financial statements, XPO Logistics has combined the XPO Logistics consolidated statement of operations for the twelve months ended December 31, 2011 and the condensed consolidated statement of operations for the six months ended June 30, 2012 with Turbo's combined statement of operations for each respective period.

The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2011 and the six months ended June 30, 2012 give effect to the Transaction as if it had occurred on January 1, 2011. The unaudited pro forma condensed combined balance sheet assumes that the Transaction was completed on June 30, 2012. The unaudited pro forma condensed combined balance sheet and condensed combined statement of operations of XPO Logistics as of and for the six months ended June 30, 2012 were derived from its unaudited condensed consolidated financial statements as of June 30, 2012 (as filed on Form 10-Q with the SEC on August 7, 2012). The unaudited pro forma condensed combined statement of operations of XPO Logistics for the twelve months ended December 31, 2011 was derived from the audited consolidated financial statements of XPO Logistics for the year ended December 31, 2011 (as filed on Form 10-K with the SEC on March 1, 2012). The unaudited pro forma condensed combined balance sheet and condensed combined statement of operations of Turbo as of and for the six months ended June 30, 2012 were derived from its unaudited combined financial statements as of June 30, 2012. The unaudited pro forma condensed combined statement of operations of Turbo for the twelve months ended December 31, 2011 was derived from its audited combined financial statements of Turbo for the twelve months ended December 31, 2011.

The historical consolidated financial information of XPO Logistics and the combined financial information of Turbo have been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (1) directly attributable to the Transaction, (2) factually supportable, and (3) with respect to the statements of operations, expected to have a continuing impact on the combined results. The pro forma events may not be indicative of actual events that would have occurred had the combined businesses been operating as a separate and independent business and may not be indicative of future events which may occur. The unaudited pro forma condensed combined financial information should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements.

The unaudited pro forma condensed combined financial statements have been presented for illustrative purposes only and are not intended to represent or be indicative of what the combined company's financial position or results of income actually would have been had the acquisition been completed as of the dates indicated. In addition, the unaudited pro forma condensed combined financial information does not purport to project the future financial position or operating results of the combined company. The unaudited pro forma condensed combined financial information reflects certain assumptions regarding the allocation of corporate costs by OHHAC (See Note 13 of the combined financial statements of Turbo in Exhibits 99.2 and 99.3); however, these allocated expenses may not be indicative of the actual expenses that would have been incurred had the combined businesses been operating as a separate and independent business and may not be indicative of future levels of expenses to be incurred. The unaudited pro forma condensed combined financial information does not include the impact of any revenue, cost or other operating synergies that may result from the Turbo acquisition.

XPO Logistics, Inc.
Unaudited Pro Forma Condensed Combined Balance Sheet
As of June 30, 2012
(In thousands)

	XPO Historic	Turbo Historic	Pro Forma Adjustments 2(a)		Pro Forma Combined
ASSETS					
Cash	190,712	136	(50,211)	(1)(2)	140,637
Accounts receivable, net of allowances	30,834	13,680	186	(5)	44,700
Prepaid expenses	732	28	—		760
Deferred tax asset, current	46	118	(118)	(2)	46
Income taxes receivable	2,497	—	—		2,497
Other current assets	719	402	(388)	(2)	733
Total current assets	225,540	14,364	(50,531)		189,373
Property, plant and equipment, net of accumulated depreciation	6,694	2,180	—		8,874
Goodwill	19,084	32,289	2,319	(3)	53,692
Identifiable intangible assets, net of accumulated amortization	8,902	2,135	10,390	(4)	21,427
Deferred tax asset, long-term	—	806	(806)	(2)	—
Other long-term assets	511	698	(680)	(2)	529
Total long-term assets	35,191	38,108	11,223		84,522
Total assets	260,731	52,472	(39,308)		273,895
LIABILITIES AND STOCKHOLDERS' EQUITY					
Accounts payable	8,329	12,010	—		20,339
Accrued salaries and wages	1,177	849	—		2,026
Accrued expenses, other	6,196	70	—		6,266
Current maturities of long-term debt and capital leases	28	747	(747)	(2)	28
Other current liabilities	1,026	—	1,205	(5)(8)	2,231
Total current liabilities	16,756	13,676	458		30,890
Long-term debt and capital leases, net of current maturities	103	57,759	(57,759)	(2)	103
Deferred tax liability, long-term	3,395	—	—		3,395
Other long-term liabilities	2,130	1,167	(1,118)	(6)	2,179
Total long-term liabilities	5,628	58,926	(58,877)		5,677
Stockholders' equity:		—			—
Preferred stock	42,794	—	—		42,794
Common stock	17	—	—		17
Additional paid-in capital	241,962	—	—		241,962
Treasury stock	(107)	—	—		(107)
Accumulated (deficit) earnings	(46,319)	(20,130)	19,111	(7)(8)	(47,338)
Noncontrolling Interest	—	—	—		—
Total stockholders' equity	238,347	(20,130)	19,111		237,328
Total liabilities and stockholders' equity	260,731	52,472	(39,308)		273,895

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Statements.

XPO Logistics, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Six Months Ended June 30, 2012
(In thousands, except per share data)

	XPO Historic	Turbo Historic	Pro Forma Adjustments 3(a)		Pro Forma Combined
Revenue					
Operating revenue	99,100	62,947	—		162,047
Expense					
Direct expense	83,861	52,293	—		136,154
Gross Margin	15,239	10,654	—		25,893
Selling, general and administrative expenses	22,831	9,495	129	(1)	32,455
Impairment of goodwill	—	25,753	—		25,753
Operating loss	(7,592)	(24,594)	(129)		(32,315)
Other expense	5	—	—		5
Interest (income) expense	15	1,154	(1,199)	(2)	(30)
(Loss) income before income tax provision	(7,612)	(25,748)	1,070		(32,290)
Income tax (benefit) provision	259	(7,485)	—	(3)	(7,226)
Net (loss) income	(7,871)	(18,263)	1,070		(25,064)
Undeclared cumulative preferred dividends	(1,500)	—	—		(1,500)
Preferred stock beneficial conversion charge and dividends	—	—	—		—
Net (loss) income available to common shareholders	(9,371)	(18,263)	1,070		(26,564)
Basic earnings per common share					
Income from continuing operations	(0.56)	—	—		(1.60)
Net (loss) income	(0.56)	—	—		(1.60)
Diluted earnings per common share		—			
Income from continuing operations	(0.56)	—	—		(1.60)
Net (loss) income	(0.56)	—	—		(1.60)
Weighted average common shares outstanding		—			
Basic weighted average common shares outstanding	16,629	—	—		16,629
Diluted weighted average common shares outstanding	16,629	—	—		16,629

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Statements.

XPO Logistics, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Twelve Months Ended December 31, 2011
(In thousands, except per share data)

	XPO Historic	Turbo Historic	Pro Forma Adjustments 3(a)		Pro Forma Combined
Revenue					
Operating revenue	177,076	125,588	—		302,664
Expense		—			—
Direct expense	147,298	103,730	—		251,028
Gross Margin	29,778	21,858	—		51,636
Selling, general and administrative expenses	28,054	17,076	975	(1)	46,105
Operating (loss) income	1,724	4,782	(975)		5,531
Other expense	56	—	—		56
Interest (income) expense	191	2,243	(2,290)	(2)	144
Income before income tax provision	1,477	2,539	1,315		5,331
Income tax provision	718	1,370	500	(4)	2,588
Net income	759	1,169	815		2,743
Undeclared cumulative preferred dividends	—	—	—		—
Preferred stock beneficial conversion charge and dividends	(45,336)	—	—		(45,336)
Net (loss) income available to common shareholders	(44,577)	1,169	815		(42,593)
		—			
Basic earnings per common share		—			
Income from continuing operations	(5.41)	—	—		(5.16)
Net (loss) income	(5.41)	—	—		(5.16)
Diluted earnings per common share		—			
Income from continuing operations	(5.41)	—	—		(5.16)
Net (loss) income	(5.41)	—	—		(5.16)
Weighted average common shares outstanding		—			
Basic weighted average common shares outstanding	8,247	—	—		8,247
Diluted weighted average common shares outstanding	8,247	—	—		8,247

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Statements.

Notes to Unaudited Pro Forma Condensed Combined Financial Data

(Dollar Amounts are Presented in Thousands)

(1) Purchase Price

The estimated purchase price of $50.075 million and the allocation of the estimated purchase price discussed below are preliminary, and subject to certain post-closing adjustments including a potential adjustment to working capital. A final determination of required adjustments will be made based upon the final evaluation of the fair value of our tangible and identifiable intangible assets acquired and liabilities assumed. The purchase price will be adjusted by the amount by which the final working capital as of the closing date is different from the target working capital per the Agreement.

The following table summarizes the purchase price allocation adjustments of the assets acquired and liabilities assumed as if the acquisition date was June 30, 2012. The final allocation of the purchase price will be determined at a later date and is dependent on a number of factors, including the final evaluation of the fair value of tangible and identifiable intangible assets acquired and liabilities assumed. An independent third-party appraiser assisted in performing a preliminary valuation of the identifiable intangible assets and upon a final valuation the purchase price allocation will be adjusted. Such final adjustments, including increases to amortization resulting from the allocation of the purchase price to amortizable intangible assets, may be material. Adjustments to the fair value of intangible assets acquired and liabilities assumed will impact the value of goodwill recognized in the transaction, and the adjustment to goodwill may be material. For illustrative purposes the preliminary allocation of the purchase price to the fair value of Turbo's assets acquired and liabilities assumed assuming the acquisition date was June 30, 2012 is presented as follows.

Description	
Estimated purchase price	$ 50,075
Less: Carrying value of Turbo net assets acquired[a]	(2,942)
Less: Fair value of Trademarks / Trade Names	(725)
Less: Fair value of Non Compete Agreements	(1,800)
Less: Fair value of Customer Relationships	(10,000)
Fair value of Goodwill	$ 34,608

(a) Management believes the historical carrying amounts approximate fair value. The calculation of the carrying value of Turbo net assets acquired is as follows:

Description	
Carrying value of Turbo net assets	$(20,130)
Less: Assets not acquired	(2,128)
Plus: Liabilities not assumed	58,506
Less: Historic intangible assets	(2,135)
Less: Historic goodwill	(32,289)
Plus: Historic deferred rent liability	1,118
Carrying value of Turbo net assets acquired	$ 2,942

(2) Description of Pro Forma Adjustments, as presented on the June 30, 2012 Balance Sheet

a. Represents purchase price adjustments for the acquisition of Turbo as follows:

(1) Represents an adjustment for the cash transaction price of $50,075.

(2) Represents adjustments to the combined company for assets and liabilities of Turbo not acquired by XPO Logistics, including assets of $2,128 (consisting of $136 of cash, $388 of the current portion of notes receivable, $660 of the long-term portion of notes receivable, $20 of long-term deferred financing costs, $118 of the current deferred tax asset, and $806 of the long-term deferred tax asset) and $58,506 of long-term debt (consisting of $747 of the current portion of long-term debt and $57,759 of the non-current portion of long-term debt).

(3) Eliminates goodwill recorded in the historical financial statements of Turbo of $32,289 and records the preliminary fair value of goodwill resulting from the pro forma allocation of the purchase price as if the acquisition had occurred using a preliminary estimate of $34,608. The adjustment represents the net impact to goodwill of $2,319. Goodwill resulting from the acquisition is not amortized, and will be assessed for impairment at least annually in accordance with applicable accounting guidance on goodwill.

(4) Represents the preliminary allocation of purchase price to identifiable intangible assets, as follows:

Trademarks / Trade Names	$ 725
Non Compete Agreements	1,800
Customer Relationships	10,000
	$12,525

The adjustment to identifiable intangible assets represents the net impact to intangible assets of $10,390, $12,525 as a result of the preliminary allocation of purchase price to identifiable intangible assets less the historical net identifiable intangible assets of $2,135.

(5) Reflects adjustments to reclassify Turbo's claims accrual of $186 to other current liabilities in accordance with XPO accounting policy.

(6) Eliminates deferred rent recorded in the historical financial statements of Turbo of $1,118.

(7) Reflects adjustments to eliminate Turbo's historical shareholders' equity of $20,130.

(8) Reflects adjustments to account for transaction costs of $1,019 related to the Turbo acquisition.

(3) Description of Pro Forma Adjustments, as presented on the six months ended June 30, 2012 and twelve months ended December 31, 2011 Statements of Operations

a. Represents purchase price adjustments for the acquisition of Turbo as follows:

(1) To record pro forma amortization expense of $513 and $1,750 for the six months ended June 30, 2012 and twelve months ended December 31, 2011 unaudited pro forma condensed combined statements of operations, respectively, on the portion of the purchase price allocated to intangible assets. Turbo had historic amortization of intangible assets of $384 and $775 for the six and twelve month periods, respectively. The pro forma adjustments show the respective incremental increases to amortization expense of $129 and $975 for the six months ended June 30, 2012 and twelve months ended December 31, 2011. Pro forma amortization is calculated as follows:

			Estimated Amortization[a]	
	Preliminary Fair Value	**Estimated Useful Life (years)**	**For the 6 months ended June 30, 2012**	**For the 12 months ended December 31, 2011**
Trademarks / Trade Names	$ 725	0.75	$ —	$ 725
Non Compete Agreements	1,800	8.00	113	225
Customer Relationships	10,000	12.50	400	800
	$ 12,525		$ 513	$ 1,750

(a) Amortization expense has been calculated using the straight-line method over the estimated useful life.

(2) Represents the removal of interest related to debt of Turbo not assumed in the Transaction of $1,199, and $2,290 for the six months ended June 30, 2012 and twelve months ended December 31, 2011 unaudited pro forma condensed combined statements of operations, respectively.

(3) An income tax effect was not recorded related to the pro forma adjustments for the six months ended June 30, 2012. The Company did not record a tax benefit for the net operating losses incurred during this period due to a three year cumulative loss and the inability to project offsetting future taxable income. On a pro forma basis, the loss before income tax provision increases due to the addition of Turbo and as such no tax impact was applied to the respective pro forma adjustments.

(4) Represents the income tax effect of the pro forma adjustments calculated using an estimated statutory tax rate of 38.0% (i.e., the United States statutory income tax rate of 35.0% plus an estimated blended state income tax rate of 3.0%).

Exhibit 99.2

COMBINED FINANCIAL STATEMENTS

Turbo Logistics Inc. and Turbo Dedicated Inc.

Years Ended December 31, 2011, 2010 and 2009

TURBO LOGISTICS INC. AND TURBO DEDICATED INC.

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Report of Independent Auditors

The Board of Directors
OHH Acquisition Corporation

We have audited the accompanying combined balance sheets as of December 31, 2011 and 2010, of the corporations listed in Note 1, and the related combined statements of operations, parent company equity, and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the companies' management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the companies' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the companies' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position at December 31, 2011 and December 31, 2010, of the corporations listed in Note 1, and the combined results of their operations and their cash flows for each of the three years in the period ended December 31, 2011 in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Nashville, Tennessee
January 4, 2013

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TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED BALANCE SHEETS
(In thousands)

	December 31	
	2011	2010
ASSETS		
Current assets:		
Cash and cash equivalents	$ 327	$ 315
Accounts receivable, net of allowance for doubtful accounts of $93 and $35, respectively	14,610	13,008
Prepaid expenses and other current assets	496	197
Total current assets	15,433	13,520
Property and equipment, net	2,546	2,936
Goodwill	58,042	58,042
Intangible assets, net	2,519	3,294
Deferred financing costs, net	109	288
Other assets	822	12
Total assets	$79,471	$78,092
LIABILITIES AND PARENT COMPANY EQUITY		
Current liabilities:		
Accounts payable	$10,213	$ 9,476
Accrued salaries and benefits	1,079	643
Accrued expenses and other current liabilities	44	20
Current maturities of long-term debt with parent	747	747
Total current liabilities	12,083	10,886
Long-term debt with parent	58,133	58,880
Deferred income taxes	6,633	5,304
Other long-term liabilities	1,209	1,647
Total liabilities	78,058	76,717
Parent company equity:		
Parent investment	1,413	1,375
Total liabilities and parent company equity	$79,471	$78,092

The accompanying notes are an integral part of these combined financial statements.

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TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED STATEMENTS OF OPERATIONS
(In thousands)

	Year Ended December 31		
	2011	2010	2009
Revenues	$125,588	$105,319	$102,377
Expenses:			
Direct expense	103,730	88,435	84,594
Gross margin	21,858	16,884	17,783
Selling, general and administrative expense	17,076	15,773	14,011
Operating income	4,782	1,111	3,772
Other expense (income):			
Interest expense	2,290	2,339	2,707
Interest income	(47)	—	—
Income (loss) before income taxes	2,539	(1,228)	1,065
Provision for income taxes	1,370	961	685
Net income (loss)	$ 1,169	$ (2,189)	$ 380

The accompanying notes are an integral part of these combined financial statements.

TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31		
	2011	2010	2009
Operating activities			
Net income (loss)	$ 1,169	$(2,189)	$ 380
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,542	1,656	2,342
Share-based compensation	(250)	(2)	65
Amortization of deferred financing costs and note receivable discount	134	182	184
Provision for doubtful accounts	96	44	—
Gain on settlement of contingency	(1,345)	—	—
(Gain) loss on sale of property and equipment	(3)	(625)	23
Deferred income taxes	1,308	945	674
Changes in cash from operating assets and liabilities:			
Accounts receivable	(1,698)	(54)	1,856
Prepaid expenses and other current assets	110	(98)	24
Accounts payable	737	(2,543)	(793)
Accrued salaries and benefits	436	82	(1,250)
Accrued expenses and other	(166)	208	(117)
Net cash provided by (used in) operating activities	2,070	(2,394)	3,388
Investing activities:			
Purchases of property and equipment	(378)	(1,679)	(171)
Proceeds from disposal of property and equipment	4	699	105
Collection of note receivable	194	—	—
Net cash used in investing activities	(180)	(980)	(66)
Financing activities:			
Payments on long-term debt with parent	(747)	(747)	(747)
Net transfers (to) from parent	(1,131)	3,669	(3,157)
Net cash (used in) provided by financing activities	(1,878)	2,922	(3,904)
Net increase (decrease) in cash and cash equivalents	12	(452)	(582)
Cash and cash equivalents at beginning of period	315	767	1,349
Cash and cash equivalents at end of period	$ 327	$ 315	$ 767
Supplemental disclosure of cash flow information:			
Interest payments to parent	$ 2,110	$ 2,158	$ 2,523
Income taxes paid, net	$ 62	$ 16	$ 11
Non-cash property and equipment additions	$ —	$ 1,146	$ —

The accompanying notes are an integral part of these combined financial statements.

TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED STATEMENTS OF PARENT COMPANY EQUITY
FOR THE THREE YEARS ENDED DECEMBER 31, 2011, 2010 AND 2009
(In thousands)

	Parent Investment (Deficit)
Balance at December 31, 2008	$ 2,672
Net income	380
Net transfers to parent	(3,157)
Balance at December 31, 2009	(105)
Net loss	(2,189)
Net transfers from parent	3,669
Balance at December 31, 2010	1,375
Net income	1,169
Net transfers to parent	(1,131)
Balance at December 31, 2011	$ 1,413

The accompanying notes are an integral part of these combined financial statements.

TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1: Description of Business

Turbo Logistics, Inc. and Turbo Dedicated Inc. (together "Turbo" or the "Company") were acquired by OHH Acquisition Corporation ("OHHAC" or "Parent") on June 30, 2006 and are indirect wholly-owned subsidiaries of OHHAC.

Turbo is a broker of third party transportation logistics. Turbo is also involved in related ancillary services that complement the third party transportation logistics services. Turbo is headquartered in Gainesville, Georgia, with operational activities primarily conducted throughout the Southeastern United States.

Note 2: Summary of Significant Accounting Policies

Principles of Combination and Basis of Presentation - The accompanying combined financial statements of Turbo are derived from the accounting records of OHHAC and are presented as if Turbo operated on a standalone basis. The combined financial statements are prepared in accordance with the accounting principles generally accepted in the U.S. and include the combined financial position, results of operations and cash flows of Turbo Logistics, Inc. and Turbo Dedicated, Inc. All significant intercompany transactions between the combined businesses of Turbo have been eliminated.

The combined statements of operations include expense allocations for the corporate functions provided to Turbo by OHHAC including, but not limited to, executive management, finance, legal, human resources, employee benefits, treasury, tax, information technology, risk management, business development and share-based compensation. These expenses have been allocated to the Company on the basis of direct usage when identifiable, with the balance allocated on the basis of net revenue, headcount or other measures. Management believes these allocations have been made on a consistent basis and are reasonable. However, these allocated expenses may not be indicative of the actual expenses that would have been incurred had the combined businesses been operating as a separate and independent business and may not be indicative of future levels of expenses to be incurred.

Transactions between Turbo and OHHAC included in these combined financial statements are considered to be effectively settled in cash at the time the transaction is recorded, and therefore are included as financing activities in the combined statements of cash flows. The net effect of these transactions is included in the combined balance sheets as Parent investment.

OHHAC uses a centralized approach to cash management and financing its operations. The majority of Turbo's cash receipts are transferred to OHHAC daily and OHHAC funds Turbo working capital and capital expenditure requirements as needed. Cash transfers to and from OHHAC cash management accounts are recorded in Parent investment in the combined balance sheets.

The combined financial statements include certain assets and liabilities that have been historically recorded at the OHHAC corporate level but are specifically identifiable or otherwise attributable to Turbo. OHHAC debt financed the June 30, 2006 acquisition of Turbo. The borrowings are directly related to Turbo, Turbo is a guarantor on the debt and substantially all assets of Turbo have been pledged as collateral. For these reasons Turbo's share of OHHAC third party debt, deferred financing costs and related interest expense have been allocated to Turbo for all periods presented.

Parent Investment - Parent investment in the combined balance sheets represent OHHAC's historical investment in Turbo, the net effects of cost allocations from and transactions with OHHAC, net cash transfers (to) from OHHAC and Turbo's accumulated earnings. See Note 13.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include recognition of revenue, accounting for income taxes, allocation of assets, liabilities, revenue and expenses from Parent, allowance for doubtful accounts, contingencies, share-based compensation, and recoverability of goodwill, intangibles, and other long-lived assets. These estimates involve judgments with respect to, among other things, future economic factors that are difficult to predict and are beyond management's control. As a result, actual amounts could differ from these estimates.

Cash and Cash Equivalents - Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less.

Accounts Receivable, net - The Company reports its trade accounts receivable net of an allowance for doubtful accounts, which represents management's estimate of the amount of its receivables that may not be collectible. The majority of the Company's accounts receivable is due from commercial and industrial customers for logistics services. Credit is extended based on evaluation of the customer's financial condition. Amounts due from OHHAC affiliates for logistical services sold from Turbo are included within accounts receivable on the combined balance sheets and amounted to $2.1 million and $2.3 million as of December 31, 2011 and 2010, respectively, see Note 13.

Financial Instruments - The Company has cash and cash equivalents, accounts receivable, accounts payable for which the carrying values approximate fair value. As more fully discussed in Note 5, the Company executed a note receivable in settlement of a litigation matter during 2011. The note was discounted at the Company's estimated incremental borrowing rate and management believes the carrying value approximates fair value as of December 31, 2011.

Property and Equipment, net - Property and equipment are carried at cost and depreciated over their estimated useful lives on a straight-line basis. Estimated useful lives for the principal asset categories are as follows:

Asset Category	Estimated useful life
Leasehold improvements	Shorter of useful life or remaining lease term
Equipment, including autos, excluding computers	5 years
Computer equipment and software	3 to 7 years
Tractors and trailers	7 years
Furniture and fixtures	7 years

Cost and related accumulated depreciation on assets retired or disposed of are removed from the accounts and any gains or losses resulting thereon are credited or charged to operating income. Costs of property and equipment having a useful life of less than one year, maintenance, and repairs are charged to expense as incurred. Major overhauls that extend the useful lives of existing assets are capitalized.

Internal-use software costs incurred during the application development stage are capitalized as incurred. The application development stage does not begin until both technological feasibility has been established for the software and all research and development activities for the other components of the product or process have been completed. Those costs related to the development of internal-use software, other than those incurred during the application development stage, are expensed as incurred.

Intangible Assets - The Company’s intangible assets are primarily comprised of goodwill, customer relationships, non-compete agreements, trademarks, and technology. Customer relationships, non-compete agreements, trademarks and technology are amortized over their estimated lives based upon the pro-ration of undiscounted future net cash flows, see Note 4. Goodwill is not amortized; however, it is tested for impairment as discussed below.

Impairment of Goodwill - Goodwill is tested annually for impairment on October 1st and is tested for impairment more frequently if events and circumstances indicate that it might be impaired. An impairment loss is recognized to the extent that the carrying amount of goodwill exceeds its implied fair value.

This determination for goodwill impairment is made at the reporting unit level; the Company has concluded its business comprises one reporting unit. The impairment test consists of two steps. First, the Company determines the fair value of a reporting unit and compares it to its carrying amount. Second, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation, in accordance with business combination accounting guidance. The residual fair value after this allocation is the implied fair value of the reporting unit goodwill.

Determining the fair value of a reporting unit under the first step of the goodwill impairment test and determining the fair value of individual assets and liabilities of a reporting unit under the second step of the goodwill impairment test is judgmental in nature and often involves the use of significant estimates and assumptions. These estimates and assumptions could have a significant impact on whether or not an impairment charge is recognized and also the extent of such charge. The Company's estimates of fair value utilized in goodwill impairment tests may be based on a number of factors, including assumptions about the projected future cash flows, discount rate, and growth rate, determination of market comparables, economic conditions or changes in the business operations. Changes in assumptions or business operations may result in impairment charges recorded in future periods.

Impairment of Long-Lived and Definite-Lived Intangible Assets - The Company evaluates long-lived and definite-lived intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of assets may not be recoverable. Triggering events include a significant change in the extent or manner in which long-lived assets are being used or in their physical condition, in legal factors, or in the business climate that could affect the value of the long-lived assets. The interpretation of such events requires judgment from management as to whether such an event has occurred.

Upon the occurrence of a triggering event, the carrying amount of the long-lived asset group is reviewed to assess whether the recoverable amount has declined below its carrying amount. The recoverable amount is the estimated net future cash flows that the Company expects to recover from the future use of the assets, undiscounted and without interest, plus the assets' residual value on disposal. Where the recoverable amount of the long-lived assets is less than their carrying value, an impairment loss is recognized to write down the assets to fair value. This fair value is based on discounted estimated cash flows from the future use of the assets (and net of estimated cost of disposal if the assets are held for disposal).

The estimate of the cash flows arising from future use of the assets that are used in the impairment analysis requires judgment regarding what the Company would expect to recover

from future use of the assets. Any changes in the estimates of cash flows arising from future use of the assets or the residual value of the assets on disposal based on changes in the market conditions, changes in the use of the assets, management's plans, and the determination of the useful lives of the assets could significantly change the recoverable amount of the assets or the calculation of the fair value and the resulting impairment loss, which could significantly affect the results of operations.

Contingencies - An estimated loss contingency is accrued when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. The Company regularly evaluates current information available to determine whether such accruals should be adjusted. See Note 12 for additional discussion regarding the Company's contingencies.

Revenue Recognition - Non-asset based transportation revenue and related costs for brokered truckload and less-than-truckload transportation services are recognized when the freight is delivered to its final destination and transportation services are complete. Asset-based truck-load and less-than-truckload transportation revenue and related costs are recognized when the shipment is completed. All truckload and less-than-truckload transportation revenues are recorded at the gross amount billed to the customer, as the Company is the primary obligor, is a principal to the transaction, has all credit risk, maintains substantially all other risks and rewards, has discretion to select the supplier, and has latitude in pricing decisions. Any amounts received from vendors as volume discounts are deducted from cost of services.

Deferred Financing Costs, net - Costs related to the acquisition of long-term debt by the Parent were allocated to Turbo and are being amortized on the effective interest method over the original expected life of the related debt instrument. See Note 6.

Income Taxes - The Company's operations have historically been included in OHHAC's U.S. federal and state income tax returns and income tax payments have been paid by OHHAC. Income taxes are presented in these combined financial statements as if Turbo Logistics, Inc. and Turbo Dedicated, Inc. filed a consolidated U.S. federal tax return and filed state income tax returns on a standalone basis. Current income tax liabilities are assumed to be immediately settled with OHHAC against the Parent investment account.

The Company accounts for income taxes in accordance with generally accepted accounting standards, which defines the threshold for recognizing the tax benefits of a tax return filing position in the financial statements as "more-likely-than-not" to be sustained by the taxing authority. A tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that is greater than 50% likely of being realized. The Company regularly evaluates current information available to determine whether such accruals should be adjusted. Interest and penalties recorded for uncertain tax positions are included in income tax expense.

The Company records deferred tax assets and liabilities using enacted tax rates in the jurisdictions in which it operates for the effect of temporary differences between the book and tax basis of assets and liabilities. If enacted tax rates change, the Company would adjust the deferred tax assets and liabilities, through the provision for income taxes in the period of change, to reflect the enacted tax rate expected to be in effect when the deferred tax items reverse. To the extent that the Company believes that recovery of the deferred tax assets is not likely, the Company establishes a valuation allowance to reduce the deferred tax assets to the amount that is more likely than not to be realized. The valuation allowance is based on the Company's estimates of future taxable income by jurisdiction in which it operates and the period over which the deferred tax assets can be recovered. A review of all available positive and negative evidence is considered, including the Company's current and past performance, the market environment in which the Company operates, the utilization of past tax credits, and length of carry back and carry forward periods. See Note 8 for additional discussion regarding income taxes.

Share-Based Compensation - Certain key employees of Turbo participate in share-based compensation plans of OHHAC. The Company accounts for its share-based compensation in accordance with generally accepted accounting standards, which requires compensation costs related to share-based payment transactions to be recognized in the financial statements based on the fair value of the instruments issued and covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans. The Company recognizes compensation costs for time based graded vesting awards and performance based vesting awards over the requisite service period for each separately vesting tranche based on the change in the award's fair value at each annual reporting period.

Recent Accounting Pronouncements - In December 2010, the Financial Accounting Standards Board issued a standard to amend the criteria for performing Step 2 of the goodwill impairment test for reporting units with zero or negative carrying amounts and requires performing Step 2 if qualitative factors indicate that it is more likely than not that a goodwill impairment exists. The standard is effective for fiscal years, and interim periods within those years, beginning after December 15, 2010. The Company adopted this guidance prospectively on January 1, 2011. The adoption of this standard did not have an impact on the consolidated financial statements.

Note 3: Property and Equipment, Net

A summary of property and equipment is as follows as of December 31 (in thousands):

	2011	2010
Leasehold improvements	$ 1,279	$ 1,265
Equipment, including autos, excluding computers	331	228
Computer equipment and software	1,779	1,655
Tractors and trailers	1,571	1,640
Furniture and fixtures	482	414
Total cost	5,442	5,202
Less accumulated depreciation and amortization	(2,896)	(2,266)
Property and equipment, net	$ 2,546	$ 2,936

Depreciation expense is included in direct expense and selling, general and administrative expense in the accompanying statements of operations and is comprised of the following (in thousands):

	Years Ended December 31		
	2011	2010	2009
Direct expense	$ 40	$ 267	$ 554
Selling, general and administrative expense	727	353	348
Total depreciation expense	$ 767	$ 620	$ 902

Computer software is primarily comprised of internal-use software acquired directly from vendors or in an acquisition. The Company capitalized software costs of approximately $72,000 and $78,000 during the years ended December 31, 2011 and 2010, respectively. Unamortized computer software costs included in the Company’s balance sheet was $134,000 and $146,000 at December 31, 2011 and 2010, respectively. Amortization of computer software was $84,000, $67,000 and $44,000 for the years ended December 31, 2011, 2010 and 2009, respectively.

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Note 4: Goodwill and Intangible Assets, Net

The changes in the carrying amount of goodwill are as follows (in thousands):

	2011	2010
Balance - January 1	$58,042	$58,042
Acquisitions	—	—
Accumulated impairment losses	—	—
Balance December 31	$58,042	$58,042

The Company is required to test goodwill for impairment on an annual basis. The Company performed the required impairment tests of goodwill for the years ended December 31, 2011 and 2010 and no impairment was indicated.

The following table presents the Company's intangible assets as of December 31, 2011 (in thousands):

		Gross Intangible	Accumulated Amortization	Net Intangibles
Customer relationships	10 years	$ 5,500	$ (3,093)	$ 2,407
Non-compete agreements	4 years	2,050	(2,050)	—
Technology	6 years	1,350	(1,238)	112
Trademark	3 years	850	(850)	—
Total		$ 9,750	$ (7,231)	$ 2,519

The following table presents the Company's intangible assets as of December 31, 2010 (in thousands):

		Gross Intangible	Accumulated Amortization	Net Intangibles
Customer relationships	10 years	$ 5,500	$ (2,543)	$ 2,957
Non-compete agreements	4 years	2,050	(2,050)	—
Technology	6 years	1,350	(1,013)	337
Trademark	3 years	850	(850)	—
Total		$ 9,750	$ (6,456)	$ 3,294

Total amortization expense related to the intangible assets was $775,000, $1.0 million and $1.4 million for the years ended December 31, 2011, 2010 and 2009, respectively. Amortization expense is included in the accompanying combined statements of operations within the caption selling, general and administrative expenses.

Estimated future amortization expense for the five succeeding years is as follows (in thousands):

Years Ending December 31,	
2012	$ 657
2013	539
2014	534
2015	528
2016	261
Total	$2,519

Note 5: Other Assets

Other assets consisted of the following as of December 31 (in thousands):

	2011	2010
Deposits	$ 12	$ 12
Note receivable	969	—
Discount on note receivable	(159)	—
Total	$ 822	$ 12

In August 2011, Turbo, in conjunction with OHHAC, settled an outstanding third party dispute and executed a non-interest bearing note receivable with a face value of $1.6 million. The Company discounted the note at the incremental borrowing rate and recorded a $1.3 million gain associated with the settlement. The note has a four year term with semi-annual payments due of $194,000. As of December 31, 2011 there was $1.2 million net receivable due under this note of which $388,000 is included with prepaid expenses and other current assets in the combined balance sheets.

Note 6: Debt with Parent

OHHAC uses a centralized approach to cash management and financing its operations. Cash transfers to and from OHHAC cash management accounts are recorded in Parent investment in the combined balance sheets. OHHAC incurred $63.0 million of debt directly associated with the June 30, 2006 purchase of Turbo, for which Turbo guaranteed and pledged substantially all its assets. For these reasons this portion of OHHAC consolidated debt along with the related deferred financing costs has been allocated to Turbo for purposes of the Turbo stand-alone financial statements.

The composition of the Company's debt with Parent is as follows as of December 31 (in thousands):

	2011	2010
Debt with parent	$58,880	$59,627
Less: Current maturities	747	747
Long-term debt with parent	$58,133	$58,880

The terms of the debt with Parent are consistent with the original acquisition date terms OHHAC had with the third party lender. Interest is stated as 3 month LIBOR plus 3.25% payable quarterly. Principle payments of $187,000 are payable quarterly. Deferred financing costs are amortized over the original life of the debt using the effective interest method.

Management believes that the allocation basis for debt and related net interest expense is reasonable. However, these amounts may not be indicative of the actual amounts that would have been incurred had Turbo been operating as an independent company for the periods presented.

Note 7: Leases

The Company leases office space, equipment and certain transportation equipment under operating lease agreements. Lease terms range from two to seven years for office space and are generally short term month-to-month for transportation equipment rentals. The components of rent expense are as follows for the years ended December 31 (in thousands):

	2011	2010	2009
Office space and other	$225	$288	$256
Transportation equipment	98	33	139
Total rent expense	$323	$321	$395

Rent expense is classified as a component of selling, general and administrative expenses except for rental of transportation equipment related to Turbo Dedicated which is included with direct expenses in the combined statements of operations.

A summary of future minimum lease payments required under non-cancelable operating leases with initial or remaining lease terms in excess of one year is as follows as of December 31, 2011 (in thousands):

Years Ending December 31	Minimum Lease Payments
2012	$ 397
2013	416
2014	418
2015	419
2016	420
Thereafter	373
Total	$ 2,443

The Company’s deferred rent liability was $104,000 and $110,000 as of December 31, 2011 and 2010, respectively, and reflects the accounting treatment of “free” rent or other similar lease incentives at the beginning of the lease and escalating payments over the life of the lease, whereas rent expense is recorded on the straight-line basis for financial statement reporting purposes. Deferred rent is included in other long-term liabilities in the combined balance sheets.

In addition, tenant improvement allowances received are deferred and amortized on the straight-line basis over the lives of the respective leases. The balance of tenant improvements was $1.1 million and $1.3 million as of December 31, 2011 and 2010, respectively, and is included in other long-term liabilities in the combined balance sheets. During 2010 the Company received $1.4 million of tenant improvements related to its headquarters operating lease in Gainesville, Georgia. Of the amount $1.1 million was paid directly by the landlord to outside parties and is reflected as non-cash on the combined statements of cash flows.

Note 8: Income Taxes

The Company's operations have historically been included in OHHAC's federal and certain state income tax returns, as permitted under the income tax regulations. Income taxes are presented in these combined financial statements as if the Company filed its own tax returns on a standalone basis. These amounts may not reflect tax positions taken or to be taken by OHHAC.

The components of the Company's income tax expense (benefit) include the following (in thousands):

	Years Ended December 31		
	2011	2010	2009
Current income tax expense (benefit):			
Federal	$ —	$ —	$—
State	62	17	11
Total current income tax expense (benefit)	62	17	11
Deferred income tax expense (benefit):			
Federal	833	(369)	314
State	83	(102)	113
Total Deferred income tax expense (benefit):	916	(471)	427
Increase in valuation allowance	392	1,415	247
Total	$1,370	$ 961	$685

A reconciliation of the statutory federal income tax provision to the provision for income taxes of the Company is presented in the table below (in thousands).

	Years Ended December 31		
	2011	2010	2009
Statutory federal income tax expense (benefit)	$ 863	$ (418)	$362
State income tax benefit, net of federal benefit	92	(54)	56
Change in valuation allowance	392	1,415	247
Non-deductible items and other	23	18	20
Provision for income taxes	$1,370	$ 961	$685

Deferred income taxes result from temporary differences in the recognition of assets, liabilities, revenue and expenses for financial accounting and tax purposes. Sources of these differences and the related tax effects are as follows (in thousands):

	December 31	
	2011	2010
Deferred income tax assets:		
Provision for doubtful accounts	$ 34	$ 13
Employee compensation	201	107
Deferred rent	450	526
Intangible asset amortization	1,400	1,371
Net operating loss carry forwards	4,385	4,053
Accruals and Other	102	115
Total deferred tax assets	6,572	6,185
Less: Valuation allowance	(5,871)	(5,479)
Net deferred tax assets	701	706
Deferred income tax liabilities:		
Depreciation	(37)	(52)
Tax deductible goodwill	(7,256)	(5,939)
Total deferred tax liabilities	(7,293)	(5,991)
Net deferred income taxes	$(6,592)	$(5,285)

The gross federal net operating loss carry forwards were $11.6 million as of December 31, 2011, which expire at various dates beginning in 2027 and ending in 2032. The gross state and local net operating loss carry forwards were $10.8 million as of December 31, 2011, which expire at

various dates beginning in 2027 and ending in 2032. The Company had tax deductible goodwill of $35.0 million as of December 31, 2011. Valuation allowances are recorded to reduce deferred tax assets to an amount that is more likely than not to be realized. Management assesses the likelihood of realization of the Company's deferred tax assets considering all available evidence, both positive and negative. The Company's most recent operating performance, the scheduled reversal of temporary differences, the Company's forecast of taxable income in future periods, the ability to sustain a core level of earnings, and the availability of prudent tax planning strategies are important considerations in management's assessment. As a result of these assessments, the Company established a valuation allowance against its net federal deferred tax assets due to the uncertainty surrounding the realization of these deferred tax assets.

The Company has no uncertain tax positions for which it has accrued an income tax liability in any tax year. The Company includes interest and penalties as a component of its income tax expense.

The Company files its federal and certain state tax returns on a consolidated or combined basis with OHHAC. In addition, the Company files income tax returns in various states. The U.S. federal and state income tax returns for 2007 through 2011 remain subject to examination by the applicable tax jurisdictions.

Note 9: Share-Based Compensation

Share-Based Compensation Plans - Certain key employees of the Company participate in the following OHHAC share-based compensation plans: 2005 Stock Option Plan ("the 2005 Plan"), 2009 Stock Option Plan ("the 2009 Plan") and the 2010 Restricted Stock Plan ("the 2010 Plan"). The following disclosures represent OHHAC plans and assumptions with unit and expense data included for the number of units in which Turbo employees participate.

Stock Options - OHHAC has concluded that based on the terms of the stock option awards, primarily related to exercise provisions, that awards granted under each of its plans are required to be classified as liability instruments with fair value re-measurement at each accounting period.

Options granted to employees under the 2005 Plan that are outstanding as of December 31, 2011 generally vest at the end of each fiscal year over a period of two to four years based upon the passage of time. Options granted to employees under the 2009 Plan generally vest at the end of each fiscal year over a period of four years based upon achievement of OHHAC performance objectives. Under either Plan a change of control, under certain circumstances, may accelerate vesting. The options under either Plan expire on the 10 year anniversary of the date of grant.

The fair value of the options is estimated at the year-end reporting date and utilizes a closed form model which incorporates continuous dividend yield. Expected volatility is based on guideline companies as OHHAC is not publicly traded. The implied volatility of traded options of the

guideline companies is used, as well as historical volatility of the guideline companies' stock and other factors. Expected dividends are based on historical data and management expectations. The expected term of options uses the simplified method as prescribed by the Securities and Exchange Commission. OHHAC uses the simplified method for calculating the expected term of the options as there is not adequate historical data to calculate the expected term of the options. The risk free rate, for periods within the contractual life of the option, is based on the zero-coupon U.S. Treasury strips in effect at the time of grant.

The fair value of the stock option grants was estimated using the following assumptions at December 31:

	2011	2010	2009
Expected volatility	69.0%	70.0%	54.0%
Weighted-average volatility	69.0%	70.0%	54.0%
Expected dividends	—	—	—
Expected term (in years)	1.88 - 7.93	2.30 - 5.57	2.80 -6.16
Risk free rate	1.10%	1.39%	3.53%

Information related to options outstanding under the Plan is as follows:

	Shares	Weighted Average Exercise Price (per share)	Weighted Average Contractual Term Remaining (in years)
Options outstanding - January 1, 2011	5,778	$ 168	4.0
Granted	2,850	186	
Forfeited/cancelled/other	(3,091)	153	
Options outstanding - December 31, 2011	5,537	186	8.1
Vested - at December 31, 2011	1,540	186	5.9
Exercisable - at December 31, 2011	1,540	186	5.9

Total compensation (benefit) expense recognized for the years ended December 31, 2011, 2010 and 2009 was ($250,000), ($2,000), and $65,000, respectively. The Company's liability for the potential future redemption of shares issued under the stock option plans was $2,000 and $252,000 at December 31, 2011 and 2010, respectively.

The total fair value of options vested during 2011, 2010 and 2009 was $1,000, $37,000 and $60,000, respectively. The number of options that vested during 2011, net of forfeitures, was (2,598). As of December 31, 2011, unrecognized compensation expense on unvested stock options with performance-based vesting was $12,000. The weighted-average remaining service period in which these options may vest if the performance criteria are met is 2.4 years. These amounts are based on stock option fair values estimated as of December 31, 2011 and may differ from actual compensation recognized in future periods if future estimates of stock option fair values are different from current year estimates. The Company does not have intrinsic value for options outstanding, vested, or exercisable as of December 31, 2011.

Restricted Stock Plan - During April 2010 OHHAC adopted the Restricted Stock Plan. There were 182 shares granted to Turbo employees during the year ended December 31, 2010. Shares awarded under the 2010 Plan are subject to performance based vesting. No compensation expense has been recorded in 2011 or 2010 as it is not probable that the performance conditions will be met.

Note 10: Significant Customers and Concentration of Credit Risk

The Company's three largest customers accounted for 37%, 38% and 30% of total revenue for the three years ended December 31, 2011, 2010 and 2009, respectively. Accounts receivable for these three customers were 24% of total accounts receivable as of December 31, 2011 and 2010. While the Company offers its services to a significant number of customers representing diversified industries, a disruption to one or more of these significant customers could have an unfavorable impact on the Company's financial performance.

Note 11: Retirement Savings Plans

Company employees may participate in the OHHAC sponsored 401(k) retirement savings plan, which covers substantially all U.S. employees who have completed 30 days of employment. Under the plan, participating employees may make contributions subject to certain limitations with eligibility for company match as determined by the Plan Committee from time to time. Employer and employee contributions are limited to the maximum amount deductible for federal income tax purposes. The Company made matching contributions of $28,000 for the year ended December 31, 2011. There were no matching contributions in 2010 or 2009.

Note 12: Commitments and Contingencies

From time to time the Company is a party to various legal actions involving claims incidental to the conduct of its business, including actions by employees, suppliers, governmental agencies, regulatory actions or other litigation, including without limitation under federal and state employment laws. The Company believes, based upon information currently available, that such litigation and claims, both individually and in the aggregate, will be resolved without material adverse effect to the Company's financial statements as a whole. However, litigation involves an element of uncertainty and future developments could cause these actions or claims to a have a material adverse effect on the Company's results of operations, cash flows, or financial position.

Note 13: Related Party Transactions and Parent Company Investment

Allocation of General Corporate Expenses - The combined statements of operations include OHHAC corporate expense allocations, which are reported in selling, general and administrative expense, totaling $1.6 million, $1.1 million and $1.1 million for the years ended December 31, 2011, 2010 and 2009, respectively. These allocated expenses may not be indicative of the actual expenses that would have been incurred had the combined businesses been operating as a separate and independent business and may not be indicative of future levels.

Related Party Revenues and Direct Expenses - Turbo is a party to transactions with other subsidiaries and divisions of OHHAC in the normal course of business. Revenues earned from these affiliated entities were $16.0 million, $12.2 million and $9.4 million for the years ended December 31, 2011, 2010 and 2009, respectively. Purchases of transportation services from these affiliated entities were $1.1 million, $1,000 and $198,000 for the years ended December 31, 2011, 2010 and 2009, respectively, and are included within direct expense in the combined statements of operations.

Related Party Accounts Receivable and Accounts Payable - Accounts receivable from affiliates for transportation services provided by Turbo were $2.1 million and $2.3 million as of December 31, 2011 and 2010, respectively. These are included within accounts receivable, net on the combined balance sheets. Accounts payable to affiliates for the purchase of transportation services were $19,000 and $49,000 as of December 31, 2011 and 2010, respectively. These are included within accounts payable on the combined balance sheets.

Parent Investment - Parent investment represents OHHAC's historical investment in Turbo, accumulated earnings and net transfers (to) from Parent. The components of the net effects of the costs allocations from and transactions with OHHAC are presented in the table below (in thousands):

	Years Ended December 31		
	2011	2010	2009
Debt due parent and related interest	$ 2,857	$2,905	$ 3,270
General corporate cost allocations	1,631	1,105	1,071
Income taxes	62	16	11
Intercompany revenues, cash pooling and other, net	(5,681)	(357)	(7,509)
Net transfers (to) from parent	$(1,131)	$3,669	$(3,157)

Note 14: Subsequent Events

The Company performed a review of subsequent events through January 4, 2013, the date the financial statements were available to be issued.

On October 24, 2012 OHHAC sold substantially all of the assets, liabilities and business operations of Turbo to XPO Logistics, Inc. for $50.0 million in cash and used the proceeds to pay down the Parent company debt. Based on the sales price falling below carrying value of assets, the Company identified impairment indicators related to goodwill. Management performed a goodwill impairment test during 2012 that indicated the carrying value of goodwill exceeded fair value. The Company recorded a goodwill impairment charge of $25.8 million pre-tax ($16.4 million after-tax) during 2012 to state goodwill at its estimated fair value at the sale date.

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Exhibit 99.3

COMBINED FINANCIAL STATEMENTS (UNAUDITED)

Turbo Logistics Inc. and Turbo Dedicated Inc.
Six Months Ended June 30, 2012 and 2011

TURBO LOGISTICS INC. AND TURBO DEDICATED INC.

INDEX TO COMBINED FINANCIAL STATEMENTS

(Unaudited)

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Report of Independent Accountants

The Board of Directors
OHH Acquisition Corporation

We have reviewed the combined balance sheet as of June 30, 2012 of the corporations listed in Note 1, and the related combined statements of operations, parent company (deficit) equity, and cash flows for the six-month periods ended June 30, 2012 and 2011. This financial information is the responsibility of the companies' management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the financial information referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the combined balance sheet as of December 31, 2011 of the corporations listed in Note 1, and the related combined statements of operations, parent company equity, and cash flows for the year then ended (not presented herein), and in our report dated January 4, 2013, we expressed an unqualified opinion on those combined financial statements. In our opinion, the information set forth in the accompanying combined balance sheet as of December 31, 2011, is fairly stated, in all material respects, in relation to the combined balance sheet from which it has been derived.

/s/ Ernst & Young LLP

Nashville, Tennessee
January 4, 2013

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TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED BALANCE SHEETS
(In thousands)

	June 30 2012 (Unaudited)	December 31 2011
ASSETS		
Current assets:		
Cash and cash equivalents	$ 136	$ 327
Accounts receivable, net of allowance for doubtful accounts of $44 and $93, respectively	13,680	14,610
Prepaid expenses and other current assets	548	496
Total current assets	14,364	15,433
Property and equipment, net	2,180	2,546
Goodwill	32,289	58,042
Intangible assets, net	2,135	2,519
Deferred financing costs, net	20	109
Deferred income taxes	806	—
Other assets	678	822
Total assets	$ 52,472	$ 79,471
LIABILITIES AND PARENT COMPANY (DEFICIT) EQUITY		
Current liabilities:		
Accounts payable	$ 12,010	$ 10,213
Accrued salaries and benefits	849	1,079
Accrued expenses and other current liabilities	70	44
Current maturities of long-term debt with parent	747	747
Total current liabilities	13,676	12,083
Long-term debt with parent	57,759	58,133
Deferred income taxes	—	6,633
Other long-term liabilities	1,167	1,209
Total liabilities	72,602	78,058
Parent company (deficit) equity:		
Parent (deficit) investment	(20,130)	1,413
Total liabilities and parent company (deficit) equity	$ 52,472	$ 79,471

The accompanying notes are an integral part of these combined financial statements.

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TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands)

	Six Months Ended June 30	
	2012	**2011**
Revenues	$ 62,947	$ 63,019
Expenses:		
Direct expense	52,293	52,416
Gross margin	10,654	10,603
Selling, general and administrative expense	9,495	8,507
Goodwill impairment	25,753	—
Operating (loss) income	(24,594)	2,096
Other expense (income):		
Interest expense	1,199	1,148
Interest income	(45)	—
(Loss) income before income taxes	(25,748)	948
(Benefit) provision for income taxes	(7,485)	658
Net (loss) income	$ (18,263)	$ 290

The accompanying notes are an integral part of these combined financial statements.

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TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Six Months Ended June 30	
	2012	2011
Operating activities		
Net (loss) income	$ (18,263)	$ 290
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	737	779
Share-based compensation	48	(99)
Amortization of deferred financing costs and note receivable discount	45	90
Provision for doubtful accounts	(48)	3
Goodwill impairment	25,753	—
Deferred income taxes	(7,516)	627
Changes in cash from operating assets and liabilities:		
Accounts receivable	978	(1,539)
Prepaid expenses and other current assets	25	51
Accounts payable	1,798	694
Accrued salaries and benefits	(230)	116
Other	(71)	(64)
Net cash provided by operating activities	3,256	948
Investing activities:		
Purchases of property and equipment	(21)	(203)
Proceeds from disposal of property and equipment	34	1
Collection of note receivable	194	—
Net cash provided by (used in) investing activities	207	(202)
Financing activities:		
Payments on long-term debt with parent	(374)	(374)
Net transfers to parent	(3,280)	(395)
Net cash used in financing activities	(3,654)	(769)
Net decrease in cash and cash equivalents	(191)	(23)
Cash and cash equivalents at beginning of period	327	315
Cash and cash equivalents at end of period	$ 136	$ 292
Supplemental disclosure of cash flow information:		
Interest payments to parent	$ 1,109	$ 1,058
Income taxes paid, net	$ 31	$ 31

The accompanying notes are an integral part of these combined financial statements.

TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
COMBINED STATEMENTS OF PARENT COMPANY (DEFICIT) EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2012
(Unaudited)
(In thousands)

	Parent Investment (Deficit)
Balance at December 31, 2011	$ 1,413
Net loss	(18,263)
Net transfers to parent	(3,280)
Balance at June 30, 2012	$ (20,130)

The accompanying notes are an integral part of these combined financial statements.

TURBO LOGISTICS INC. AND TURBO DEDICATED INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1: Description of Business

Turbo Logistics, Inc. and Turbo Dedicated Inc. (together "Turbo" or the "Company") were acquired by OHH Acquisition Corporation ("OHHAC" or "Parent") on June 30, 2006 and are indirect wholly-owned subsidiaries of OHHAC.

Turbo is a broker of third party transportation logistics. Turbo is also involved in related ancillary services that complement the third party transportation logistics services. Turbo is headquartered in Gainesville, Georgia, with operational activities primarily conducted throughout the Southeastern United States.

Note 2: Summary of Significant Accounting Policies

Principles of Combination and Basis of Presentation - The accompanying unaudited combined financial statements of Turbo are derived from the accounting records of OHHAC and are presented as if Turbo operated on a standalone basis. The unaudited combined financial statements are prepared in accordance with the accounting principles generally accepted in the U.S. and include the combined financial position, results of operations and cash flows of Turbo Logistics, Inc. and Turbo Dedicated, Inc.

These unaudited combined financial statements reflect, in management's opinion, all material adjustments (which include only normal recurring adjustments) necessary to fairly present Turbo's financial position as of June 30, 2012, and the results of operations for the six month periods ended June 30, 2012 and 2011. All significant intercompany transactions between the combined businesses of Turbo have been eliminated.

The combined statements of operations include expense allocations for the corporate functions provided to Turbo by OHHAC including, but not limited to, executive management, finance, legal, human resources, employee benefits, treasury, tax, information technology, risk management, business development and share-based compensation. These expenses have been allocated to the Company on the basis of direct usage when identifiable, with the balance allocated on the basis of net revenue, headcount or other measures. Management believes these allocations have been made on a consistent basis and are reasonable. However, these allocated expenses may not be indicative of the actual expenses that would have been incurred had the combined businesses been operating as a separate and independent business and may not be indicative of future levels of expenses to be incurred.

Transactions between Turbo and OHHAC included in these combined financial statements are considered to be effectively settled in cash at the time the transaction is recorded, and therefore are included as financing activities in the combined statements of cash flows. The net effect of these transactions is included in the combined balance sheets as Parent (deficit) investment.

OHHAC uses a centralized approach to cash management and financing its operations. The majority of Turbo's cash receipts are transferred to OHHAC daily and OHHAC funds Turbo

working capital and capital expenditure requirements as needed. Cash transfers to and from OHHAC cash management accounts are recorded in Parent (deficit) investment in the combined balance sheets.

The combined financial statements include certain assets and liabilities that have been historically recorded at the OHHAC corporate level but are specifically identifiable or otherwise attributable to Turbo. OHHAC debt financed the June 30, 2006 acquisition of Turbo. The borrowings are directly related to Turbo, Turbo is a guarantor on the debt and substantially all assets of Turbo have been pledged as collateral. For these reasons Turbo's share of OHHAC third party debt, deferred financing costs and related interest expense have been allocated to Turbo for all periods presented.

Parent (Deficit) Investment - Parent (deficit) investment in the combined balance sheets represent OHHAC's historical investment in Turbo, the net effects of cost allocations from and transactions with OHHAC, net cash transfers (to) from OHHAC and Turbo's accumulated earnings. See Note 13.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include recognition of revenue, accounting for income taxes, allocation of assets, liabilities, revenue and expenses from Parent, allowance for doubtful accounts, contingencies, share-based compensation, and recoverability of goodwill, intangibles, and other long-lived assets. These estimates have been prepared on the basis of the most current and best available information and involve judgments with respect to, among other things, future economic factors that are difficult to predict and are beyond management's control. As a result, actual amounts could differ from these estimates.

Cash and Cash Equivalents - Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less.

Accounts Receivable, net - The Company reports its trade accounts receivable net of an allowance for doubtful accounts, which represents management's estimate of the amount of its receivables that may not be collectible. The majority of the Company's accounts receivable is due from commercial and industrial customers for logistics services. Credit is extended based on evaluation of the customer's financial condition. Amounts due from OHHAC affiliates for logistical services sold from Turbo are included within accounts receivable on the combined balance sheets and amounted to $1.0 million and $2.1 million as of June 30, 2012 and December 31, 2011, respectively, see Note 13.

Financial Instruments - The Company has cash and cash equivalents, accounts receivable, accounts payable for which the carrying values approximate fair value. As more fully discussed in Note 5, the Company executed a note receivable in settlement of a litigation matter during 2011. The note was discounted at the Company's estimated incremental borrowing rate and management believes the carrying value approximates fair value as of June 30, 2012.

Property and Equipment, net - Property and equipment are carried at cost and depreciated over their estimated useful lives on a straight-line basis. Estimated useful lives for the principal asset categories are as follows:

Asset Category	Estimated useful life
Leasehold improvements	Shorter of useful life or remaining lease term
Equipment, including autos, excluding computers	5 years
Computer equipment and software	3 to 7 years
Tractors and trailers	7 years
Furniture and fixtures	7 years

Cost and related accumulated depreciation on assets retired or disposed of are removed from the accounts and any gains or losses resulting thereon are credited or charged to operating income. Costs of property and equipment having a useful life of less than one year, maintenance, and repairs are charged to expense as incurred. Major overhauls that extend the useful lives of existing assets are capitalized.

Internal-use software costs incurred during the application development stage are capitalized as incurred. The application development stage does not begin until both technological feasibility has been established for the software and all research and development activities for the other components of the product or process have been completed. Those costs related to the development of internal-use software, other than those incurred during the application development stage, are expensed as incurred.

Intangible Assets - The Company's intangible assets are primarily comprised of goodwill, customer relationships, non-compete agreements, trademarks, and technology. Customer relationships, non-compete agreements, trademarks and technology are amortized over their estimated lives based upon the pro-ration of undiscounted future net cash flows, see Note 4. Goodwill is not amortized; however, it is tested for impairment as discussed below.

Impairment of Goodwill - Goodwill is tested annually for impairment on October 1st and is tested for impairment more frequently if events and circumstances indicate that it might be impaired. An impairment loss is recognized to the extent that the carrying amount of goodwill exceeds its implied fair value.

This determination for goodwill impairment is made at the reporting unit level; the Company has concluded its business comprises one reporting unit. The impairment test consists of two steps. First, the Company determines the fair value of a reporting unit and compares it to its carrying amount. Second, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation, in accordance with business combination accounting guidance. The residual fair value after this allocation is the implied fair value of the reporting unit goodwill. These represent Level 3 fair value measures within the fair value hierarchy as provided in Accounting Standards Codification 820, Fair Value Measurement.

Determining the fair value of a reporting unit under the first step of the goodwill impairment test and determining the fair value of individual assets and liabilities of a reporting unit under the second step of the goodwill impairment test is judgmental in nature and often involves the use of significant estimates and assumptions. These estimates and assumptions could have a significant impact on whether or not an impairment charge is recognized and also the extent of such charge. The Company's estimates of fair value utilized in goodwill impairment tests may be based on a number of factors, including assumptions about the projected future cash flows, discount rate, and growth rate, determination of market comparables, economic conditions or changes in the business operations. Changes in assumptions or business operations may result in impairment charges recorded in future periods.

The Company conducted a goodwill impairment test as of June 30, 2012. The sale of Turbo subsequent to June 30, 2012 for a sales price below its carrying value was an indicator of impairment. A goodwill impairment charge of $25.8 million pre-tax ($16.4 million after-tax) was recorded at June 30, 2012. See Notes 4 and 14.

Impairment of Long-Lived and Definite-Lived Intangible Assets - The Company evaluates long-lived and definite-lived intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of assets may not be recoverable. Triggering events include a significant change in the extent or manner in which long-lived assets are being used or in their physical condition, in legal factors, or in the business climate that could affect the value of the long-lived assets. The interpretation of such events requires judgment from management as to whether such an event has occurred.

Upon the occurrence of a triggering event, the carrying amount of the long-lived asset group is reviewed to assess whether the recoverable amount has declined below its carrying amount. The recoverable amount is the estimated net future cash flows that the Company expects to recover from the future use of the assets, undiscounted and without interest, plus the assets' residual

value on disposal. Where the recoverable amount of the long-lived assets is less than their carrying value, an impairment loss is recognized to write down the assets to fair value. This fair value is based on discounted estimated cash flows from the future use of the assets (and net of estimated cost of disposal if the assets are held for disposal).

The estimate of the cash flows arising from future use of the assets that are used in the impairment analysis requires judgment regarding what the Company would expect to recover from future use of the assets. Any changes in the estimates of cash flows arising from future use of the assets or the residual value of the assets on disposal based on changes in the market conditions, changes in the use of the assets, management's plans, and the determination of the useful lives of the assets could significantly change the recoverable amount of the assets or the calculation of the fair value and the resulting impairment loss, which could significantly affect the results of operations.

Contingencies - An estimated loss contingency is accrued when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. The Company regularly evaluates current information available to determine whether such accruals should be adjusted. See Note 12 for additional discussion regarding the Company's contingencies.

Revenue Recognition - Non-asset based transportation revenue and related costs for brokered truckload and less-than-truckload transportation services are recognized when the freight is delivered to its final destination and transportation services are complete. Asset-based truck-load and less-than-truckload transportation revenue and related costs are recognized when the shipment is completed. All truckload and less-than-truckload transportation revenues are recorded at the gross amount billed to the customer, as the Company is the primary obligor, is a principal to the transaction, has all credit risk, maintains substantially all other risks and rewards, has discretion to select the supplier, and has latitude in pricing decisions. Any amounts received from vendors as volume discounts are deducted from cost of services.

Deferred Financing Costs, net - Costs related to the acquisition of long-term debt by the Parent were allocated to Turbo and are being amortized on the effective interest method over the original expected life of the related debt instrument. See Note 6.

Income Taxes - The Company's operations have historically been included in OHHAC's U.S. federal and state income tax returns and income tax payments have been paid by OHHAC. Income taxes are presented in these combined financial statements as if Turbo Logistics, Inc. and Turbo Dedicated, Inc. filed a consolidated U.S. federal tax return and filed state income tax returns on a standalone basis. Current income tax liabilities are assumed to be immediately settled with OHHAC against the Parent (deficit) investment account.

The Company accounts for income taxes in accordance with generally accepted accounting standards, which defines the threshold for recognizing the tax benefits of a tax return filing

position in the financial statements as “more-likely-than-not” to be sustained by the taxing authority. A tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that is greater than 50% likely of being realized. The Company regularly evaluates current information available to determine whether such accruals should be adjusted. Interest and penalties recorded for uncertain tax positions are included in income tax expense.

The Company records deferred tax assets and liabilities using enacted tax rates in the jurisdictions in which it operates for the effect of temporary differences between the book and tax basis of assets and liabilities. If enacted tax rates change, the Company would adjust the deferred tax assets and liabilities, through the provision for income taxes in the period of change, to reflect the enacted tax rate expected to be in effect when the deferred tax items reverse. To the extent that the Company believes that recovery of the deferred tax assets is not likely, the Company establishes a valuation allowance to reduce the deferred tax assets to the amount that is more likely than not to be realized. The valuation allowance is based on the Company’s estimates of future taxable income by jurisdiction in which it operates and the period over which the deferred tax assets can be recovered. A review of all available positive and negative evidence is considered, including the Company’s current and past performance, the market environment in which the Company operates, the utilization of past tax credits, and length of carry back and carry forward periods. See Note 8 for additional discussion regarding income taxes.

Share-Based Compensation - Certain key employees of Turbo participate in share-based compensation plans of OHHAC. The Company accounts for its share-based compensation in accordance with generally accepted accounting standards, which requires compensation costs related to share-based payment transactions to be recognized in the financial statements based on the fair value of the instruments issued and covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans. The Company recognizes compensation costs for time based graded vesting awards and performance based vesting awards over the requisite service period for each separately vesting tranche based on the change in the award’s fair value at each annual reporting period.

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Note 3: Property and Equipment, Net

A summary of property and equipment is as follows as of June 30, 2012 and December 31, 2011 (in thousands):

	June 30 2012	December 31 2011
Leasehold improvements	$ 1,282	$ 1,279
Equipment, including autos, excluding computers	310	331
Computer equipment and software	1,789	1,779
Tractors and trailers	1,571	1,571
Furniture and fixtures	511	482
Total cost	5,463	5,442
Less accumulated depreciation and amortization	(3,283)	(2,896)
Property and equipment, net	$ 2,180	$ 2,546

Depreciation expense is included in direct expense and selling, general and administrative expense in the accompanying statements of operations and is comprised of the following (in thousands):

	Six Months Ended June 30	
	2012	2011
Direct expense	$ 19	$ 21
Selling, general and administrative expense	334	370
Total depreciation expense	$ 353	$ 391

Note 4: Goodwill and Intangible Assets, Net

The change in the carrying amount of goodwill is as follows (in thousands):

	June 30 2012	December 31 2011
Balance - January 1	$ 58,042	$ 58,042
Acquisitions	—	—
Accumulated impairment losses	(25,753)	—
Balance end of period	$ 32,289	$ 58,042

The Company is required to test goodwill for impairment on an annual basis or more frequently if events and circumstances indicate that the assets might be impaired. The Company performed the required impairment tests of goodwill as of June 30, 2012 using the sale of Turbo on October 24, 2012 as the basis for determining fair value of the reporting unit, see Note 14. The Company recorded a goodwill impairment charge of $25.8 million pre-tax ($16.4 million after-tax) during the six month period ended June 30, 2012.

The following table presents the Company's intangible assets as of June 30, 2012 (in thousands):

		Gross Intangible	Accumulated Amortization	Net Intangibles
Customer relationships	10 years	$ 5,500	$ (3,365)	$ 2,135
Non-compete agreements	4 years	2,050	(2,050)	—
Technology	6 years	1,350	(1,350)	—
Trademark	3 years	850	(850)	—
Total		$ 9,750	$ (7,615)	$ 2,135

The following table presents the Company's intangible assets as of December 31, 2011 (in thousands):

		Gross Intangible	Accumulated Amortization	Net Intangibles
Customer relationships	10 years	$ 5,500	$ (3,093)	$ 2,407
Non-compete agreements	4 years	2,050	(2,050)	—
Technology	6 years	1,350	(1,238)	112
Trademark	3 years	850	(850)	—
Total		$ 9,750	$ (7,231)	$ 2,519

Total amortization expense related to the intangible assets was $384,000 and $387,000 for the six months ended June 30, 2012 and 2011, respectively. Amortization expense is included in the accompanying combined statements of operations within the caption selling, general and administrative expense.

Estimated future amortization expense for the five succeeding years is as follows (in thousands):

Years Ending December 31,	
July 1 to December 31, 2012	$ 273
2013	539
2014	534
2015	528
2016	261
Total	$2,135

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Note 5: Other Assets

Other assets consisted of the following as of June 30, 2012 and December 31, 2011 (in thousands):

	June 30 2012	December 31 2011
Deposits and other	$ 18	$ 12
Note receivable	775	969
Discount on note receivable	(115)	(159)
Total	$ 678	$ 822

In August 2011, Turbo, in conjunction with OHHAC, settled an outstanding third party dispute and executed a non-interest bearing note receivable with a face value of $1.6 million. The Company discounted the note at its estimated incremental borrowing rate and recorded a $1.3 million gain associated with the settlement. The note has a four year term with semi-annual payments due of $194,000. As of June 30, 2012 there was $1.0 million net receivable due under this note of which $388,000 is included with prepaid expenses and other current assets in the combined balance sheets.

Note 6: Debt with Parent

OHHAC uses a centralized approach to cash management and financing its operations. Cash transfers to and from OHHAC cash management accounts are recorded in Parent (deficit) investment in the combined balance sheets. OHHAC incurred $63.0 million of debt directly associated with the June 30, 2006 purchase of Turbo, for which Turbo guaranteed and pledged substantially all its assets. For these reasons this portion of OHHAC consolidated debt along with the related deferred financing costs has been allocated to Turbo for purposes of the Turbo stand-alone financial statements.

The composition of the Company's debt with Parent is as follows as of June 30, 2012 and December 31, 2011 (in thousands):

	June 30 2012	December 31 2011
Debt with parent	$58,506	$ 58,880
Less: Current maturities	747	747
Long-term debt with parent	$57,759	$ 58,133

The terms of the debt with Parent are consistent with the original acquisition date terms OHHAC had with the third party lender. Interest is stated as 3 month LIBOR plus 3.25% payable quarterly. Principle payments of $187,000 are payable quarterly. Deferred financing costs are amortized over the original life of the debt using the effective interest method.

Management believes that the allocation basis for debt and related net interest expense is reasonable. However, these amounts may not be indicative of the actual amounts that would have been incurred had Turbo been operating as an independent company for the periods presented.

Note 7: Leases

The Company leases office space, equipment and certain transportation equipment under operating lease agreements. Lease terms range from two to seven years for office space and are generally short term month-to-month for transportation equipment rentals. The components of rent expense are as follows (in thousands):

	Six Months Ended June 30	
	2012	2011
Office space and other	$ 159	$ 96
Transportation equipment	57	63
Total rent expense	$ 216	$ 159

Rent expense is classified as a component of selling, general and administrative expenses except for rental of transportation equipment related to Turbo Dedicated which is included with direct expenses in the combined statements of operations.

A summary of future minimum lease payments required under non-cancelable operating leases with initial or remaining lease terms in excess of one year is as follows as of June 30, 2012 (in thousands):

Years Ending December 31	Minimum Lease Payments
July 1 to December 31, 2012	$ 193
2013	416
2014	418
2015	419
2016	420
Thereafter	373
Total	$ 2,239

The Company's deferred rent liability was $105,000 and $104,000 as of June 30, 2012 and December 31, 2011, respectively, and reflects the accounting treatment of "free" rent or other similar lease incentives at the beginning of the lease and escalating payments over the life of the lease, whereas rent expense is recorded on the straight-line basis for financial statement reporting purposes. Deferred rent is included in other long-term liabilities in the combined balance sheets. In addition, tenant improvement allowances received are deferred and amortized on the straight-line basis over the lives of the respective leases. The balance of tenant improvements was $1.0 million and $1.1 million as of June 30, 2012 and December 31, 2011, respectively, and is included in other long-term liabilities in the combined balance sheets.

Note 8: Income Taxes

The Company's operations have historically been included in OHHAC's federal and certain state income tax returns, as permitted under the income tax regulations. Income taxes are presented in these combined financial statements as if the Company filed its own tax returns on a standalone basis. These amounts may not reflect tax positions taken or to be taken by OHHAC.

The components of the Company's income tax (benefit) expense include the following (in thousands):

	Six Months Ended June 30	
	2012	2011
Current income tax expense:		
Federal	$ —	$ —
State	31	31
Total current income tax expense	31	31
Deferred income tax (benefit) expense:		
Federal	(8,069)	319
State	(1,247)	(10)
Total Deferred income tax (benefit) expense:	(9,316)	309
Increase in valuation allowance	1,800	318
Total	$ (7,485)	$ 658

A reconciliation of the statutory federal income tax (benefit) provision to the (benefit) provision for income taxes of the Company is presented in the table below (in thousands).

	Six Months Ended June 30	
	2012	2011
Statutory federal income tax (benefit) provision	$ (8,755)	$ 322
State income tax benefit, net of federal benefit	(807)	14
Change in valuation allowance	1,800	318
Impairment loss	266	—
Non-deductible items and other	11	4
(Benefit) provision for income taxes	$ (7,485)	$ 658

Deferred income taxes result from temporary differences in the recognition of assets, liabilities, revenue and expenses for financial accounting and tax purposes. Sources of these differences and the related tax effects are as follows (in thousands):

	June 30 2012	December 31 2011
Deferred income tax assets:		
Provision for doubtful accounts	$ 17	$ 34
Employee compensation	179	201
Deferred rent	417	450
Intangible asset amortization	1,420	1,400
Tax deductible goodwill	1,370	—
Net operating loss carry forwards	5,107	4,385
Accruals and Other	113	102
Total deferred tax assets	8,623	6,572
Less: Valuation allowance	(7,671)	(5,871)
Net deferred tax assets	952	701
Deferred income tax liabilities:		
Depreciation	(28)	(37)
Tax deductible goodwill	—	(7,256)
Total deferred tax liabilities	(28)	(7,293)
Net deferred income taxes	$ 924	$ (6,592)

The gross federal net operating loss carry forwards were $11.6 million as of December 31, 2011, which expire at various dates beginning in 2027 and ending in 2032. The gross state and local net operating loss carry forwards were $10.8 million as of December 31, 2011, which expire at various dates beginning in 2027 and ending in 2032. The Company generated approximately $1.9 million of additional gross tax losses through June 30, 2012, which are reflected as additions to the net operating loss carry forwards in the reconciliation of deferred tax items above. The Company had tax deductible goodwill of $35.0 million as of December 31, 2011 and $33.2 million as of June 30, 2012. Valuation allowances are recorded to reduce deferred tax assets to an amount that is more likely than not to be realized. Management assesses the likelihood of realization of the Company’s deferred tax assets considering all available evidence, both positive and negative. The Company’s most recent operating performance, the scheduled reversal of temporary differences, the Company’s forecast of taxable income in future periods, the ability to sustain a core level of earnings, and the availability of prudent tax planning strategies are important considerations in management’s assessment. As a result of these assessments, the Company established a valuation allowance against its net federal deferred tax assets due to the uncertainty surrounding the realization of these deferred tax assets.

The Company has no uncertain tax positions for which it has accrued an income tax liability in any tax year. The Company includes interest and penalties as a component of its income tax expense.

The Company files its federal and certain state tax returns on a consolidated or combined basis with OHHAC. In addition, the Company files income tax returns in various states. The U.S. federal and state income tax returns for 2007 through 2011 remain subject to examination by the applicable tax jurisdictions.

Note 9: Share-Based Compensation

Share-Based Compensation Plans - Certain key employees of the Company participate in the following OHHAC share-based compensation plans: 2005 Stock Option Plan ("the 2005 Plan"), 2009 Stock Option Plan ("the 2009 Plan") and the 2010 Restricted Stock Plan ("the 2010 Plan"). The following disclosures represent OHHAC plans and assumptions with unit and expense data included for the number of units in which Turbo employees participate.

Stock Options - OHHAC has concluded that based on the terms of the stock option awards, primarily related to exercise provisions, that awards granted under each of its plans are required to be classified as liability instruments with fair value re-measurement at each accounting period.

Options granted to employees under the 2005 Plan that are outstanding as of December 31, 2011 generally vest at the end of each fiscal year over a period of two to four years based upon the passage of time. Options granted to employees under the 2009 Plan generally vest at the end of each fiscal year over a period of four years based upon achievement of OHHAC performance objectives. Under either Plan a change of control, under certain circumstances, may accelerate vesting. The options under either Plan expire on the 10 year anniversary of the date of grant.

The fair value of the options is estimated at the year-end reporting date and utilizes a closed form model which incorporates continuous dividend yield. For interim periods the most recent year-end reporting date fair value is utilized to calculate current period expense. Expected volatility is based on guideline companies as OHHAC is not publicly traded. The implied volatility of traded options of the guideline companies is used, as well as historical volatility of the guideline companies' stock and other factors. Expected dividends are based on historical data and management expectations. The expected term of options uses the simplified method as prescribed by the Securities and Exchange Commission. OHHAC uses the simplified method for calculating the expected term of the options as there is not adequate historical data to calculate the expected term of the options. The risk free rate, for periods within the contractual life of the option, is based on the zero-coupon U.S. Treasury strips in effect at the time of grant.

The fair value of the stock option grants was estimated using the following assumptions for the most recent year-end reporting dates:

	2011	2010
Expected volatility	69.0%	70.0%
Weighted-average volatility	69.0%	70.0%
Expected dividends	—	—
Expected term (in years)	1.88-7.93	2.30-5.57
Risk free rate	1.10%	1.39%

Information related to options outstanding under the Plan is as follows:

	Shares	Weighted Average Exercise Price (per share)	Weighted Average Contractual Term Remaining (in years)
Options outstanding - January 1, 2011	5,778	$ 168	4.0
Granted	2,850	186	
Forfeited/cancelled/other	(3,091)	153	
Options outstanding - December 31, 2011	5,537	186	8.1
Granted	4,700	36	
Forfeited/cancelled	(187)	186	
Options outstanding - June 30, 2012	10,050	116	8.8
Vested - at June 30, 2012	1,823	186	6.8
Exercisable - at June 30, 2012	1,823	186	6.8

Total compensation expense (benefit) related to stock option grants recognized for the six months ended June 30, 2012 and 2011 was $2,000 and ($99,000), respectively. The Company’s liability for the potential future redemption of shares issued under the stock option plans was $4,000 and $2,000 at June 30, 2012 and December 31, 2011, respectively.

The total fair value of options vested during the six months ended June 30, 2012 and 2011 was $6,000 and $24,000, respectively. The number of options that vested during the six months ended June 30, 2012, net of forfeitures, was 283. As of June 30, 2012, unrecognized compensation expense on unvested stock options with performance-based vesting was $50,000. The weighted-average remaining service period in which these options may vest if the performance criteria are met is 5.7 years. These amounts are based on stock option fair values estimated as of December 31, 2011 and may differ from actual compensation recognized in future periods if future estimates of stock option fair values are different from current estimates.

Restricted Stock Plans - During April 2010 OHHAC adopted the Restricted Stock Plan. There were 182 shares granted to Turbo employees during the year ended December 31, 2010, no additional shares have been issued. Shares awarded under the 2010 Plan are subject to performance based vesting. No compensation expense has been recorded in 2012 or 2011 as it is not probable that the performance conditions will be met.

Phantom Common Stock Units - During April 2012 OHHAC issued certain phantom common stock units under terms of the 2009 Plan. A total of 20,000 units were granted. Vesting for 50% of the units is based on the passage of time and the remainder is based on the achievement of overall OHHAC performance measures. The Company recognizes compensation expense based on the grant date fair value of the units ratably over the requisite service period for time based vesting and for performance units based on the probability of achieving the performance measures. Expense of $46,000 was recognized for the six months ended June 30, 2012. There were 2,000 units vested at June 30, 2012.

Note 10: Significant Customers and Concentration of Credit Risk

The Company’s two largest customers accounted for 32% and 26% of total revenue for the six months ended June 30, 2012 and 2011, respectively. Accounts receivable for these two customers were 18% of total accounts receivable as of June 30, 2012 and December 31, 2011. While the Company offers its services to a significant number of customers representing diversified industries, a disruption to one or more of these significant customers could have an unfavorable impact on the Company’s financial performance.

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Note 11: Retirement Savings Plans

Company employees may participate in the OHHAC sponsored 401(k) retirement savings plan, which covers substantially all U.S. employees who have completed 30 days of employment. Under the plan, participating employees may make contributions subject to certain limitations with eligibility for company match as determined by the Plan Committee from time to time. Employer and employee contributions are limited to the maximum amount deductible for federal income tax purposes. The Company made matching contributions of $62,000 and $18,000 for the six months ended June 30, 2012 and 2011, respectively.

Note 12: Commitments and Contingencies

From time to time the Company is a party to various legal actions involving claims incidental to the conduct of its business, including actions by employees, suppliers, governmental agencies, regulatory actions or other litigation, including without limitation under federal and state employment laws. The Company believes, based upon information currently available, that such litigation and claims, both individually and in the aggregate, will be resolved without material adverse effect to the Company's financial statements as a whole. However, litigation involves an element of uncertainty and future developments could cause these actions or claims to a have a material adverse effect on the Company's results of operations, cash flows, or financial position.

Note 13: Related Party Transactions and Parent Investment

Allocation of General Corporate Expenses - The combined statements of operations include OHHAC corporate expense allocations, which are reported in selling, general and administrative expense, totaling $735,000 and $746,000 for the six months ended June 30, 2012 and 2011, respectively. These allocated expenses may not be indicative of the actual expenses that would have been incurred had the combined businesses been operating as a separate and independent business and may not be indicative of future levels.

Related Party Revenues and Direct Expenses - Turbo is a party to transactions with other subsidiaries and divisions of OHHAC in the normal course of business. Revenues earned from these affiliated entities were $5.3 million and $8.3 million for the six months ended June 30, 2012 and 2011, respectively. Purchases of transportation services from these affiliated entities were $8,000 and $5,000 for the six months ended June 30, 2012 and 2011, respectively, and are included within direct expense in the combined statements of operations.

Related Party Accounts Receivable and Accounts Payable - Accounts receivable from affiliates for transportation services provided by Turbo were $1.0 million and $2.1 million as of June 30, 2012 and December 31, 2011, respectively. These are included within accounts receivable, net

on the combined balance sheets. Accounts payable to affiliates for the purchase of transportation services were $38,000 and $19,000 as of June 30, 2012 and December 31, 2011, respectively. These are included within accounts payable on the combined balance sheets.

Parent (Deficit) Investment - Parent (deficit) investment represents OHHAC's historical investment in Turbo, accumulated earnings and net transfers to Parent. The components of the net effects of the cost allocations from and transactions with OHHAC are presented in the table below (in thousands):

	Six Months Ended June 30	
	2012	2011
Debt due parent and related interest	$ 1,483	$ 1,432
General corporate cost allocations	735	746
Income taxes	31	31
Intercompany revenues, cash pooling and other, net	(5,529)	(2,604)
Net transfers to parent	$ (3,280)	$ (395)

Note 14: Subsequent Events

The Company performed a review of subsequent events through January 4, 2013, the date the financial statements were available to be issued.

On October 24, 2012 OHHAC sold substantially all of the assets, liabilities and business operations of Turbo to XPO Logistics, Inc. for $50.0 million in cash and used the proceeds to pay down the Parent company debt. Based on the sales price falling below carrying value of assets, the Company identified impairment indicators related to goodwill. Management performed a goodwill impairment test during 2012 that indicated the carrying value of goodwill exceeded fair value. The Company recorded a goodwill impairment charge of $25.8 million pre-tax ($16.4 million after-tax) during 2012 to state goodwill at its estimated fair value at the sale date.