



TFI International Announces 2019 Third Quarter Results

- Third quarter operating income up 3% over the prior year period to \$131.9 million
- Diluted EPS of \$0.98 up from \$0.96 in Q3 2018, while Adjusted Diluted EPS¹ remained at \$1.04
- Net cash from operating activities grew 12% to \$187.1 million²
- \$84.2 million returned to shareholders through dividends and share repurchases; Board authorization and approval from TSX to expand, then renew, share repurchase program
- Raising quarterly dividend to \$0.26 from \$0.24

MONTREAL, Oct. 24, 2019 -- TFI International Inc. (TSX: TFI; OTCQX: TFIFF), a North American leader in the transportation and logistics industry, today announced its results for the third quarter ended September 30, 2019.

“TFI International has continued to perform well throughout 2019 and we are pleased to report record third quarter results. While we closely monitor economic conditions and their impact on the North American freight business, our own attention to the fundamentals of the business has allowed us to outperform,” said Alain Bédard, Chairman, President and Chief Executive Officer. “We set another third quarter TFI record for operating income, and produced double-digit growth in net cash from operating activities. Three of our four segments produced higher operating income than a year earlier, including a 19% increase for Truckload. On the capital allocation front, we returned \$84 million to shareholders through dividends and share repurchases, and we’re pleased to have recently renewed our share repurchase program. During the quarter we also completed two attractive acquisitions, continuing our disciplined approach to M&A. Looking ahead, we plan to continue our emphasis on creating and unlocking shareholder value, and returning excess capital to shareholders whenever possible.”

| <i>Financial highlights</i> (in millions of dollars, except per share data) | Quarters ended Sept 30 | | Nine months ended Sept 30 | |
|--|------------------------|-------------------|---------------------------|-------------------|
| | 2019 | 2018 ² | 2019 | 2018 ² |
| Total revenue | 1,304.8 | 1,287.6 | 3,873.4 | 3,801.8 |
| Revenue before fuel surcharge | 1,165.8 | 1,127.4 | 3,447.2 | 3,345.9 |
| Adjusted EBITDA from continuing operations ¹ | 221.6 | 190.0 | 647.0 | 505.6 |
| Operating income from continuing operations | 131.9 | 128.2 | 387.3 | 327.2 |
| Net cash from continuing operating activities | 187.1 | 166.6 | 489.1 | 369.7 |
| Adjusted net income from continuing operations ¹ | 88.1 | 95.0 | 257.2 | 235.4 |
| Adjusted EPS from continuing operations - diluted ¹ (\$) | 1.04 | 1.04 | 2.99 | 2.58 |
| Net income from continuing operations | 82.6 | 86.7 | 247.9 | 215.3 |
| EPS from continuing operations - diluted (\$) | 0.98 | 0.96 | 2.88 | 2.37 |
| Weighted average number of shares ('000s) | 82,707 | 87,673 | 84,013 | 88,153 |

¹ This is a non-IFRS measure. For a reconciliation, please refer to the “Non-IFRS Financial Measures” section below.

² The current period results include the impacts from the adoption of the new IFRS 16 Leases as discussed in note 3 of the unaudited condensed consolidated interim financial statements. As is permitted with this new standard, comparative information has not been restated and, therefore, may not be comparable.

THIRD QUARTER RESULTS

Total revenue of \$1.3 billion was up 1%, and net of fuel surcharge, revenue of \$1.17 billion was up 3%, compared to the prior year period.

Operating income grew 3% to \$131.9 million from \$128.2 million the prior year period, driven by strong execution across the organization, increased quality of revenue, an asset-light approach, and cost efficiencies.

Net income was \$82.6 million, or \$0.98 per diluted share, down from net income of \$86.7 million, or \$0.96 per diluted share, the prior year period. Adjusted net income, a non-IFRS measure, was \$88.1 million, or \$1.04 per diluted share, as compared to \$95.0 million, or \$1.04 per diluted share, the prior year period.

Total revenue grew for Package and Courier, Truckload and Logistics and Last Mile, while Less-Than-Truckload declined 10% relative to the prior year period. Operating income was higher for Package and Courier, Less-Than-Truckload and Truckload, while Logistics and Last Mile declined 18%.

NINE-MONTH RESULTS

For the first nine months of 2019, total revenue reached \$3.87 billion, versus \$3.80 billion in the first nine months of 2018. Net of fuel surcharge, revenue reached \$3.45 billion, as compared to \$3.35 billion last year. Operating income from continuing operations totalled \$387.3 million, or 11.2% of revenue before fuel surcharge, an increase of 18% compared to \$327.2 million and 9.8% of revenue before fuel surcharge last year.

Net income from continuing operations was \$247.9 million, or \$2.88 per diluted share, versus \$215.3 million, or \$2.37 per diluted share, a year ago. Adjusted net income from continuing operations, a non-IFRS measure, was \$257.2 million, or \$2.99 per diluted share, compared to \$235.4 million, or \$2.58 per diluted share the prior year period.

During the first nine months of 2019, total revenue grew for Package and Courier, Truckload and Logistics and Last Mile, while the Less-Than-Truckload declined 6% relative to the first nine months of 2018. Operating income from continuing operations was higher for all four segments.

SEGMENTED RESULTS

| <i>(in millions of dollars)</i> | Quarters ended Sept 30 | | Nine months ended Sept 30 | | | | | |
|--|------------------------|------------------------|---------------------------|------------------------|--------|-------|--------|-------|
| | 2019 | 2018 ² | 2019 | 2018 ² | | | | |
| | \$ | \$ | \$ | \$ | | | | |
| Revenue ¹ | | | | | | | | |
| Package and Courier | 154.8 | 154.6 | 460.3 | 455.7 | | | | |
| Less-Than-Truckload | 205.4 | 227.5 | 632.5 | 670.3 | | | | |
| Truckload | 557.2 | 520.6 | 1,654.7 | 1,536.4 | | | | |
| Logistics and Last Mile | 256.8 | 234.7 | 726.0 | 718.1 | | | | |
| Eliminations | (8.4) | (10.0) | (26.3) | (34.7) | | | | |
| | 1,165.8 | 1,127.4 | 3,447.2 | 3,345.9 | | | | |
| | \$ | \$ | \$ | \$ | | | | |
| | % of Rev. ¹ | % of Rev. ¹ | % of Rev. ¹ | % of Rev. ¹ | | | | |
| Operating income (loss) from continuing operations | | | | | | | | |
| Package and Courier | 28.2 | 18.2% | 28.0 | 18.1% | 79.2 | 17.2% | 78.8 | 17.3% |
| Less-Than-Truckload | 25.8 | 12.6% | 25.4 | 11.2% | 83.7 | 13.2% | 61.7 | 9.2% |
| Truckload | 75.8 | 13.6% | 63.7 | 12.2% | 193.7 | 11.7% | 155.4 | 10.1% |
| Logistics and Last Mile | 13.8 | 5.4% | 16.8 | 7.2% | 57.6 | 7.9% | 51.6 | 7.2% |
| Corporate | (11.7) | | (5.6) | | (26.9) | | (20.3) | |
| | 131.9 | 11.3% | 128.2 | 11.4% | 387.3 | 11.2% | 327.2 | 9.8% |

Note: due to rounding, totals may differ slightly from the sum.

¹ Revenue before fuel surcharge.

² The current period results include the impacts from the adoption of the new IFRS 16 Leases as discussed in note 3 of the unaudited condensed consolidated interim financial statements. As is permitted with this new standard, comparative information has not been restated and, therefore, may not be comparable.

CASH FLOW

Net cash from continuing operating activities was \$187.1 million during Q3 2019 versus \$166.6 million the prior year quarter. The 12% increase was due to stronger operating performance and the impact of the adoption of IFRS 16. The Company returned \$84.2 million to shareholders during the year, of which \$20.0 million was through dividends and \$64.1 million was through share repurchases.

The Board of Directors of TFI has approved a \$0.26 quarterly dividend, an 8% increase over its previous quarterly dividend of \$0.24 per share, effective as of the next regular dividend payment.

SHARE REPURCHASE PROGRAM

On August 30, 2019, the Toronto Stock Exchange approved an amendment to the Company's normal course issuer bid ("NCIB") entitling TFI International to repurchase for cancellation up to 8,300,000 common shares until expiry on October 1, 2019. The previous maximum under the NCIB was 7,000,000 common shares. All other terms and conditions of the 2018-2019 NCIB remained the same. A total of 1,638,246 common shares were repurchased during the third quarter at a weighted average price of \$39.1563 per share.

On September 30, 2019, the Toronto Stock Exchange approved the renewal of the NCIB, allowing TFI International to repurchase for cancellation a maximum of 7,000,000 common shares over the twelve-month period from October 2, 2019 to October 1, 2020. There were 81,903,603 common shares of TFI International issued and outstanding as of September 30, 2019.

CONFERENCE CALL

TFI International will host a conference call on Friday, October 25, 2019 at 8 a.m. Eastern Time to discuss these results. Interested parties can join the call by dialling 1-877-223-4471. A recording of the call will be available until midnight, November 8, 2019, by dialling 1-800-585-8367 or 416-621-4642 and entering passcode 3988648.

ABOUT TFI INTERNATIONAL

TFI International Inc. is a North American leader in the transportation and logistics industry, operating across the United

States, Canada and Mexico through its subsidiaries. TFI International creates value for shareholders by identifying strategic acquisitions and managing a growing network of wholly-owned operating subsidiaries. Under the TFI International umbrella, companies benefit from financial and operational resources to build their businesses and increase their efficiency. TFI International companies service the following segments:

- Package and Courier;
- Less-Than-Truckload;
- Truckload;
- Logistics and Last Mile.

TFI International Inc. is publicly traded on the Toronto Stock Exchange (TSX: TFI) and the OTCQX marketplace in the U.S. (OTCQX: TFIFF). For more information, visit <http://www.tfiintl.com>.

FORWARD-LOOKING STATEMENTS

Except for historical information provided herein, this press release may contain information and statements of a forward-looking nature concerning the future performance of TFI International. These statements are based on assumptions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for TFI International's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.

NON-IFRS FINANCIAL MEASURES

This press release includes references to certain non-IFRS financial measures as described below. These non-IFRS measures do not have any standardized meanings prescribed by International Financial Reporting Standards (IFRS) and are therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, they should not be considered in isolation, in addition to, not as a substitute for or superior to, measures of financial performance prepared in accordance with IFRS. The terms and definitions of the non-IFRS measures used in this press release and a reconciliation of each non-IFRS measure to the most directly comparable IFRS measure are provided below.

Adjusted EBITDA from continuing operations

Adjusted EBITDA from continuing operations is calculated as net income or loss from continuing operations before finance income and costs, income tax expense, depreciation, amortization, bargain purchase gain, and gain or loss on sale of land and buildings and assets held for sale. Management believes adjusted EBITDA from continuing operations to be a useful supplemental measure. Adjusted EBITDA from continuing operations is provided to assist in determining the ability of the Company to assess its performance.

| Adjusted EBITDA from continuing operations (unaudited, in millions of dollars) | Quarters ended September 30 | | Nine months ended September 30 | |
|---|--|-------------------------|---|-------------------------|
| | 2019 | 2018¹ | 2019 | 2018¹ |
| Net income from continuing operations | 82.6 | 86.7 | 247.9 | 215.3 |
| Net finance costs | 21.2 | 16.9 | 63.3 | 48.3 |
| Income tax expense | 28.1 | 24.6 | 76.1 | 63.6 |
| Depreciation of property and equipment | 56.6 | 49.6 | 164.8 | 146.1 |
| Depreciation of right-of-use assets | 26.4 | - | 76.8 | - |
| Amortization of intangible assets | 16.8 | 15.3 | 49.1 | 46.6 |
| Bargain purchase gain | - | - | (10.8) | - |
| Gain on sale of land and buildings | - | (0.2) | - | (0.2) |
| Gain on sale of assets held for sale | (10.1) | (2.9) | (20.2) | (14.1) |
| Adjusted EBITDA from continuing operations | 221.6 | 190.0 | 647.0 | 505.6 |

Note: due to rounding, totals may differ slightly from the sum.

¹ The current period results include the impacts from the adoption of the new IFRS 16 Leases as discussed in note 3 of the unaudited condensed consolidated interim financial statements. As is permitted with this new standard, comparative information has not been restated and, therefore, may not be comparable.

Adjusted net income from continuing operations and adjusted earnings per share from continuing operations (adjusted "EPS"), basic or diluted

Adjusted net income from continuing operations is calculated as net income excluding amortization of intangible assets related to business acquisitions, net change in the fair value and accretion expense of contingent considerations, net change in the fair value of derivatives, net foreign exchange gain or loss, bargain purchase gain, gain or loss on sale of land and buildings and assets held for sale, and loss from discontinued operations, net of tax. Adjusted earnings per share from continuing operations, basic or diluted, is calculated as adjusted net income from continuing operations divided by the weighted average number of common shares, basic or diluted. The Company uses adjusted net income from continuing operations and adjusted earnings per share from continuing operations to measure its performance from one period to the next, without the variation caused by the impacts of the items described above. The Company excludes these items because they affect the comparability of its financial results and could potentially distort the analysis of trends in its business.

performance. Excluding these items does not imply they are necessarily non-recurring.

| Adjusted net income from continuing operations (unaudited, in millions of dollars, except per share data) | Quarters ended September 30 | | Nine months ended September 30 | |
|--|--|-------------|---|-------------|
| | 2019 | 2018 | 2019 | 2018 |
| Net income | 82.6 | 86.7 | 235.5 | 215.3 |
| Amortization of intangible assets related to business acquisitions, net of tax | 12.0 | 10.8 | 35.1 | 33.0 |
| Net change in fair value and accretion expense of contingent considerations, net of tax | - | 0.5 | 0.1 | 0.4 |
| Net change in fair value of derivatives, net of tax | - | (0.2) | - | (0.3) |
| Net foreign exchange (gain) loss, net of tax | 0.4 | (0.1) | 0.6 | (0.7) |
| Bargain purchase gain | - | - | (10.8) | - |
| (Gain) loss on sale of land and buildings and assets held for sale, net of tax | (7.0) | (2.7) | (15.7) | (12.3) |
| Net loss from discontinued operations | - | - | 12.5 | - |
| Adjusted net income from continuing operations | 88.1 | 95.0 | 257.2 | 235.4 |
| Adjusted earnings per share from continuing operations - basic | 1.07 | 1.08 | 3.06 | 2.67 |
| Adjusted earnings per share from continuing operations - diluted | 1.04 | 1.04 | 2.99 | 2.58 |

Note: due to rounding, totals may differ slightly from the sum.

Operating margin

Operating margin is calculated as operating income (loss) from continuing operations as a percentage of revenue before fuel surcharge.

Note to readers: Unaudited condensed consolidated interim financial statements and Management's Discussion & Analysis are available on TFI International's website at <http://www.tfiintl.com>.

For further information:

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