

CNF INC.
CONDENSED BALANCE SHEETS
(Dollars in thousands)

	<u>March 31,</u> <u>2004</u>	<u>December 31,</u> <u>2003</u>
ASSETS		
Current assets	\$ 1,404,193	\$ 1,316,695
Property, plant and equipment, net	975,586	997,455
Other assets	435,156	439,584
Total Assets	<u>\$ 2,814,935</u>	<u>\$ 2,753,734</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	\$ 844,802	\$ 809,611
Long-term debt, guarantees and capital leases	651,272	665,180
Other long-term liabilities and deferred credits	467,378	460,135
Shareholders' equity	851,483	818,808
Total Liabilities and Shareholders' Equity	<u>\$ 2,814,935</u>	<u>\$ 2,753,734</u>

Reflects adoption of FASB Interpretation No. 46 ("FIN 46R") effective in the first quarter of 2004, under which CNF deconsolidated a subsidiary trust holding Term Convertible Securities ("TECONS"). As a result, CNF's TECONS are no longer reported as a mezzanine security while CNF's convertible subordinated debentures held by the subsidiary trust are reported as long-term debt. The prior period was restated.