

The logo for ECHO, featuring the word "ECHO" in a bold, blue, sans-serif font, followed by three vertical bars of varying heights to the right, suggesting a signal or sound.

Transportation Simplified[®]

A wide-angle photograph of a large, modern office space. The room is filled with rows of desks, each equipped with multiple computer monitors. Several employees are seated at their desks, working. The office has a high ceiling with exposed ductwork and large windows in the background. A prominent "ECHO" logo is visible on a screen in the distance. The overall atmosphere is professional and busy.

First Quarter 2017 Financial Results

Echo Global Logistics, Inc.

April 26, 2017

Forward-Looking Statements

All statements made in this presentation, other than statements of historical fact, are or may be deemed to be forward-looking statements. These statements are based on current plans and expectations of Echo Global Logistics and involve risks, uncertainties and other factors that may cause our actual results, performance or achievements to be different from any future results, performance or achievements expressed or implied by these statements. Information concerning these risks, uncertainties and other factors is contained under the headings "Risk Factors" and "Forward-Looking Statements" and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2016 and other filings with the Securities and Exchange Commission. Echo Global Logistics undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

First Quarter 2017 Financial Review

	Three months ended March 31,			% Change
	2017	2016		
	(unaudited)			
<i>dollars in millions except per share data</i>				
Total revenue	\$	415.8	\$ 405.3	2.6%
Net revenue ⁽¹⁾	\$	74.5	\$ 80.8	(7.8)%
Net (loss) income	\$	(2.9)	\$ 0.3	(1,193.6)%
Non-GAAP EBITDA ⁽¹⁾	\$	10.0	\$ 16.5	(39.4)%
Fully diluted (loss) earnings per share	\$	(0.10)	\$ 0.01	(1,258.2)%
Non-GAAP fully diluted earnings per share ⁽¹⁾⁽²⁾	\$	0.09	\$ 0.24	(62.5)%

⁽¹⁾ For a description and reconciliation of these non-GAAP financial measures to the nearest comparable GAAP financial measures, please refer to the Appendix included in this presentation.

⁽²⁾ For the three months ended March 31, 2017, 423,796 incremental shares related to stock-based awards were not included in the computation of diluted loss per share because of the net loss during the period. Diluted shares used in the reconciliation of non-GAAP fully diluted EPS was 28,579,093.

Key Takeaways

- The increase in revenue during first quarter of 2017 was primarily attributable to volume gains and a modest increase in revenue per shipment in the truckload ("TL") and less-than-truckload ("LTL") modes.
- The decrease in first quarter 2017 net revenue was the result of lower margins, primarily in the truckload market.

Revenue by Mode

<i>dollars in millions</i> (unaudited)	Three months ended March 31,			% Change
	2017	2016		
Truckload (“TL”) revenue	\$ 280.3	\$ 274.6		2.1%
Less-than-truckload (“LTL”) revenue	113.9	105.8		7.6%
Intermodal revenue	15.4	17.7		(13.0)%
Other revenue	6.2	7.2		(14.7)%
Total revenue	\$ 415.8	\$ 405.3		2.6%

Key Takeaways

- TL (includes Partial TL) revenue growth was driven by a 1.6% increase in revenue per shipment and a 0.5% increase in volume.
- LTL revenue growth was driven by a 4% increase in volume and a 3% increase in revenue per shipment.
- The decline in Intermodal revenue was driven by a decrease in volume.

Revenue by Client Type

<i>dollars in millions</i> (unaudited)	Three months ended March 31,			% Change
	2017	2016		
Transactional revenue	\$ 333.0	\$ 332.0		0.3%
Managed Transportation revenue	82.8	73.3		13.0%
Total revenue	\$ 415.8	\$ 405.3		2.6%

Key Takeaways

- The increase in Transactional revenue was driven by an increase in volume.
- The Managed Transportation revenue increase was primarily driven by an addition of new clients along with an increase in volume from existing clients.

Net Revenue and Revenue Analysis

dollars in millions (unaudited)	Three months ended March 31,		
	2017	2016	Change
Net revenue ⁽¹⁾	\$ 74.5	\$ 80.8	(7.8)%
Net revenue margin	17.9%	19.9%	(202) bps
TL revenue mix	67.4%	67.8%	(32) bps
LTL revenue mix	27.4%	26.1%	129 bps
Intermodal revenue mix	3.7%	4.4%	(67) bps
Other revenue mix	1.5%	1.7%	(30) bps
Transactional revenue mix	80.1%	81.9%	(183) bps
Managed Transportation revenue mix	19.9%	18.1%	183 bps

⁽¹⁾Non-GAAP financial measure calculated as total revenue less transportation costs.

Key Takeaways

- In the first quarter of 2017, the year-over-year decrease in net revenue margin resulted primarily from a decrease in TL margin.
- The increase in our Managed Transportation revenue mix is due to the acquisition of new clients and the continued growth of our current clients.

Expense Summary

<i>dollars in millions</i> (unaudited)	Three months ended March 31,				
	2017		2016		Change
Total revenue	\$	415.8	\$	405.3	2.6%
Net revenue ⁽¹⁾	\$	74.5	\$	80.8	(7.8)%
Commission expense	\$	22.4	\$	24.8	(9.9)%
<i>Percent of net revenue</i>		30.0%		30.7%	(70) bps
Change in contingent consideration	\$	0.1	\$	(0.2)	160.0%
<i>Percent of net revenue</i>		0.1%		(0.2)%	31 bps
Stock compensation expense	\$	2.7	\$	5.3	(50.1)%
<i>Percent of net revenue</i>		3.6%		6.6%	(301) bps
Other selling, general and administrative	\$	42.1	\$	39.5	6.7%
<i>Percent of net revenue</i>		56.5%		48.8%	770 bps
Selling, general and administrative expense	\$	67.2	\$	69.5	(3.2)%
<i>Percent of net revenue</i>		90.3%		86.0%	430 bps
Depreciation	\$	4.5	\$	3.5	26.4%
<i>Percent of net revenue</i>		6.0%		4.4%	162 bps
Amortization	\$	3.6	\$	4.0	(10.6)%
<i>Percent of net revenue</i>		4.8%		4.9%	(15) bps
Cash interest expense	\$	1.7	\$	1.6	0.6%
<i>Percent of net revenue</i>		2.2%		2.0%	19 bps
Non-cash interest expense	\$	2.0	\$	1.9	5.9%
<i>Percent of net revenue</i>		2.6%		2.3%	34 bps

(1) For a description and reconciliation of this non-GAAP financial measure to the nearest comparable GAAP financial measure, please refer to the Appendix included in this presentation.

Key Takeaways

- Commission expense decreased due to lower net revenue.
- The increase in other selling, general and administrative expense is related to an increased investment in our sales force and personnel.

Cash Flow and Balance Sheet Data

Selected Cash Flow Data

<i>dollars in millions</i>	Three months ended March 31,		% Change
	2017	2016	
	(unaudited)		
Cash generated from operations	\$ 14.1	\$ 14.3	(1.7)%
Capital expenditures	(4.0)	(4.3)	(6.2)%
Free cash flow ⁽¹⁾	\$ 10.1	\$ 10.0	0.3%

⁽¹⁾ For a description and reconciliation of this non-GAAP financial measure to the nearest comparable GAAP financial measure, please refer to the Appendix included in this presentation.

Selected Balance Sheet Data

<i>dollars in millions</i>	March 31,	December 31,
	2017	2016
	(unaudited)	
Cash and cash equivalents	\$ 24.3	\$ 16.6
Accounts receivable, net of allowance for doubtful accounts	232.7	231.4
Current assets	278.9	268.3
Current liabilities	175.0	167.9
Convertible notes, net of unamortized discount/issuance costs	205.4	203.6
Stockholders' equity	\$ 355.9	\$ 358.1

Appendix

Non-GAAP Financial Measures

This presentation includes the following financial measures defined as “Non-GAAP Financial Measures” by the Securities and Exchange Commission: Net Revenue, Non-GAAP EBITDA, Non-GAAP Fully Diluted EPS and Free Cash Flow. Net revenue is calculated as total revenue less transportation costs. Non-GAAP EBITDA is defined as net income excluding the effects of changes in contingent consideration, depreciation, amortization, stock compensation expense, cash and non-cash interest expense and income taxes. Non-GAAP Fully Diluted EPS is defined as fully diluted EPS excluding changes in contingent consideration, amortization, non-cash interest expense, stock compensation expense and the aggregate tax impact of each adjustment. Free Cash Flow is defined as net cash provided by operating activities reduced by capital expenditures. A reconciliation of Net Revenue, Non-GAAP EBITDA and Non-GAAP Fully Diluted EPS to the most comparable GAAP measure is included on the next slide. A reconciliation of Free Cash Flow to the most comparable GAAP measure is included on Slide 8. We believe such measures provide useful information to investors, because they provide information about the financial performance of the Company's ongoing business.

Net Revenue, Non-GAAP EBITDA, Non-GAAP Fully Diluted EPS and Free Cash Flow are used by management in its financial and operational decision-making and evaluation of overall operating performance. These measures may be different from similar measures used by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with generally accepted accounting principles. Please refer to the slides that follow for a reconciliation of each non-GAAP financial measure to the nearest comparable GAAP financial measure.

Appendix

Reconciliation of Non-GAAP Financial Measures

<i>dollars in millions except per share data</i>	Three months ended March 31,		% change
	2017	2016	
	(unaudited)		
Total revenue	\$ 415.8	\$ 405.3	2.6%
Transportation costs	341.3	324.5	5.2%
Net revenue ⁽¹⁾	\$ 74.5	\$ 80.8	(7.8)%
Net (loss) income	(2.9)	0.3	(1,193.6)%
Change in contingent consideration	0.1	(0.2)	160.0%
Depreciation	4.5	3.5	26.4%
Amortization	3.6	4.0	(10.6)%
Non-cash interest expense	2.0	1.9	5.9%
Stock compensation expense	2.7	5.3	(50.1)%
Cash interest expense	1.7	1.6	0.6%
Income tax (benefit) expense	(1.5)	0.1	(2,881.4)%
Non-GAAP EBITDA ⁽¹⁾	\$ 10.0	\$ 16.5	(39.4)%
Fully diluted (loss) earnings per share	(0.10)	0.01	(1,258.2)%
Change in contingent consideration	0.00	(0.01)	162.6%
Amortization	0.13	0.13	(6.7)%
Non-cash interest expense	0.07	0.06	10.5%
Stock compensation expense	0.09	0.18	(47.9)%
Tax effect of adjustments	(0.10)	(0.13)	28.1%
Non-GAAP fully diluted EPS ⁽¹⁾⁽²⁾	\$ 0.09	\$ 0.24	(62.5)%

⁽¹⁾See "Non-GAAP Financial Measures" on slide 9 for the definition and discussion of each Non-GAAP financial measure.

⁽²⁾For the three months ended March 31, 2017, 423,796 incremental shares related to stock-based awards were not included in the computation of diluted loss per share because of the net loss during the period. Diluted shares used in the reconciliation of non-GAAP fully diluted EPS was 28,579,093.

Historical Financial Statements

<i>dollars in millions, except per share data</i>						
<i>(unaudited)</i>	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017
Transactional revenue	\$ 332.0	\$ 362.0	\$ 373.1	\$ 328.8	1,395.9	\$ 333.0
Managed transportation revenue	73.3	81.8	87.1	78.1	320.3	82.8
Revenue	405.3	443.8	460.2	406.9	1,716.2	415.8
Transportation costs	324.5	358.6	379.3	335.1	1,397.6	341.3
Net revenue ⁽¹⁾	80.8	85.2	80.9	71.7	318.6	74.5
Commission expense	24.8	25.2	23.8	21.7	95.6	22.4
Change in contingent consideration	(0.2)	0.0	0.0	(0.0)	(0.1)	0.1
Stock compensation expense	5.3	3.8	2.0	2.0	13.1	2.7
Other selling, general and administrative	39.5	41.5	40.3	40.9	162.2	42.1
Selling, general and administrative expense	69.5	70.5	66.3	64.5	270.8	67.2
Depreciation	3.5	3.6	4.6	4.6	16.3	4.5
Amortization	4.0	4.0	3.9	3.9	15.8	3.6
Depreciation and amortization	7.5	7.6	8.5	8.5	32.1	8.0
Income (Loss) from operations	3.8	7.0	6.0	(1.3)	15.6	(0.8)
Cash interest expense	1.6	1.6	1.6	1.7	6.6	1.7
Non-cash interest expense	1.9	1.9	1.9	1.9	7.6	2.0
Interest and other expense	3.5	3.5	3.6	3.6	14.2	3.6
Income (Loss) before provision for income taxes	0.3	3.5	2.5	(4.9)	1.4	(4.4)
Income tax expense (benefit)	0.1	1.6	0.1	(2.0)	(0.2)	(1.5)
Net income (loss)	0.3	1.9	2.4	(3.0)	1.6	(2.9)
Fully diluted EPS	\$ 0.01	\$ 0.07	\$ 0.08	\$ (0.10)	\$ 0.05	\$ (0.10)
Diluted shares ⁽²⁾	29.8	29.6	29.1	28.2	29.3	28.2

⁽¹⁾Net revenue is a Non-GAAP Financial Measure calculated as revenue less transportation costs.

⁽²⁾For the three months ended March 31, 2017 and December 31, 2016, 423,796 and 481,273 incremental shares, respectively, related to stock-based awards were not included in the computation of diluted loss per share because of the net loss during the period. Diluted shares used in the reconciliation of non-GAAP fully diluted EPS as of March 31, 2017 and December 31, 2016 were 28,579,093 and 28,728,837, respectively.