FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **1999-03-26** | Period of Report: **1998-12-31**
SEC Accession No. 0000778161-99-000002

(HTML Version on secdatabase.com)

FILER

INTRENET INC
CIK:**778161**| IRS No.: **351597565** | State of Incorp.:**IN** | Fiscal Year End: **1231**
Type: **10-K** | Act: **34** | File No.: **000-14060** | Film No.: **99574397**
SIC: **4213** Trucking (no local)

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION

13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from to .

Commission file number 0-14060

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

Indiana	35-1597565
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
400 TechneCenter Drive, Suite 200, Milford, Ohio	45150
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (513)576-6666

Securities registered pursuant to Section 12(b) of the Act: None
Securities Registered Pursuant to Section 12(g) of the Act:

Common Stock, without par value
(Title of class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item405 of RegulationS-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in PartIII of this Form10-K or any amendment to this Form10-K. [X]

The aggregate market value of the common stock (based upon the closing sale price on such date) held by non-affiliates of the registrant as of March 1,1999, was approximately $27,297,862.

(Applicable only to corporate registrants) Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date. As of March 1, 1999, there were 13,672,066 shares issued and outstanding.

Documents Incorporated By Reference: Portions of the following documents have been incorporated by reference into this report:

Identity of Document	Parts of Form 10 - K into Which Document is Incorporated
Proxy Statement to be filed for the 1999 Annual Meeting of Shareholders of Registrant	Part III

INTRENET, INC.
1998 Annual Report on Form 10-K

Table of Contents

PART I

Item 1. Business.

General

The Company was incorporated in 1983 under the laws of the State of Indiana, as a holding company for truckload carrier subsidiaries. The Company owns, directly or indirectly, 100% of four licensed truckload carriers and an intermodal brokerage logistics operation (the operating subsidiaries), which provide general and specialized regional truckload carrier services throughout North America. The operating subsidiaries are Roadrunner Trucking, Inc., (RRT); Eck Miller Transportation Corporation, (EMT); Advanced Distribution System, Inc., (ADS); Roadrunner Distribution Services, Inc., (RDS); and INET Logistics, Inc., (INL). In addition, the Company owns an intercompany employee leasing subsidiary and an inactive Bermuda captive-insurance subsidiary.

The Company's operating subsidiaries presently operate more than 2,300 tractors, including tractors provided by owner-operators. All of the Company's truckload carriers rely to some extent upon a network of commissioned agents and independent contractors who own and operate tractors and trailers. All of the Company's truckload carriers use company-operated equipment. In 1998, the Company's fleet traveled over 166 million revenue miles delivering approximately 325,000 loads for Company customers. The Company also brokered approximately 30,000 loads to other carriers. No customer accounted for more than 5% of the Company's revenue in 1998.

The Company's executive offices are located at 400 TechneCenter Drive, Suite 200, Milford, Ohio 45150 and its telephone number is (513) 576-6666. Except as otherwise indicated by the context, the term Company, as used herein, means Intrenet, Inc. and its consolidated subsidiaries.

Operating Subsidiaries

Select operating statistics as of December 31, 1998, are as follows:

	RRT	EMT	ADS	RDS	Total
Company Tractors	516	386	219	182	1,303
Owner-Operators	166	410	378	54	1,008
Total Tractors	682	796	597	236	2,311
Company Trailers	950	499	257	489	2,195
Company Drivers	572	398	202	230	1,402
Total Employees	765	552	296	257	1,899
Sales Agents	30	135	218	7	390
Avg. Length of Haul in Revenue Miles	633	345	542	1,159	514

Roadrunner Trucking, Inc. RRT is a truckload carrier transporting a wide variety of general commodities, including machinery, building materials, steel, paper, cable and wire. RRT's primary traffic flows are in the western two-thirds of the United States where it operates one of the largest fleets of flatbed trailers in its market area. RRT services Mexico through El Paso, TX and Nogales, AZ, and has three large logistics and dedicated fleets operating both flatbed and dry van trailers. RRT also operates a nationwide freight brokerage business. RRT is a New Mexico corporation, headquartered in Albuquerque, New Mexico.

Eck Miller Transportation Corporation. EMT is a specialized truckload carrier operating a nationwide service system of nearly 800 sided flatbed and heavy-haul trailers. EMT primarily transports metal articles, building materials and machinery over lanes radiating from the midwest to all other regions of the United States. EMT is an Indiana corporation, headquartered in Rockport, Indiana.

EMT operates a fleet of company-operated and owner-operator tractors. Most of its 140 field offices are operated by commissioned sales agents. The utilization of owner-operators and agents limits EMT's investment in labor and equipment.

Advanced Distribution System, Inc. ADS is a truckload carrier that transports general commodity freight, including iron, steel, pipe, heavy machinery and building products, throughout the United States and Canada on flatbed trailers and dry vans. ADS is a Florida corporation, headquartered in Columbus, Ohio.

ADS is primarily dependent upon commissioned agents as sources for business. ADS also operates a fleet of company-operated and owner-operated equipment.

Roadrunner Distribution Services, Inc. RDS is a truckload van carrier that transports a wide variety of general commodities, including electronics, auto parts, sportswear and consumer goods throughout service lanes in the Central and Southwestern regions of the United States. RDS operates a nationwide freight brokerage business, and services customers in Mexico through El Paso, TX and Nogales, AZ. RDS is a Texas corporation, headquartered in Albuquerque, New Mexico.

INET Logistics, Inc. INL is an intermodal marketing company, a freight broker, and a logistics management company that arranges the shipment of various commodities for its customers. INL books and coordinates transportation services with various rail and road transportation providers, offering a cost efficient and service effective alternative to customers. INL is an Indiana corporation, headquartered in Schaumburg, IL.

Commissioned Sales Agents and Owner-Operators

The operating subsidiaries which use commissioned agents and independent owner-operators generally do not have long-term contractual agreements with their agents or owner-operators, and treat both categories of persons as independent contractors. Working relationships with such persons are dependent upon mutually beneficial characteristics including confidence in service levels, support in customer relations, compensation levels and systems and opportunities for growth. Many of the Company's agreements with commissioned agents are non-exclusive. The operating subsidiaries will cancel working relationships, at any time, with agents and owner-operators for lack of confidence in, but not limited to, those characteristics listed above.

From time to time, various legislative or regulatory proposals are introduced at the federal or state levels to change the employment status of independent contractors to treat them as employees for either employment tax purposes or for other benefits available to Company employees. Currently, most individuals are classified as employees or independent contractors for employment tax purposes, based on contractual relationships and industry practice.

Although management is unaware of any proposals currently pending to change the employee/independent contractor classification, the costs associated with potential changes, if any, could adversely affect the Company's results of operations if the Company were unable to reflect them in its fee arrangements with its independent owner-operators and commissioned agents, or in the prices paid by its customers.

Revenue Equipment

At December 31, 1998, the Company owned or leased 1,303 tractors, 1,583 flatbed trailers, and 612 dry van trailers. The following is a summary of Company operated revenue equipment at December 31, 1998:

		Trailers	
	Tractors	Flatbed	Dry Van
Model year			
prior to 1996	334	854	97
1996	54	241	478
1997	451	308	37
1998	249	93	-
1999	215	87	-
	1,303	1,583	612

In addition, at the same date, owner-operators under contract provided 1,008 tractors for Company operations.

The Company has plans to acquire approximately 440 tractors in 1999, of which approximately 335 will replace older tractors. The new tractors are expected to be financed primarily under operating leases.

Employees

At December 31, 1998, the Company employed 1,899 individuals, of whom 1,402 were drivers. Management considers its relationship with employees to be good. None of the Company's employees are represented by a collective bargaining unit.

Competition and Availability of Drivers

The trucking industry is characterized by intense competition, resulting from the presence of many carriers in the market, low barriers to entry, and the commodity nature of the services provided by many carriers. The Company competes with other irregular route, long-haul carriers and, to a lesser extent, with medium-haul carriers, railroads, less-than-truckload carriers, freight brokers and proprietary transportation systems. The Federal Aviation Administration Authorization Act of 1994 (the FAA Act), effective January 1, 1995, preempted certain state and local laws regulating the prices, routes, or services of motor carriers, thereby deregulating intra-state transport, and increasing competitive conditions.

At December 31, 1998, the Company employed 1,402 drivers.

Drivers are selected in accordance with specific guidelines, relating primarily to safety records, driving experience, personal evaluations, a physical examination and mandatory drug testing. All drivers attend orientation programs and ongoing driver efficiency and safety programs.

Competition for drivers is intense in the trucking industry, and the Company has at times experienced difficulty attracting and retaining a sufficient number of qualified drivers. Management believes the Company's ability to avoid severe driver shortages results from specific measures it takes to attract and retain highly qualified drivers. These measures include purchasing or leasing premium quality tractors equipped with comfort and safety features, allowing the driver to return home on a average of once every two to three weeks, and extending participation in the Company's 401(k) profit sharing plan and health insurance plan. Drivers are compensated on the basis of miles driven and number of stops and deliveries made, plus bonuses relating to performance, fuel efficiency and compliance with the Company's safety policies. The Company continually evaluates driver compensation in order to further enhance its ability to retain and attract sufficient qualified drivers. None of the Company's drivers is represented by a collective bargaining unit.

Regulation

Each of the operating subsidiaries that is a motor carrier is regulated by various federal and state agencies. Effective January 1, 1996, the ICC Termination Act of 1995 (the Act) abolished the Interstate Commerce Commission (ICC) and established within the Department of Transportation (DOT) the Surface Transportation Board. The Surface Transportation Board performs a number of functions previously performed by the ICC. The Act eliminates most tariff filings and rate regulation, but retains most other regulations issued by the ICC, until modified or terminated by the Surface Transportation Board.

Each of the motor carrier operating subsidiaries is subject to safety requirements prescribed by the DOT. Such matters as weight and dimension of equipment are also subject to federal and state regulations. All of the Company's drivers are required to obtain national commercial driver's licenses pursuant to the regulations promulgated by the DOT. Also, DOT regulations impose mandatory drug and alcohol testing of drivers. Each of the motor carrier operating subsidiaries has a satisfactory safety rating with the DOT.

The trucking industry is subject to possible regulatory and legislative changes (such as increasingly stringent environmental regulations or limits on vehicle weight and size) that may affect the economics of the industry by requiring changes in operating practices or by changing the demand for common or contract carrier services or the cost of providing truckload services. These future regulations may unfavorably affect the Company's operations.

Risk Management and Insurance

The Company's risk management programs provide protection of its assets and interests through a combination of insurance and self-insurance. The Company maintains both primary and excess auto liability insurance with limits and deductibles currently at $100,000, and in amounts management believes to be adequate. Prior to the end of 1998, limits and deductibles ranged from $100,000 to $250,000.

Workers' compensation and employer's liability exposure are covered by a combination of large-deductible insurance policies, a state approved self-insurance program, monopolistic state workers' compensation funds, and a self-insured ERISA accident indemnity plan. Coverage is for statutory limits, with deductibles generally for the first $250,000 of exposure.

The Company also maintains insurance with varying deductibles for cargo, property, physical damage and other exposures.

Fuel

As part of the Company's ongoing program to reduce fuel costs, drivers are required to refuel at one of the Company's bulk fuel storage facilities whenever possible. When impractical to fuel at a Company location, drivers purchase fuel with a Company credit card at pre-authorized truckstops and fueling locations.

Shortages of fuel, increases in fuel prices or rationing of petroleum products could have a material adverse effect on the trucking industry, including the Company. In the past, sharp increases in fuel prices have been partially recovered from customers through increased rates or surcharges. However, there can be no assurance that the Company will be able to recover increased fuel costs and fuel taxes through increased rates in the future. The Company does not presently hedge its future fuel purchase requirements.

The Company's fuel storage facilities are subject to environmental regulatory requirements of the U.S. Environmental Protection Agency which imposes standards and requirements for regulation of underground storage tanks of petroleum and certain other substances, and by state law. Management believes that it is in compliance with such requirements that are applicable to tanks it owns or operates, and believes that future compliance-related expenditures, in the aggregate, will not be material to the Company's financial or competitive position.

Disclosure Regarding Forward Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward looking statements. Certain information in Items 1, 3, and 7 of this report include information that is forward looking, such as the Company's reliance on commissioned agents and owner-operators, its exposure to increased fuel prices, its anticipated liquidity and capital requirements and the expected impact of legal proceedings. The matters referred to in these forward looking statements could be affected by the risks and uncertainties involved in the Company's business and in the trucking industry. These risks and uncertainties include, but are not limited to, the effect of general economic and market conditions, including downturns in customers' business cycles, the availability and cost of qualified drivers, the availability and price of diesel fuel, the impact and cost of government regulations and taxes on the operations of the business, competition, as well as certain other risks described in this report. Subsequent written and oral forward looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements in this paragraph and elsewhere in this report.

Item 2. Properties.

The Company leases its headquarters facility, which consists of approximately 4,000 square feet of office space. The lease provides for rent at approximately $5,400 per month and is presently in the first year of its five-year lease renewal expiring in August, 2003.

The following table provides information concerning other significant properties owned or leased by the operating subsidiaries.

Location	Operating Subsidary	Type of Facility	Owned or Leased	Approximate Acreage
Albuquerque, NM	RRT	Company Headquarters, Terminal, Maintenance Facility and Bulk Fueling Station	Owned	15
Albuquerque, NM	RRT	Terminal and Office Facility (Under lease to others)	Owned	6
Dallas, TX	RRT	Terminal	Leased	5
Houston, TX	RRT	Terminal	Leased	5
Vinton, TX	RRT	Terminal, Maintenance Facility and Bulk Fueling	Leased	4

		Station		
Kingman, AZ	RRT	Terminal	Leased	4
Phoenix, AZ	RRT	Terminal	Leased	3
Snowflake, AZ	RRT	Terminal and Bulk Fueling Station	Leased	1
Fontana, CA	RRT	Terminal and Bulk Fueling Station	Leased	4
Indianapolis, IN	RDS	Terminal	Leased	1
El Paso, TX	RDS	Terminal, Maintenance Facility and Bulk Fueling Station	Owned	4
Rockport, IN	EMT	Company Headquarters, Terminal, Maintenance Facility and Bulk Fueling Station	Owned	13
Columbus, OH	ADS	Company Headquarters	Leased	2
Amlin, OH	ADS	Maintenance Facility	Leased	2
Schaumburg, IL	INL	Company Headquarters	Leased	-
Denver, CO	INL	Terminal	Leased	-

All properties owned by the Company and the operating subsidiaries are subject to liens in favor of the Company's primary lender or independent mortgage lenders. See Note 2 of Notes to Consolidated Financial Statements.

Item 3. Legal Proceedings.

On June 13, 1997, the Company received notice from the Central States Southeast and Southwest Areas Pension Fund (the "Fund") of a claim pursuant to the Employee Retirement Income Security Act of 1974, as amended by the Multi-employer Pension Plan Amendments Act of 1980 ("MPPAA"). MPPAA provides that, if an employer withdraws from participation in a multi-employer pension plan, such as the Fund, the employer and members of the employer's "controlled group" of businesses are jointly and severally liable for a portion of the plan's underfunding. The claim is based on the withdrawal of R-W Service System, Inc. ("RW") from the Fund in 1992. The Company's records indicate that RW was an indirect subsidiary of the Company's predecessor, Circle Express, Inc., from March 1985 through April 1988, when it and certain other subsidiaries were sold. The Fund currently claims that RW's withdrawal liability is approximately $3.7 million plus accrued interest in the amount of approximately $1.7 million. Based on its investigation to date, and, after consultation with counsel, management believes that the Company is not liable to the Fund for any of RW's withdrawal liability. The Company has filed a formal request for review of the claim as provided by the MPPAA and the Fund rejected that request on January 28, 1998. The Company is in the process of seeking resolution of the claim in binding arbitration. The Company is obligated to make interim payments to the Fund until the issue of liability is resolved. The interim payment obligation is currently approximately $88,500 per month. The Company has made payments to the Fund that total approximately $1,588,000 as of December 31, 1998, which are included in other assets on the Company's balance sheet. There can be no assurance that either the need to make interim payments to the Fund or the ultimate resolution of this matter will not have a material adverse effect on the Company's liquidity, results of operations or financial condition.

The Company's subsidiary, RDS, is a defendant in an action brought on March 20, 1997, in the 327th District Court, El Paso, Texas, by a former employee. The plaintiff alleged that he was injured as a result of the negligence and gross negligence of RDS and received discriminatory treatment in violation of the Texas Health and Safety Code. On March 13, 1998, a default judgment was entered against RDS in the approximate amount of $1.0 million, representing damages for medical expenses, loss of wage earning capacity, physical pain and mental anguish, physical impairment, disfigurement and punitive damages. RDS has filed an appeal to the 8th Circuit Court of Appeals in El Paso, Texas, which is currently pending. In its appeal, RDS is asserting it was never properly served in the action and that there is insufficient basis to support an award of punitive damages. RDS has notified its workers' compensation carrier of the award. Management believes that RDS is likely to prevail on its appeal and therefore, this action should not have a material adverse effect on the Company's liquidity, results of operations or financial condition.

There are no other material pending legal proceedings to which the Company or any of its subsidiaries is a party or of which any of their property is the subject, other than routine litigation incidental to its business, primarily involving claims for personal injury and property damage incurred in the transportation of freight. The Company maintains insurance which covers liability resulting from such transportation related claims in amounts customary for the industry and which management believes to be adequate.

Item 4. Submission of Matters to a Vote of Security Holders.

No matters were submitted to a vote of security holders of the Company during the three months ended December 31, 1998.

Executive Officers of the Registrant.

Pursuant to federal Instruction G(3) of Form 10-K and Instruction 3 to Item 401(b) of Regulation S-K, the following information is included in lieu of being included in the Proxy Statement for its Annual Meeting of Stockholders:

Certain information concerning the executive officers of the Company as of December 31, 1998, is set forth below.

Name and Position	Age
John P. Delavan President and Chief Executive Officer	46
Roger T. Burbage Executive Vice-President, Chief Financial Officer, Secretary and Treasurer	55

Officers of the Company serve at the discretion of the Board of Directors.

John P. Delavan has been President and Chief Executive Officer since June, 1996, and a Director since September, 1996. From 1991 to June, 1996, Mr. Delavan was President of Landstar-Inway, Inc., a truckload carrier affiliated with Landstar Systems, Inc.

Roger T. Burbage has been the Chief Financial Officer since March, 1997, and Executive Vice-president since 1998. Prior to joining the Company, Mr. Burbage was President of Landstar Poole, Inc., a truckload carrier affiliated with Landstar Systems, Inc. Mr. Burbage was with Landstar Poole, Inc. for approximately five years.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters.

The Common Stock is traded on The NASDAQ Small-Cap Market (NASDAQ) under the symbol INET. The following table sets forth the high and low sales prices as reported by NASDAQ.

1997	HIGH	LOW
First Quarter	2.813	1.875
Second Quarter	2.625	2.188
Third Quarter	3.250	2.438
Fourth Quarter	3.375	2.813

1998

First Quarter	4.375	2.875
Second Quarter	4.750	3.313
Third Quarter	4.625	2.000
Fourth Quarter	3.438	2.125

1999

First Quarter (Through March 1)	4.250	2.938

On March 1, 1999, there were 218 holders of record of Common Stock.

The Company has never paid a cash dividend on its Common Stock.

The Company's bank agreement contains covenants which restrict the Company's ability to pay cash dividends. See Note 2 of Notes to Consolidated Financial Statements. The Company does not anticipate paying cash dividends on Common Stock in the foreseeable future.

During the three months ended December 31, 1998, the Company did not offer or sell any equity securities in a transaction that was exempt from the requirements of the Securities Act of 1933, as amended (the Act), except as follows: On December 30, 1998, the Company issued 111,428 shares of Common Stock in full satisfaction of warrants to purchase 300,000 shares at $1.65 per share. The Company relied upon the exemption from registration contained in section 4(2) of the Act.

Item 6. Selected Financial Data.

<TABLE>
<CAPTION>

	Year Ended December 31,				
	1998	1997	1996	1995	1994
	(In Thousands, Except Per Share Amounts)				
<S>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS DATA					
Operating revenues	$ 262,722	$ 247,888	$ 224,613	$ 214,973	$ 214,838
Operating expenses:					
Purchased transportation and equipment rents	118,681	108,292	87,834	80,997	79,946
Salaries, wages and benefits	63,940	59,943	60,017	58,733	53,281
Fuel and other operating expenses	47,936	48,550	49,251	46,610	44,777
Operating taxes and licenses	10,077	10,045	10,670	10,093	9,846
Insurance and claims	8,089	7,987	8,812	6,986	7,680
Depreciation	3,949	4,526	5,096	4,651	4,826
Other operating expenses	3,657	3,316	3,591	3,842	4,077
Total operating expenses	256,329	242,659	225,271	211,912	204,433
Operating income (loss)	6,393	5,229	(658)	3,061	10,405
Interest expense	(2,554)	(2,908)	(2,397)	(2,886)	(3,557)
Other expense, net	(420)	(420)	(420)	(82)	(357)
Earnings (loss) before income taxes and extraordinary items	3,419	1,901	(3,475)	93	6,491
Income taxes	(523)	(580)	-	(305)	(1,326)
Net earnings (loss)	$ 2,896	$ 1,321	$ (3,475)	$ (212)	$ 5,165
Basic					
Net earnings (loss)	$ 0.21	$ 0.10	$ (0.26)	$ (0.02)	$ 0.57
Diluted					
Net earnings (loss)	$ 0.21	$ 0.10	$ (0.26)	$ (0.02)	$ 0.40
BALANCE SHEET DATA					
Current assets	$ 38,906	$ 36,499	$ 30,348	$ 26,716	$ 29,320
Current liabilities	30,524	29,293	30,216	27,339	28,329
Total assets	77,800	75,964	77,168	67,638	69,058
Long-term debt	20,105	22,401	24,210	14,981	22,291
Shareholders' equity	24,371	21,470	19,892	23,018	16,438

</TABLE>

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

Introduction

The Company reported net earnings in 1998 of $2.9 million on revenues of $262.7 million, as compared to a net earnings of $1.3 million on revenues of $247.9 million in 1997, and a net loss of $3.5 million on revenues of $224.6 million in 1996.

As discussed more fully below, the Company's performance throughout 1998 reflects a generally stronger economy, lower fuel prices at the pump, a continued emphasis on cost reduction, and some improvement in pricing, offset by an increase in driver wages.

A discussion of the impact of the above and other factors on the results of operations in 1998 as compared to 1997, and 1997 as compared to 1996 follows.

1998 Compared to 1997

Key Operating Statistics	1998	1997	% Change
Operating Revenues ($ millions)	$262.7	$247.9	6.0%
Net Earnings	$ 2.9	$ 1.3	123.1%
Average Tractors	2,250	2,225	1.1%
Total Loads (000's)	354.6	306.3	15.8%
Revenue Miles (millions)	166.7	170.1	(2.0%)
Average Revenue per Revenue Mile	$1.374	$1.321	4.0%

Operating Revenues. Operating revenues increased by $14.8 million, or 6.0% in 1998, to $262.7 million from $247.9 million in 1997. The majority of this increase occurred in brokered revenue which increased $10.6 million, or 45.5%, from $23.2 million in 1997, to $33.8 million in 1998. The acquisition of the assets of Ram Trans, a flatbed brokerage and logistics company located in Denver, Colorado, late in the second quarter of 1998, accounted for $3.0 million of the increase in brokered revenue. In addition to this acquisition, all of the operating subsidiaries reported significant growth in their brokerage business. Company fleet revenues also increased $4.3 million, or 3.4% in 1998, over 1997, while owner-operator revenues decreased $0.1 million, or 0.1%.

There was virtually no change in the average fleet size in 1998, compared to 1997. In the aggregate, revenue miles (volume), actually declined 2.0%. This decline was attributable to the shorter length of haul from the RRT regional operations and the container movements from EMT. Freight demand in 1998, was relatively strong and accounted for the aforementioned growth in the brokered revenues. These competitive conditions allowed for a 4.0% increase in average revenue per revenue mile (price), which led to the $4.3 million growth in Company fleet revenues.

Operating Expenses. The following table sets forth the percentage relationship of operating expenses to operating revenues for the years ended December 31, 1998 and 1997.

	1998	1997
Operating Revenues	100.0%	100.0%
Operating Expenses:		
Purchased transportation and equipment rents	45.2	43.7
Salaries, wages and benefits	24.3	24.2
Fuel and other operating expenses	18.2	19.6
Operating taxes and licenses	3.9	4.1
Insurance and claims	3.2	3.2
Depreciation	1.5	1.8
Other operating expenses	1.3	1.3
Total Operating Expenses	97.6%	97.9%

In 1998, purchased transportation and equipment rent increased as a percentage of revenue compared to 1997 due to the amount of freight brokered to other carriers. This increase occurred because of the increase in freight demand and the acquisition of

Ram Trans.

Although the average driver's wages increased approximately $0.02 per mile in 1998, ($2.9 million), compared to 1997, salaries, wages and benefits increased only slightly as a percentage of revenue because of the increase in the average revenue per revenue mile and the relatively smaller portion of the Company's total revenue being generated by company-operated equipment.

Fuel and other operating expenses decreased significantly in 1998, compared to 1997, because the average cost of fuel at the pump declined $0.15 per gallon. The benefit of this decrease was partially offset by acquisition expenses, a significant loss of fuel surcharge revenue, and the increased cost of communication expense attributable to the pay phone users' surcharge.

Depreciation expense declined as a percentage of revenue in 1998, compared to 1997, as a result of the Company's continued reliance on non-capitalized leases as a means of acquiring its tractors and trailers.

Interest Expense. Interest expense decreased in 1998, primarily as a result of replacing equipment financed with capital lease obligations with equipment financed by operating leases. Interest on bank borrowings were flat in 1998, compared to 1997, due to a slight increase in the average borrowings offset by a reduction in the borrowing rate.

Provision For Income Taxes. The provision in 1998 was approximately $0.5 million, or 15.3% of pretax earnings. The effective tax rate is lower than the statutory tax rate due to the reversal of valuation allowance reserves established in prior years, offset by the impact of certain non-deductible expenses.

1997 Compared to 1996

Key Operating Statistics	1997	1996	% Change
Operating Revenues ($ millions)	$247.9	$224.6	10.4%
Net Earnings (Loss)	$ 1.3	$ (3.5)	NM
Average Tractors	2,225	2,080	7.0%
Total Loads (000's)	306.3	259.3	18.1%
Revenue Miles (millions)	170.1	162.8	4.5%
Average Revenue per Revenue Mile	$1.321	$1.298	1.8%

Operating Revenues. Operating revenues increased by $23.3 million, or 10.4% in 1997 to $247.9 million from $224.6 million in 1996. The majority of this increase occurred in the owner-operator fleet where revenues increased by $16.5 million or 20.9%. Brokered revenues also increased $10.1 million or 76.4% in 1997 over 1996, while Company fleet revenues decreased $3.2 million or 2.5%.

The 4.5% increase in revenue miles (volume) in 1997 is primarily attributable to a 21.3% increase in the average number of owner-operator trucks.

The 1.8% increase in average revenue per revenue mile (price) is a result of slightly improved competitive conditions which allowed prices to increase modestly during 1997. This price increase was minimally affected by fuel surcharge revenues which were relatively the same in 1997, compared to 1996.

Operating Expenses. The following table sets forth the percentage relationship of operating expenses to operating revenues for the years ended December 31, 1997 and 1996.

	1997	1996
Operating Revenues	100.0%	100.0%
Operating Expenses:		
Purchased transportation and equipment rents	43.7	39.1
Salaries, wages and benefits	24.2	26.7
Fuel and other operating expenses	19.6	21.9
Operating taxes and licenses	4.1	4.8
Insurance and claims	3.2	3.9
Depreciation	1.8	2.3

Other operating expenses	1.3	1.6
Total Operating Expenses	97.9%	100.3%

In 1997, the mix of company-operated versus owner-operator equipment shifted to a higher dependence on owner-operator equipment, although the Company was still primarily dependent on company-operated tractors. Approximately 52% of the Company's revenue was generated with company-operated equipment in 1997, as compared to approximately 59% in 1996.

The decreased use of the Company fleet in 1997 resulted in decreases in salaries, wages and benefits, and fixed costs (operating taxes and licenses) related to ownership or lease of revenue equipment. Conversely, higher use of owner-operator equipment resulted in increases in purchased transportation as a percentage of revenue. The Company also benefited from lower fuel prices at the pump during 1997. The national average price per gallon at the pump declined approximately $0.035 per gallon. Even with this decrease, the price per gallon at the pump is still approximately $0.08 per gallon higher than it averaged during the first half of this decade. Relative to 1996, management estimates this price decrease lowered operating expenses by approximately $0.8 million in 1997.

The Company's insurance expense decreased to 3.2% of revenue in 1997 from 3.9% of revenue in 1996. This decrease is primarily due to better accident experience and slightly lower insurance premiums. Approximately one third of the Company's insurance expense represented premium payments in 1997 and 1996. The remaining two thirds of the expenses are comprised of estimates for claims and deductible obligations resulting from accidents and claims.

Depreciation expense decreased in 1997 as compared to 1996 as the Company owned approximately 40 fewer tractors in 1997 and replaced some capitalized leases with operating leases.

Other operating expenses decreased to 1.3% of revenue in 1997 from 1.6% in 1996 primarily as a result of reduced communications expense and reduced legal and professional fees.

Interest Expense. Interest expense increased by approximately $0.5 million in 1997 as compared to 1996 due to higher average borrowings over the course of the year.

Provision For Income Taxes. The provision in 1997 was approximately $0.6 million, or 31% of pretax earnings. The effective tax rate is lower than the statutory tax rate due to the utilization of certain post-reorganization tax attributes which had a full valuation allowance, offset by the impact of certain non-deductible expenses.

No provision for income taxes was provided in 1996 as a result of the operating losses incurred. A $1.0 million increase in the net deferred tax assets was offset by a $1.0 million increase in valuation allowances.

Liquidity and Capital Resources

The Company used $0.3 million of cash and cash equivalents in the year ended December 31, 1998, and generated $0.2 million in the year ended December 31, 1997. As reflected in the accompanying Consolidated Statements of Cash Flows, in 1998, $3.9 million of cash was generated from operating activities, as compared to $2.0 million generated in 1997. The $2.6 million, net, used in investing activities in 1998 was a result of purchasing equipment at the end of some of its operating leases. Investing activity in 1997 generated approximately $1.1 million as a result of equipment disposals. Borrowings under the line of credit increased by over $3.4 million primarily to fund principal payments on long term debt, which were $1.8 million lower than 1997, as a result of more equipment financed under operating leases.

The Company's day-to-day financing is provided by borrowings under its bank credit facility. The credit facility consists of a $5.0 million term loan with a final maturity of December 31, 1999, and a revolving line of credit, with a maximum limit of $28.0 million, which expires January 1, 2000. Quarterly principal payments of $312,500 on the term loan are required until its maturity. The line of credit includes provisions for the issuance of up to $12.0 million in standby letters of credit which, as issued, reduce available borrowings under the line of credit. Borrowings under the line of credit are limited to amounts determined by a formula tied to the Company's eligible accounts receivable and inventories, as defined in the credit facility (the Borrowing Base). Borrowings under the revolving line of credit totaled $9.3 million at December 31, 1998, and outstanding letters of credit totaled $5.8 million at that date. The combination of these two bank credits totaled $15.1 million and, given the then existing Borrowing Base, left approximately $8.6 million of borrowing capacity under the revolving line of credit at December 31, 1998. Borrowing capacity under the revolving line of credit as of February 26, 1999, was approximately $6.0 million. The increase in borrowings resulted primarily from the financing of annual license plates and permits for the company-operated fleet. The Company's borrowings are typically higher in the first half of the year, and decrease throughout the second half of the year.

On February 4, 1999, the Company's bank agreement was amended, resulting in an increase in borrowing capacity with a $5.0 million capital expenditure line. This line extends credit to enable the Company to purchase certain designated assets in connection with acquisitions. This addition expands the amount of the credit facility to $38.0 million. Borrowing capacity as of the end of February, 1999, was approximately $11.0 million, which includes the revolver and capital expenditure lines.

The Company is in compliance with all of the financial covenants contained in its bank credit facility during the year. The Company is also in compliance with the amended financial covenant test contained on the mortgage loan to one of the operating subsidiaries as of December 31, 1998.

The Company currently believes that cash generated from operating, financing and investing activities and cash available to it under the bank credit facility will be sufficient to meet the Company's needs during 1999.

Other Factors

Inflation can be expected to have an impact on most of the Company's operating costs although the impact of inflation in recent years has been minimal. Changes in market interest rates can be expected to impact the Company to the extent that revenue equipment is added and replaced and because the Company's lease rates and bank financing are related to market interest rates.

The trucking industry is generally affected by customer business cycles and by seasonality. Revenues are also affected by inclement weather and holidays because revenues are directly related to available working days of shippers. Customers typically reduce shipments during and after the winter holiday season. The Company's revenues tend to follow this pattern and are strongest in the summer months. Generally, the second and third calendar quarters have higher load bookings than the fourth and first calendar quarters.

New Accounting Pronouncements

In June, 1997, the FASB issued SFAS No. 130, "Reporting Comprehensive Income" which establishes standards for reporting and display of comprehensive income and its components. The FASB also issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information" which establishes standards for reporting information on operating segments. These statements are effective for fiscal years beginning after December 15, 1998. At this time, the Company has determined there is no reporting impact on these statements or its disclosures.

Year 2000

The Company has assessed, and continues to assess, the impact of the Year 2000 Issue on its reporting systems and operations. The Year 2000 Issue exists because many computer systems and applications currently use two-digit date fields to designate a year. As the century date occurs, date sensitive systems will recognize the year 2000 as 1900 or not at all. This inability to recognize or properly treat the year 2000 may cause our systems to process critical financial and operational information incorrectly or may cause the system to discontinue functioning altogether. One of the more significant Year 2000 issues faced by the Company is from its fully integrated dispatch and equipment control systems, which are not Year 2000 compliant. As a result, the Company is updating and working with the vendors of any products it is using to install new models and/or modify all of its applications and computer systems and, in particular, its dispatch and equipment control system to insure that they will be Year 2000 compliant. All programs are expected to be fully tested and problems resolved by June 30, 1999. The Company does not expect the costs associated with becoming Year 2000 compliant to be material. The Company has incurred cost of approximately $35,000 to date, and expects future costs to be less than $15,000 for a total cost of $50,000. These cost are being charged to operations as incurred. Management has not developed any contingency plan regarding its dispatch and equipment control systems at this time, but will develop one, if deemed necessary.

As part of the Company's comprehensive review, it is continuing to verify the Year 2000 readiness of third parties (vendors and customers) with whom the Company has material relationships. At present, the Company is not able to determine the effect on the Company's results of operations, liquidity, and financial condition in the event the Company's material vendors and customers are not Year 2000 compliant. The Company will continue to monitor the progress of its material vendors and customers and formulate a contingency plan when the Company believes a material vendor or customer will not be compliant.

The estimated percentage of completion by June 30, 1999, the date on which the Company believes it will complete its Year 2000 compliance efforts, and the expenses related to the Company's Year 2000 compliance efforts are based on management's best estimates, which are based on assumptions of future events, including the availability of certain resources, third party modification plans and other factors. There can be no assurances that these results and estimates will be achieved, and the actual results could materially differ from those anticipated. Specific factors that might cause such material differences include, but are not limited to, the availability of personnel trained in this area and the ability to locate and correct all relevant computer codes. In addition, there can be no assurances that the systems or products of third parties on which the Company relies will be timely converted or that a failure by a third party, or a conversion that is incompatible with the Company's systems, would not have a material adverse effect on the Company.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The Company's earnings are impacted by financial risk related to volatility in interest rates related to variable debt instruments. These debt instruments are non-trading in nature and are used to fund the Company's day-to-day operations. Based upon the principal amounts outstanding at December 31, 1998, for those variable rate debt instruments, a market change of 100 basis-points in interest rates would correspond to an approximately $130,000 impact in interest expense for a one-year period. This sensitivity analysis does not account for any change in the borrowings outstanding, which may be reduced through payments or increased through additional borrowings, and does not consider the Company's ability to fix the interest rate on one of the three variable rate debt instruments. This analysis also does not account for any management actions which may be taken in response to these changes. The Company has no material future earnings impact or cash flow expense from changes in interest rates related to its financing of operating equipment as all of the Company's equipment financing has fixed rates.

Item 8. Financial Statements and Supplementary Data.

Index to Consolidated Financial Statements

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures.

Not Applicable.

PART III

Item 10. Directors and Executive Officers of the Registrant.

The information required by this Item is incorporated herein by reference to the Company's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

Item 11. Executive Compensation.

The information required by this Item is incorporated herein by reference to the Company's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

The information required by this Item is incorporated herein by reference to the Company's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

Item 13. Certain Relationships and Related Transactions.

The information required by this Item is incorporated herein by reference to the Company's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

(a)(1) Financial Statements

All financial statements of the Registrant are set forth under Item 8 of this Report.

(2) Financial Statement Schedule

None

(3) Exhibits - See Index to Exhibits on pages 15 and 16 of this Report.

The Company will furnish any exhibit upon request and upon payment of the Company's reasonable expenses in furnishing such exhibit.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the last quarter of 1998.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

INTRENET, INC.

By: /s/ John P. Delavan
John P. Delavan
President and Chief Executive Officer

Date: March 26, 1999

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ John P. Delavan John P. Delavan	President, Chief Executive Officer and Director (Principal Executive Officer)	March 26, 1999
/s/ Roger T. Burbage Roger T. Burbage	Executive Vice-president, Chief Financial Officer Treasurer and Secretary (Principal Financial and Accounting Officer)	March 26, 1999
/s/ Edwin H. Morgens Edwin H. Morgens	Chairman of the Board and Director	March 26, 1999
Robert B. Fagenson	Vice-Chairman of the Board and Director	March 26, 1999
/s/ Vincent A. Carrino Vincent A. Carrino	Director	March 26, 1999
/s/ Ned N. Fleming, III Ned N. Fleming, III	Director	March 26, 1999
/s/ Eric C. Jackson Eric C. Jackson	Director	March 26, 1999
/s/ Thomas J. Noonan, Jr. Thomas J. Noonan, Jr.	Director	March 26, 1999
/s/ Gerald Anthony Ryan Gerald Anthony Ryan	Director	March 26, 1999
/s/ Philip Scaturro Philip Scaturro	Director	March 26, 1999

INDEX TO EXHIBITS

Exhibit Number	Description	Page Number of Incorporation by Reference to an Exhibit Filed as Part of
3.1	Restated Articles of the Registrant	Registration Statement on Form 8-A/A filed on August 11, 1995, as Exhibit 2 (a)
3.2	Restated Bylaws of the Registrant	Registration Statement of Form 8-A/A filed on August 11, 1995, as Exhibit 2 (b)
10.1	Fourth Amended and Restated Loan Agreement dated as of January 15, 1996, by and among the Registrant, certain subsidiaries and The Huntington National Bank	Annual Report on Form 10-K for the year ended December 31, 1995, as Exhibit 10.1
10.2	First Amendment to Fourth Amended and Restated Loan Agreement dated as of March 31, 1996	Quarterly Report on Form 10-Q for the quarter ended June 30, 1996, as Exhibit 10.1
10.3	Second Amendment to Fourth Amended and Restated Loan Agreement dated as of March 7, 1997	Annual Report on Form 10-K for the year ended December 31, 1996, as Exhibit 10.12
10.4	Third Amendment to Fourth Amended and Restated Loan Agreement dated as of March 31, 1998	Quarterly Report on Form 10-Q for the quarter ended March 31, 1998, as Exhibit 10.1
10.5	Fourth Amendment to Fourth Amended and Restated Loan Agreement dated	27

as of February 4, 1999

10.6*	1992 Non-Qualified Stock Option Plan	Annual Report on Form 10-K for the year ended December 31, 1992, as Exhibit 10.2
10.7*	Stock Option Agreement dated as of June 4, 1996, between the Company and John P. Delavan	Quarterly Report on Form 10-Q for the quarter ended June 30, 1996, as Exhibit 10.3
10.8*	Stock Option Agreement dated as of November 4, 1996, between the Company and John P. Delavan	Annual Report on Form 10-K for the year ended December 31, 1996, as Exhibit 10.31
10.9*	Stock Option Agreement dated as of March 10, 1997, between the Company and Roger T. Burbage	Quarterly Report onForm 10-Q for quarter ended March 31, 1997, as Exhibit 10.2
10.10*	Employment Agreement dated as of June 4, 1996, between the Company and John P. Delavan	Quarterly Report on Form 10-Q for the quarter ended June 30, 1996, as Exhibit 10.2
10.11*	First Amendment to Employment Agreement dated April 4, 1998, between the Company and John P. Delavan	Quarterly Report on Form 10-Q for the quarter ended June 30, 1998, as Exhibit 10.1
10.12*	Second Ameendment to Employment Agreement dated as of December 29, 1998, between the Company and John P. Delavan	42
10.13*	Employment Agreement dated as of March 10, 1997, between the Company and Roger T. Burbage	Quarterly Report on Form 10-Q for the quarter ended March 31, 1997, as Exhibit 10.1
10.14*	First Amendment to Employment Agreement dated as of March 8, 1999, between the Company and Roger T. Burbage	43
10.20*	1993 Stock Option and Incentive Plan	Registration Statement on Form S-8 (Registration No. 33-69882) filed September 29, 1993, as Exhibit 4E
21	List of Subidiaries of the Registrant	44
23	Consent of Independent Public Accountants	45
27	Financial Data Schdeule	46

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* The indicated exhibit is a management contract, compensatory plan or arrangement required to be filed by Item 601 of Regulation S-K.

<TABLE>
INTRENET, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
Years Ended December 31, 1998 and 1997
(In Thousands of Dollars)
<CAPTION>

Assets	1998	1997
<S>	<C>	<C>
Current assets:		
Cash and cash equivalents	$ 271	$ 598
Receivables, principally freight revenue less allowance for doubtful accounts of $1,537 in 1998 and $1,110 in 1997	33,233	30,474
Prepaid expenses and other	5,402	4,697
Total current assets	38,906	35,769
Property and equipment, at cost, less accumulated depreciation of $20,810 in 1998 and $16,117 in 1997	28,833	30,248
Reorganization value in excess of amounts allocated to identifiable assets, net of accumulated amortization of $5,581 in 1998 and $4,998 in 1997	4,967	5,889
Deferred income taxes, net	2,886	2,723

Other assets	2,208	1,335
Total assets	$ 77,800	$ 75,964
Liabilities and Shareholders' Equity		
Current liabilities:		
Current debt and capital lease obligations	$ 5,789	$ 5,167
Accounts payable and cash overdrafts	9,439	7,772
Current accrued claim liabilities	7,878	8,829
Other accrued expenses	7,418	7,525
Total current liabilities	30,524	29,293
Long-term debt and capital lease obligations	20,105	22,401
Long-term accrued claim liabilities	2,800	2,800
Total liabilities	53,429	54,494
Shareholders' equity:		
Common stock, without par value; 20,000,000 shares authorized; 13,662,066 and 13,548,138 shares issued and outstanding at December 31, respectively	16,856	16,851
Retained earnings since January 1, 1991	7,515	4,619
Total shareholders' equity	24,371	21,470
Total liabilities and shareholders' equity	$ 77,800	$ 75,964

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

</TABLE>
<TABLE>
INTRENET, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
Years Ended December 31, 1998, 1997, and 1996
(In Thousands of Dollars, Except Shares and Per Share Data)
<CAPTION>

<S>	<C> 1998	<C> 1997	<C> 1996
Operating revenues	$ 262,722	$ 247,888	$ 224,613
Operating expenses:			
Purchased transportation and equipment rents	118,681	108,292	87,834
Salaries, wages, and benefits	63,940	59,943	60,017
Fuel and other operating expenses	47,936	48,550	49,251
Operating taxes and licenses	10,077	10,045	10,670
Insurance and claims	8,089	7,987	8,812
Depreciation	3,949	4,526	5,096
Other operating expenses	3,657	3,316	3,591
	256,329	242,659	225,271
Operating Income (loss)	6,393	5,229	(658)
Interest expense	(2,554)	(2,908)	(2,397)
Other expense, net	(420)	(420)	(420)
Earnings (loss) before income taxes and extraordinary items	3,419	1,901	(3,475)
Provision for income taxes	(523)	(580)	-
Net earnings (loss)	$ 2,896	$ 1,321	$ (3,475)
Earnings (loss) per common and common equivalent share			
Basic	$ 0.21	$ 0.10	$ (0.26)
Diluted	$ 0.21	$ 0.10	$ (0.26)
Weighted average shares outstanding during period	13,550,594	13,476,861	13,258,351

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

</TABLE>
<TABLE>
INTRENET, INC. AND SUBSIDIARIES
Consolidated Statements of Shareholders' Equity
Years Ended December 31, 1998, 1997, and 1996
(In Thousands of Dollars)
<CAPTION>

	Common Stock Shares	Common Stock Dollars	Retained Earnings	Shareholders' Equity
Balance, December 31, 1995	13,197,728	$ 16,245	$ 6,773	$ 23,018
Exercise of stock options	229,610	349	-	349
Cancellation of shares	(15,200)	-	-	-
Net loss for 1996	-	-	(3,475)	(3,475)
Balance, December 31, 1996	13,412,138	16,594	3,298	19,892
Exercise of stock options	136,000	257	-	257
Net income for 1997	-	-	1,321	1,321
Balance, December 31, 1997	13,548,138	16,851	4,619	21,470
Exercise of stock options	2,500	5	-	5
Exercise of Warrants	111,428	0	-	0
Net income for 1998	-	-	2,896	2,896
Balance, December 31, 1998	13,662,066	$ 16,856	$ 7,515	$ 24,371

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

</TABLE>
<TABLE>
INTRENET, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
Years Ended December 31, 1998, 1997, and 1996
(In Thousands of Dollars)
<CAPTION>

	1998	1997	1996
Cash flows from operating activities:			
Net earnings (loss)	$ 2,896	$ 1,321	$ (3,475)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:			
Deferred income taxes	523	580	-
Depreciation and amortization	4,392	4,946	5,516
Provision for doubtful accounts	468	397	478
Changes in assets and liabilities, net:			
Receivables	(3,227)	(5,537)	(4,841)
Prepaid expenses and others	(871)	(822)	783
Accounts payable and accrued expenses	(282)	1,155	3,225
Net cash provided by operating activities	3,899	2,040	1,686
Cash flows from financing activities:			
Borrowings in line of credit, net	2,134	2,459	1,293
Principal payments on long-term debt	(3,809)	(5,616)	(6,923)
Proceeds from exercise of stock options	5	193	349
Net cash used in financing activities	(1,670)	(2,964)	(5,281)
Cash flows from investing activities:			
Additions to property and equipment	(2,883)	(1,179)	(1,444)
Disposals of property and equipment	327	2,291	5,278
Net cash provided by (used in) investing activities	(2,556)	1,112	3,834

Net increase (decrease) in cash and cash equivalents		(327)		188		239
Cash and cash equivalents:						
Beginning of period		598		410		171
End of period	$	271	$	598	$	410

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

</TABLE>

INTRENET, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
December 31, 1998, 1997, and 1996

(1) Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Intrenet, Inc., and all of its subsidiaries (the Company). Truckload carrier subsidiaries at December 31, 1998, were Roadrunner Trucking, Inc. (RRT), Eck Miller Transportation Corporation (EMT), Advanced Distribution System, Inc. (ADS), and Roadrunner Distribution Services, Inc. (RDS). Also included is the Company's intermodal broker and logistics manager INET Logistics, Inc. (INL). All significant intercompany transactions are eliminated in consolidation. Through its subsidiaries, the Company provides general and specialized regional truckload carrier, brokerage and logistics management services throughout North America.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent liabilities, at the date of the financial statements, as well as the reported amounts of revenues and expenses for the reporting period(s). Actual results can, and do, differ from these estimates. The effects of changes in accounting estimates are accounted for in the period in which the estimate changes.

Revenue Recognition

Operating revenues are recognized when the freight is picked up. Related transportation expenses including driver wages, purchased transportation, fuel and fuel taxes, agent commissions, and insurance premiums are accrued when the revenue is recognized. The Company has determined that the cumulative effect of changing to revenue recognition when the freight is delivered is immaterial and the effect on the annual operating results is negligible.

In 1991, the Emerging Issues Task Force (EITF) released Issue 91-9, "Revenue and Expense Recognition for Freight Services in Process". The EITF reached the conclusion that the preferable method for recognizing revenue and expense was either (1) recognition of both revenue and direct cost when the shipment is completed, or (2) allocation of revenue between reporting periods based on relative transit time in each reporting period and recognize expenses as incurred. The difference between the Company's method of revenue recognition, and the preferable methods described above, is not material to the results of operations or financial condition of the Company.

Accounts Receivable

Accounts receivable consist principally of freight revenue less allowance for doubtful accounts. Provision expense for doubtful accounts were $468,000, $397,000, and $478,000, in 1998, 1997, and 1996, respectively. Allowances for doubtful accounts were $1,537,000, $1,110,000, and $770,000, in 1998, 1997, and 1996, respectively.

Property and Equipment

Property and equipment is carried at cost less an allowance for depreciation. Major additions and betterments are capitalized, while maintenance and repairs that do not improve or extend the life of the respective asset, are expensed as incurred. Improvements to leased premises are amortized on a straight-line basis over the terms of the respective lease. Operating lease tractor rentals are expensed as a part of purchased transportation and equipment rents. Depreciation of property and equipment is provided on a straight-line basis over the following estimated useful lives of the respective assets, or life of the lease for equipment under capital leases:

Buildings and Improvements......................	10 - 40 years
Revenue Equipment...............................	3 - 8 years
Other Property..................................	3 - 7 years

Reorganization Value in Excess of Amounts Allocated to Identifiable Assets

Reorganization Value in Excess of Amounts Allocated to Identifiable Assets, resulting from the Chapter 11 reorganization of the Company in 1990, is being amortized on a straight-line basis over 35 years. Benefits from recognition of reversal of valuation allowance reserves established against pre-reorganization net operating loss carryforwards (see Note 5) are reported as reductions of the Reorganization Value, and thus reduce its effective life.

Debt Issuance Costs and Bank Fees

Debt issuance costs and bank fees are amortized over the period of the related debt agreements.

Accrued Claim Liabilities

The Company maintains insurance coverage for liability, cargo and workers' compensation risks, among others, which have deductible obligations ranging to $250,000 per occurrence. Provision is made in the Company's financial statements for these deductible obligations at the time the incidents occur, and for claims incurred but not reported. Claim deductible obligations which remain unpaid at the balance sheet date are reflected in the financial statement caption "Accrued Claim Liabilities" in the accompanying consolidated financial statements. Current Accrued Claim Liabilities are claims estimated to be paid in the twelve month period subsequent to the balance sheet date, while Long-Term Accrued Claim Liabilities are claims estimated to be paid thereafter.

Income Taxes

The Company and its subsidiaries file a consolidated Federal income tax return. The Company recognizes income taxes under the liability method of accounting for income taxes. The liability method recognizes tax assets and liabilities for future taxable income or deductions resulting from differences in the tax and financial reporting basis of assets and liabilities reflected in the balance sheet and the expected tax impact of carryforwards for tax purposes.

Earnings (Loss) Per Share

Earnings (loss) per common and common equivalent share have been computed using basic and diluted weighted average common shares outstanding during the period.

In February, 1997, the FASB issued SFAS No. 128, "Earnings Per Share". The new Standard simplifies the computation of earnings per share (EPS), and requires the presentation of two new amounts, basic and diluted earnings per share. During 1997, the Company adopted SFAS 128 and restated its computation of EPS for the periods 1997 and 1996.

Credit Risk

Financial investments that subject the Company to concentrations of credit risk consist primarily of trade accounts receivable. Concentrations of credit risk with respect to customer receivables are limited due to the Company's diverse customer base, with no one customer, industry, or geographic region comprising a large percentage of customer receivables or revenues.

Fair Values of Financial Instruments

Statement of Financial Accounting Standards (SFAS) No. 107, "Disclosures About Fair Value of Financial Instruments", requires disclosure of fair value information for certain financial instruments. The carrying amounts for trade receivables and payables are considered to be their fair value. The differences between the carrying amounts and the estimated fair values of the Company's other financial instruments as of December 31, 1998, and 1997, were not material.

Statements of Cash Flows

Cash equivalents consist of highly liquid investments such as certificates of deposit or money market funds with original maturities of three months or less.

Cash payments for interest were $2.6 million, $2.9 million, and $2.4 million 1998, 1997, and 1996, respectively. Cash payments for Federal alternative minimum income taxes were $0.2 million in 1998 and $0.1 million in 1997. No Federal tax payments were made in 1996.

Capital lease obligations of $15.2 million were incurred in 1996, primarily for revenue equipment. No capital lease obligations were incurred in 1998 and 1997 since new revenue equipment was financed by operating leases.

Accounting for Stock Options

The Company currently accounts for its employee stock option plans using APB Opinion No. 25, Accounting for Stock Issued to Employees, which results in no charge to earnings when issued options are granted at fair market value. During 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation (SFAS 123), which considers the stock options as compensation expense to the Company, based on their fair value at the date of grant. The Company has elected to follow APB No. 25 in accounting for its stock options and, accordingly, no compensation cost has been recognized for stock options in the consolidated financial statements.

(2) Bank Credit Facility

The Company has a $33.0 million credit facility consisting of a $28.0 million revolving line of credit which expires January 1, 2000, and a $5.0 million term loan with a final maturity of December 31, 1999. In March 1998, the credit facility was amended to extend the revolving line of credit's maturity to January 1, 2000, and lower the interest rate. The line of credit includes provisions for the issuance of up to $12.0 million in standby letters of credit which, as issued, reduce available borrowings under the line of credit. Borrowings under the line of credit are limited to amounts determined by a formula tied to the Company's eligible accounts receivable and inventories, as defined in the agreement. Borrowings under the revolving line of credit totaled $9.3 million at December 31, 1998, and outstanding letters of credit totaled $5.8 million. The combination of these two bank credits totaled $15.1 million and, given the then existing borrowing base, left approximately $8.6 million of borrowing capacity under the revolving line of credit at December 31, 1998.

Interest on the credit line facility is currently payable at a variable rate of 225 basis points over the daily LIBOR rate, or 7.314% at December 31, 1998. Quarterly principal payments of $312,500 on the $5.0 million term loan commenced in

April, 1996. The bank agreement requires the Company to meet certain minimum net worth, debt to net worth, current ratio and fixed charge ratio requirements.

On February 4, 1999, the Company's bank agreement was amended, resulting in an increase in borrowing capacity with a $5.0 million capital expenditure line. This line extends credit to enable the Company to purchase certain designated assets in connection with acquisitions. This addition expands the credit facility to $38.0 million.

The Company is in compliance with all of its financial covenants contained in its bank credit facility during the year. The Company is in compliance with the amended financial covenant test contained on the mortgage loan to one of the operating subsidiaries as of December 31, 1998.

(3) Leases and Other Long-Term Obligations

The Company finances a majority of its revenue equipment under various capital and non-cancelable operating leases, and with collateralized equipment borrowings.

Long-term debt at December 31, 1998 and 1997 was:

	1998	1997
Bank term loan, interest at a combination of prime plus 0.5% and 250 basis points over LIBOR	$ 1,563	$ 2,813
Bank revolving line of credit, interest at 225 basis points over daily LIBOR	9,323	5,939
Real estate mortgage obligation, variable interest rate at 2.45% over commercial paper, currently 7.95%, option to fix interest rate at 2.50% over ten year Treasury rate, maturing in 2007	1,903	2,048
Obligations collateralized by equipment, maturing through 2000, interest rates ranging from 6.0% to 10.2%	401	386
Capital lease obligations collateralized by equipment, maturing through 2003, interest rates ranging from 6.8% to 11.5%	12,704	16,382
Total	25,894	27,568
Less current maturities	(5,789)	(5,167)
Long-term debt	$20,105	$22,401

Maturities of long-term debt, excluding capital lease obligations, in the coming five years are $1,720; $9,493; $185; $200; $215 in 1999, 2000, 2001, 2002, and 2003, respectively.

Future minimum lease payments under capital and non-cancelable operating lease agreements at December 31, 1998, were as follows:

	Capital Leases	Operating Leases
1999	$ 4,873	$16,071
2000	2,711	13,135
2001	4,080	8,722
2002	860	4,532
2003	2,394	269
Thereafter	-	-
Future minimum lease payments	14,918	$42,729
Amounts representing interest	(2,214)	
Principal amount	$12,704	

Total rental expense under non-cancelable operating leases was $17,480, $15,811, and $17,005, in 1998, 1997, and 1996, respectively. The Company presently intends to lease approximately 440 tractors ($32.9 million) and approximately 300 trailers ($3.7 million) under operating leases in 1999.

Purchased transportation and equipment rent expense includes payments to owner-operators of equipment under various short-term lease arrangements.

(4) Litigation and Contingencies

On June 13, 1997, the Company received notice from the Central States Southeast and Southwest Areas Pension Fund (the "Fund") of a claim pursuant to the Employee Retirement Income Security Act of 1974, as amended by the Multi-employer Pension Plan Amendments Act of 1980 ("MPPAA"). MPPAA provides that, if an employer withdraws from participation in a multi-employer pension plan, such as the Fund, the employer and members of the employer's "controlled group" of businesses are jointly and severally liable for a portion of the plan's underfunding. The claim is based on the withdrawal of R-W Service System, Inc. ("RW") from the Fund in 1992. The Company's records indicate that RW was an indirect subsidiary of the Company's predecessor, Circle Express, Inc., from March 1985 through April 1988, when it and certain other subsidiaries were sold. The Fund currently claims that RW's withdrawal liability is approximately $3.7 million plus accrued interest in the amount of approximately $1.7 million. Based on its investigation to date, and, after consultation with counsel, management believes that the Company is not liable to the Fund for any of RW's withdrawal liability. The Company has not recorded any liability related to this litigation. The Company has filed a formal request for review of the claim as provided by the MPPAA and the Fund rejected that request on January 28, 1998. The Company is in the process of seeking resolution of the claim in binding arbitration. The Company is obligated to make interim payments to the Fund until the issue of liability is resolved. The interim payment obligation is currently approximately $88,500 per month. The Company has made payments to the Fund that total approximately $1,588,000 as of December 31, 1998, which are included in other assets on the Company's balance sheet. There can be no assurance that either the need to make interim payments to the Fund or the ultimate resolution of this matter will not have a material adverse effect on the Company's liquidity, results of operations or financial condition.

The Company's subsidiary, RDS, is a defendant in an action brought on March 20, 1997, in the 327th District Court, El Paso, Texas, by a former employee. The plaintiff alleged that he was injured as a result of the negligence and gross negligence of RDS and received discriminatory treatment in violation of the Texas Health and Safety Code. On March 13, 1998, a default judgment was entered against RDS in the approximate amount of $1.0 million, representing damages for medical expenses, loss of wage earning capacity, physical pain and mental anguish, physical impairment, disfigurement, and punitive damages. RDS has filed an appeal to the 8th Circuit Court of Appeals in El Paso, Texas, which is currently pending. In its appeal, RDS is asserting it was never properly served in the action and that there is insufficient basis to support an award of punitive damages. RDS has notified its workers' compensation carrier of the award. Management believes that RDS is likely to prevail on its appeal and therefore, this action should not have a material adverse effect on the Company's liquidity, results of operations or financial condition.

There are no other material pending legal proceedings to which the Company or any of its subsidiaries is a party or of which any of their property is the subject, other than routine litigation incidental to its business, primarily involving claims for personal injury and property damage incurred in the transportation of freight. The Company maintains insurance which covers liability resulting from such transportation related claims in amounts customary for the industry and which management believes to be adequate.

(5) Income Taxes

The provision for income taxes for the years ended December 31, 1998, 1997, and 1996 was as follows:

	1998	1997	1996
Current	$ -	$ -	$ -

Deferred	523	580	-
Total Provision	$ 523	$ 580	$ -

Income tax expense attributable to income from operations differs from the amounts computed by applying the U. S. Federal statutory tax rate of 34% to pre-tax income from operations as a result of the following:

	1998	1997	1996
Taxes at statutory rate	$ 1,163	$ 646	$(1,182)
Increase (decrease) resulting from:			
Non-deductible amortization	143	143	143
Provision for (release of) valuation allowance for net deferred tax assets	(564)	(345)	1,028
Other, net	(219)	136	11
Provision for Income Taxes	$ 523	$ 580	$ -

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and deferred tax liabilities at December 31, 1998 and 1997 are as follows:

	1998	1997
Deferred Tax Assets		
Insruance claim liabilities	$ 4,120	$ 4,263
Reserve for doubtful accounts	426	253
Other	535	419
	5,081	4,935
Deferred Tax Liabilities		
Property differences, primarily depreciation	(2,210)	(1,857)
Other	(129)	(127)
	(2,339)	(1,984)
Net Temporary Differences	2,742	2,951
Carryforwards -		
Pre-reorganization, limited, net operating loss and other tax carryforwards (Expiring 2004-2006)	3,327	3,822
Post-reorganization net operating loss and other tax carryforwars (Expiring 2006-2010)	507	1,075
Total Carryforwards	3,834	4,897
Net Deferred Tax Assets	6,576	7,848
Valuation Allowance	(3,690)	(5,125)
Recorded Net Deferred Tax Assets	$ 2,886	$ 2,723

Net changes to the valuation allowance in 1998 and 1997, were as follows:

Valuation allowance, beginning of year	$(5,125)	$(5,912)
Release of allowance held against pre-reorganization deferred tax assets against Reorganization value in excess amounts allocated to identifiable assets	779	442
Release of allowance held against post-reorganization deferred tax assets against provision for income taxes	656	345
Provision of valuation allowance for net deferred tax assets	-	-
Valuation allowance, end of year	$(3,690)	$(5,125)

While management is optimistic that all net deferred tax assets will be realized, such realization is dependent upon future taxable earnings. The Company's carryforwards expire at specific future dates, and utilization of certain carryforwards is limited to specific amounts each year. Accordingly, the Company has recorded a valuation allowance against a portion of these net deferred tax assets.

Benefits from the reversal of the valuation allowance reserves established against pre-reorganization net deferred tax assets are reported as a reduction of Reorganization Value in Excess of Amounts Allocated to Identifiable Assets. Conversely, the reversal of valuation allowance reserves established against the post-reorganization net deferred tax assets is recognized as a reduction of income tax expense.

(6) Stock Options and Employee Compensation

In 1992, the Company adopted the 1992 Non-Qualified Stock Option Plan, (the 1992 Option Plan), which allowed the Company to grant options to purchase up to 590,000 shares of Common Stock to employees and independent contractors of the Company and its operating subsidiaries. All of the options were granted under the 1992 Option Plan. At December 31, 1998, there were 35,000 options outstanding and unexercised under the 1992 Option Plan with an exercise price of $1.50 and an expiration date of August, 1999.

In 1993, the Company adopted the 1993 Stock Option and Incentive Plan (the 1993 Option Plan). The 1993 Option Plan allows the Company to grant options to purchase up to 1,000,000 shares of Common Stock to officers and key employees of the Company and its operating subsidiaries. Options issued to date under the 1993 Option Plan have an exercise price equal to market value on the date of grant, and are generally exercisable for a ten year period.

The Company accounts for both option plans using APB Opinion No. 25, Accounting for Stock Issued to Employees, under which no compensation expense is recognized for options issued at or above market price on the date of grant. Had compensation cost been determined consistent with SFAS No. 123, Accounting for Stock-Based Compensation, the Company's net income (loss) would have been reduced to $2,694,243, $888,310, and ($3,721,812), for 1998, 1997, and 1996, respectively (earnings per share would have been reduced to $0.20, $0.07, and ($0.28) for 1998, 1997, and 1996, respectively).

The activity and weighted average prices for options in the Company's 1992 and 1993 Option Plans in 1998, 1997, and 1996 were as follows:

	# of Shares	Weighted Avg. Exercise Price
Balance at December 31, 1995	972,000	$2.50
Granted	400,000	$2.03
Exercised	(75,000)	$1.00
Canceled	(410,500)	$2.77
Balance at December 31, 1996	886,500	$2.29
Granted	258,000	$2.10
Exercised	(136,000)	$1.42
Canceled	(177,166)	$3.01
Balance at December 31, 1997	831,334	$2.22
Granted	25,000	$2.38
Exercised	(2,500)	$2.06
Canceled	(59,501)	$2.39
Balance at December 31, 1998	794,333	$2.22
Weighted avg. remaining contractual life 6.5 yrs		
Exercisable at December 31, 1998	702,666	$2.23

Using the Black-Scholes option valuation model, the estimated fair values of options granted during 1998, 1997, and 1996 were $1.77, $1.60, and $1.53 per share, respectively. Principal weighted-average assumptions used in applying the Black-Scholes model were as follows:

	1998	1997	1996
Risk-free interest rate	4.7%	6.5%	6.5%
Expected volatility	62.2%	64.9%	66.5%
Expected terms	10yrs	10yrs	10yrs

All employees with at least one year's experience with the Company may participate in the Company's 401(k) plan. Company matching expense for the plan was $179,000, $181,000, and $180,000 in 1998, 1997, and 1996, respectively.

(7) Property and Equipment

Property and equipment, substantially all of which is pledged as security under the bank credit facility (see Note 2), other indebtedness or capital leases, at December 31, 1998 and 1997, follows (in thousands of dollars):

	1998	1997
Land	$ 1,532	$ 1,532
Buildings and leasehold improvements	7,358	6,605
Revenue equipment	9,188	7,596
Revenue equipment under capital leases	23,850	24,781
Other property	7,715	5,851
	49,643	46,365
Less accumulated depreciation	(20,810)	(16,117)
	$28,833	$30,248

(8) Prepaid and Accrued Expenses

An analysis of prepaid and accrued expenses at December 31, 1998 and 1997, follows (in thousands of dollars):

	1998	1997
Prepaid expenses:		
Insurance	$ 473	$ 418
Shop and truck supplies	2,287	2,081
Other	2,642	2,198
	$ 5,402	$ 4,697
Accrued Expenses:		
Salaries and wages	$ 2,979	$ 2,593
Fuel and mileage taxes	759	573
Equipment leases	715	541
Other	2,965	3,818
	$ 7,418	$ 7,525

(9) Transactions with Affiliated Parties

In 1998, 1997, and 1996, the Company leased approximately 206, 144, and 307 tractors, respectively, from unaffiliated leasing companies which had purchased the trucks from a dealership affiliated with a member of the Company's Board of Directors. The lessors paid a selling commission to the dealership. The terms of the leases were the result of negotiations between the Company and the lessors. The Company believes the involvement of the selling dealership did not result in lease terms that are more or less favorable to the Company than would otherwise be available to it. The Company also purchases maintenance parts and services from the dealership from time to time. Total payments to the dealership for these services were $502,447, $466,000 and $522,000 in 1998, 1997 and 1996, respectively.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To The Shareholders and Board of Directors
of Intrenet, Inc.:

We have audited the accompanying consolidated balance sheets of INTRENET, INC. (an Indiana corporation) and subsidiaries as of December 31, 1998 and 1997, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the three years in the period ended December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Intrenet, Inc. and subsidiaries as of December 31, 1998, and 1997, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1998, in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Indianapolis, Indiana,
February 16, 1999.

FOURTH AMENDMENT TO FOURTH AMENDED AND RESTATED LOAN AGREEMENT

THIS FOURTH AMENDMENT (this "Amendment") to the Fourth Amended and Restated Loan Agreement is entered into as of the 4 day of February, 1999, by and between The Huntington National Bank (the "Bank") as lender, and Intrenet, Inc. (the "Borrower"), and its wholly owned subsidiaries Advanced Distribution System, Inc., Eck Miller Transportation Corporation, INET Logistics, Inc., Mid-Western Transport, Inc., Roadrunner Enterprises, Inc., Roadrunner Trucking, Inc., Roadrunner Distribution Services, Inc. and Roadrunner International Services, Inc. (collectively the "Subsidiaries") as borrowers. The Borrower and the Subsidiaries are herein collectively referred to as the "Companies" and separately as a "Company").

RECITALS:

A. On or about January 15, 1996, the Companies (with the exception of INET Logistics, Inc.) and the Bank executed a certain Fourth Amended and Restated Loan Agreement that was amended by a certain First Amendment to Fourth Amended and Restated Loan Agreement dated as of March 31, 1996, by a certain Second Amendment to Fourth Amended and Restated Loan Agreement (pursuant to which INET Logistics became obligated under the terms of the 1996 Loan Agreement) dated as of March 7, 1997, and by a certain Third Amendment to Fourth Amended and Restated Loan Agreement dated as of March 31, 1998 (collectively, the "1996 Loan Agreement"), setting forth the terms of certain extensions of credit to the Companies; and

B. In connection with the 1996 Loan Agreement and predecessor documents thereto, the Companies executed and delivered to the Bank certain other loan documents, promissory notes, amendments to open-end mortgages, assignment of rents and security agreements, consents, assignments, security agreements, agreements, instruments and financing statements in connection with the indebtedness referred to in the 1996 Loan Agreement (all of the foregoing, together with the 1996 Loan Agreement, are hereinafter collectively referred to as the "1996 Loan Documents") (the 1996 Loan Documents together with the 1988 Loan Documents, the 1989 Loan Documents, the 1991 Loan Documents and the 1993 Loan Documents (as those terms are defined in the 1996 Loan Agreement) are hereinafter collectively referred to as the "Loan Documents"); and

C. The Companies have requested that the Bank amend and modify terms in the 1996 Loan Agreement to extend additional credit in the nature of a capital expenditure facility, to amend one of the financial covenants and to extend the terms of warrants and registration rights held by the Bank, and the Bank is willing to do so upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and promises contained herein, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto for themselves and their successors and assigns do hereby agree, represent and warrant as follows:

1. Definitions. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the 1996 Loan Agreement.

2. Section 1, "Amount of Loan," of the 1996 Loan Agreement is hereby amended to recite in its entirety as follows:

SECTION 1. AMOUNT OF LOAN.

The Bank agrees to extend credit to the Companies up to the aggregate sum of $38,000,000.00 in original principal amount (herein collectively referred to as the "Loan"), subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties contained herein. The Loan shall be comprised of the credit facilities described in paragraphs 1.1, 1.2, 1.2.1 and 1.3 below.

3. A new Section 1.2.1 entitled "The Capex Loan," shall be added to the 1996 Loan Agreement and shall recite in its entirety as follows:

1.2.1 The Capex Loan.

The Bank, subject to the terms and conditions hereof, will extend credit and advance funds to the Companies in the form of time notes up to the aggregate original principal sum outstanding at any time of $5,000,000.00 (the "Capex Loan") to enable any of the Companies to purchase certain designated trucks, tractors and trailers (the "Eligible Trucks and Trailers") in connection with the acquisition by any Company, which has been approved prior thereto in writing by the Bank. The term "Eligible Trucks and Trailers" means that portion of any Company's equipment of trucks, tractors and trailers that the Bank determines from time to time based upon credit policies, market conditions, the Company's business and other matters is eligible. For such purpose, no trucks, tractors or trailers shall be Eligible Trucks or Trailers unless, at a minimum, (a) such item of equipment is owned solely by the Company, (b) the Bank has a first and exclusive perfected security interest with respect to such item of equipment, and (c) the Bank is lender loss payee with respect to such equipment. Each draw under the Capex Loan shall be evidenced by a promissory note or notes, which shall be in the form of Exhibit B-1 attached to a certain Fourth Amendment to Fourth Amended and Restated Loan Agreement, or by one or more notes subsequently executed in substitution therefor, interest due on the principal sum thereof shall be due and payable monthly and the principal sum thereof shall be due and payable not later than six (6) months from the date of any such advance, provided, however, no note shall have a maturity date which is later than the Capex Loan Maturity Date

4. New Sections 1.2.2 and 1.2.3 entitled "Conditions to Draws on the Capex Loan," and "Terms of Capex Loan," shall be added to the 1996 Loan Agreement and shall recite in its entirety as follows:

1.2.2 Conditions to Draws on the Capex Loan.

Prior to any advances on the Capex Loan, any Company requesting an advance under the Capex Loan shall have submitted to the Bank an invoice, bill of sale or other evidence acceptable to the Bank of the purchase price of the item or items being purchased with the proceeds of the Capex Loan, evidence of delivery of such item or items, and such other documents or communications as may be acceptable to the Bank in its sole and absolute discretion. Each such draw under the Capex Loan shall be in the minimum amount of $500,000.00, or in whole multiples of $100,000.00 in excess thereof. In addition, the amount of any draw under the Capex Loan shall not exceed the lesser of (i) 80% of the "hard costs" of the item or items being purchased, and (ii) 80% of the fair market value of the Eligible Trucks and Trailers being purchased as determined by the Bank (A) with reference to commercially available means or (B) by an appraiser satisfactory to the Bank. "Hard costs" shall mean the invoice cost, excluding sales tax or other taxes, shipping, packaging, freight, and other similar costs.

1.2.3 Terms of Capex Loan.

All principal, interest, and other fees outstanding on the Capex Loan shall be due and payable no later than the Capex Loan Maturity Date. "Capex Loan Maturity Date" shall mean with respect to any advances under the Capex Loan, December 31, 1999. The Borrower may elect in the same manner as Section 2.4 hereof to have interest accrue on the Capex Loan at (a) Daily LIBOR plus the Daily LIBOR Margin or (b) the Prime Commercial Rate.

5. Section 2.2, "Interest Rate After Default," of the 1996 Loan Agreement is hereby amended to recite in its entirety as follows:

2.2 Interest Rate After Default.

If the Companies fail to make any payment of interest or principal or other payment due on any note or letter of credit reimbursement agreement executed in connection with this Agreement on or before five (5) business days after the date such payment is due, or if the Companies shall fail to make any payment required by Section 6.1 or 6.2 of this Agreement on or before thirty (30) business days after the date such payment is due, or if any other Event of Default occurs hereunder and is not cured or waived with 120 days after the date of such Event of Default, or if the Bank shall declare the entire principal and all interest accrued on all notes and any other obligations outstanding pursuant to this Agreement to be due and payable, then interest shall thereafter accrue on each outstanding principal balance of the Loan and on any unreimbursed draws under the Letters of Credit at a rate equal to three and one-half percentage points (3-1/2%) in excess of the Prime Commercial Rate of the Bank.

6. Section 2.3, "Daily LIBOR," of the 1996 Loan Agreement is hereby amended and shall recite in its entirety as follows:

2.3. Daily LIBOR.

The Companies may from time to time prior to the Revolving Loan Maturity Date or the Capex Loan Maturity Date, as the case may be, elect to have interest accrue on all or part of the outstanding principal balance of the Revolving Loan or the Capex Loan at a rate of interest equal to the Daily LIBOR, plus the applicable Daily LIBOR Margin.

"Daily LIBOR" shall mean the Eurodollar Rate for Interest Periods of 30 days, provided, however, subject to any maximum or minimum interest rate limitation specified herein or by applicable law, Daily LIBOR shall change automatically without notice to the Borrower immediately on each Eurodollar business day with each change in Daily LIBOR or the Eurodollar Reserve Percentage, as applicable, with any change thereto effective as of the opening of business on such Eurodollar business day.

"Daily LIBOR Advance" shall mean any amount borrowed as part of the Revolving Loan or the Capex Loan, as the case may be, that bears interest at a rate calculated with reference to the Daily LIBOR.

"Daily LIBOR Margin" shall mean 250 basis points (2.50%), subject to the provisions of Section 2.11 set forth below.

Subject to any maximum or minimum interest rate limitation specified herein or by applicable law, the Daily LIBOR shall change automatically without notice to the Companies immediately on each Eurodollar business day with each change in the Daily LIBOR or the Eurodollar Reserve Percentage, as applicable, with any change thereto effective as of the opening of business on such Eurodollar business day.

7. Section 2.5, entitled "Interest Calculation and Interest Payment Dates," is hereby amended and shall recite in its entirety as follows:

2.5. Interest Calculation and Interest Payment Dates.

"Interest Period" shall mean:

(a) With respect to any Eurodollar Advance, an initial period commencing, as the case may be, on the day such an Advance shall be made by the Bank, or on the day of conversion of any then outstanding advance to an advance of such type, and ending on the date one (1), three (3) or four (4) months thereafter, all as the Companies may elect pursuant to this Agreement; provided, that (a) any Interest Period with respect to a Eurodollar Advance that shall commence on the last Eurodollar business day of the calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Eurodollar business day of the appropriate subsequent calendar month; and (b) each Interest Period with respect to a Eurodollar Advance that would otherwise end on a day which is not a Eurodollar business day shall end on the next succeeding Eurodollar business day or, if such next succeeding Eurodollar business day falls in the next succeeding calendar month, on the next preceding Eurodollar business day.

(b) With respect to a Prime Rate Advance or Daily LIBOR Advance, an initial period commencing, as the case may be, on the day such an advance shall be made by the Bank, or on the day of conversion of any then outstanding advance to an advance of such type, and ending on the last day of each month and on the day of conversion to an advance of a different type.

Notwithstanding the provisions of (a) and (b) above, no Interest Period shall be permitted which would end after the Revolving Loan Maturity Date (with respect to an advance under the Revolving Loan), the Term Loan Maturity Date (with respect to an advance under the Term Loan) or the Capex Loan Maturity Date (with respect to an advance under the Capex Loan). Interest shall be calculated on a 360 day year basis and shall be based on the actual number of days which elapse during the interest calculation period.

Subject to the prior payment thereof pursuant to the terms hereof, all interest accruing on the Revolving Loan, the Term Loan and the Capex Loan shall be due and payable on each Revolving Loan Interest Payment Date, Term Loan Interest Payment Date or Capex Loan Interest Payment Date, as the case may be.

"Revolving Loan Interest Payment Dates" shall mean the last day of each Interest Period.

"Term Loan Interest Payment Dates" shall mean:

(a) the last day of each Interest Period in the case of a LIBOR Advance; and

(b) in the case of a Prime Rate Advance, the first day of each calendar quarter and on the date of conversion from a Prime Rate Advance to a LIBOR Advance.

"Capex Loan Interest Payment Dates" shall mean the last day of each Interest Period.

8. Section 4, "Prepayment," of the 1996 Loan Agreement is hereby amended to recite in its entirety as follows:

SECTION 4. PREPAYMENT.

Subject to the terms and conditions of this Agreement, the Companies shall have the right to prepay at any time and from time to time before maturity any amount or amounts due to the Bank pursuant to this Agreement or to any notes or agreements executed pursuant hereto or to seek cancellation of the Letters of Credit; provided, that if the Companies prepay the Revolving Loan, the Term Loan and the Capex Loan in full prior to the Revolving Loan Termination Date, the Companies shall jointly and severally pay to the Bank a prepayment fee equal to $200,000.00; provided, however, that no such prepayment fee shall be due if the Revolving Loan, the Term Loan and the Capex Loan are prepaid in full solely as a result of the refinancing or restructuring of such obligations by the Bank. If the Bank, in its sole and absolute discretion, determines not to renew or extend the maturity of the Revolving Loan, then the Term Loan and the Capex Loan shall be due and payable at the maturity of the Revolving Loan.

9. Subsection 14.1 (a) (1) of Section 14.1, "Notices," of the 1996 Loan Agreement is hereby amended to recite as follows:

(1) if to the Bank, at the following address, or at such other address as may have been furnished in writing to the Companies by the Bank:

The Huntington National Bank

105 West Fourth Street

Suite 400

Cincinnati, Ohio 45202

Attn: Leonard J. Amoroso, Vice President

The remainder of Section 14.1 of the 1996 Loan Agreement shall remain as originally written.

10. Conditions of Effectiveness. This Amendment shall become effective as of February 4, 1999, upon satisfaction of all of the following conditions precedent:

(a) The Bank shall have received two duly executed copies of this Amendment and such other certificates, instruments, documents, agreements, and opinions of counsel as may be required by the Bank, each of which shall be in form and substance satisfactory to the Bank and its counsel;

(b) The representations contained in paragraph 11 below shall be true and accurate.

11. Representations. Each of the Companies represents and warrants that after giving effect to this Amendment (a) each and every one of the representations and warranties made by or on behalf of each of the Companies in the 1996 Loan Agreement or the Loan Documents is true and correct in all respects on and as of the date hereof, except to the extent that any of such representations and warranties related, by the expressed terms thereof, solely to a date prior hereto; (b) each of the Companies has duly and properly performed, complied with and observed each of its covenants, agreements and obligations contained in the 1996 Loan Agreement and the Loan Documents; and (c) no event has occurred or is continuing, and no condition exists which would constitute an Event of Default.

12. Amendment to 1996 Loan Agreement. (a) Upon the effectiveness of this Amendment, each reference in the 1996 Loan Agreement to "Fourth Amended and Restated Loan Agreement," "Loan and Security Agreement," "Loan Agreement," "Agreement," the prefix "herein," "hereof," or words of similar import, and each reference in the Loan Documents to the 1996 Loan Agreement, shall mean and be a reference to the 1996 Loan Agreement as amended hereby. (b) Except as modified herein, all of the representations, warranties, terms, covenants and conditions of the 1996 Loan Agreement, the Loan Documents and all other agreements executed in connection therewith shall remain as written originally and in full force and effect in accordance with their respective terms, and nothing herein shall affect, modify, limit or impair any of the rights and powers which the Bank may have thereunder. The amendment set forth herein shall be limited precisely as provided for herein, and shall not be deemed to be a waiver of, amendment of, consent to or modification of any of the Bank's rights under or of any other term or provisions of the 1996 Loan Agreement, any Loan Document, or other agreement executed in connection therewith, or of any term or provision of any other instrument referred to therein or herein or of any transaction or future action on the part of the Companies which would require the consent of the Bank, including, without limitation, waivers of Events of Default which may exist after giving effect hereto. Each of the Companies ratifies and confirms each term, provision, condition and covenant set forth in the 1996 Loan Agreement and the Loan Documents and acknowledges that the agreement set forth therein continue to be legal, valid and binding agreements, and enforceable in accordance with their respective terms.

13. Authority. Each of the Companies hereby represents and warrants to the Bank that as to such Company (a) such Company has legal power and authority to execute and deliver the within Amendment; (b) the officer executing the within Amendment on behalf of such Company has been duly authorized to execute and deliver the same and bind such Company with respect to the provisions provided for herein; (c) the execution and delivery hereof by such Company and the performance and observance by such Company of the provisions hereof do not violate or conflict with the articles of incorporation, regulations or by-laws of such Company or any law applicable to such Company or result in the breach of any provision of or constitute a default under any agreement, instrument or document binding upon or enforceable against such Company; and (d) this Amendment constitutes a valid and legally binding obligation upon such Company in every respect.

14. Counterparts. This Amendment may be executed in two or more counterparts, each of which, when so executed and delivered, shall be an original, but all of which together shall constitute one and the same document. Separate counterparts may be executed with the same effect as if all parties had executed the same counterparts.

15. Governing Law. This Amendment shall be governed by and construed in accordance with the law of the State of Ohio.

IN WITNESS WHEREOF, each of the Companies and the Bank have hereunto set their hands as of the date first set forth above.

THE BORROWER:

INTRENET, INC.

By: /s/ Roger T. Burbage
Its: Executive Vice-President

THE SUBSIDIARIES:

ADVANCED DISTRIBUTION SYSTEM, INC.

By: /s/ Roger T. Burbage
Its: Vice-President

ECK MILLER TRANSPORTATION CORPORATION

By: /s/ Roger T. Burbage
Its: Vice-President

INET LOGISTICS, INC.

By: /s/ Roger T. Burbage
Its: Vice-President

MID-WESTERN TRANSPORT, INC.

By: /s/ Roger T. Burbage
Its: Vice-President

ROADRUNNER ENTERPRISES, INC.

By: /s/ Roger T. Burbage
Its: Vice-President

ROADRUNNER TRUCKING, INC.

By: /s/ Roger T. Burbage
Its: Vice-President

ROADRUNNER DISTRIBUTION SERVICES, INC.

By: /s/ Roger T. Burbage
Its: Vice-President

ROADRUNNER INTERNATIONAL SERVICES, INC.

By: /s/ Roger T. Burbage
Its: Vice-President

THE BANK:

THE HUNTINGTON NATIONAL BANK

By: /s/ Leonard J. Amoroso
Its: Vice-President

THE HUNTINGTON NATIONAL BANK

CAPEX NOTE

$___________________ _________________, Ohio
___________, 199___

FOR VALUE RECEIVED, the undersigned, jointly and severally, promise to pay to the order of THE HUNTINGTON NATIONAL BANK (hereinafter called the "Bank," which term shall include any holder hereof), at such place as the Bank may designate or, in the absence of such designation, at any of the Bank's offices, the sum of _____________________ Dollars ($_________) (hereinafter called the "Principal Sum"), together with interest as set forth in the Loan Agreement (as defined below). The undersigned promise to pay the Principal Sum and the interest thereon at the time and in the manner hereinafter provided in this note (this "Note").

This Note is executed and the advances contemplated hereunder are to be made pursuant to a certain Fourth Amended and Restated Loan Agreement by and between the undersigned and the Bank dated January 15, 1996, as amended, restated, modified or otherwise supplemented from time to time, including without limitation a certain First Amendment to Fourth Amended and Restated Loan Agreement dated as of March 31, 1996, a certain Second Amendment to Fourth Amended and Restated Loan Agreement dated as of March 7, 1997, a certain Third Amendment to Fourth Amended and Restated Loan Agreement dated as of March 31, 1998, and a certain Fourth Amendment to Fourth Amended and Restated Loan Agreement dated as of February 4, 1999 (herein collectively the "Loan Agreement"), to which reference is hereby made for a more complete statement of the terms and conditions contained therein. Terms defined in the Loan Agreement and not otherwise defined herein are used herein with the meanings ascribed to such terms in the Loan Agreement.

INTEREST

Interest will accrue on the unpaid balance of the Principal Sum at the rate set forth in Loan Agreement. In addition, upon the occurrence of an Event of Default, interest will accrue on the unpaid balance of the Principal Sum of the default rate set forth in Section 2.2 of the Loan Agreement.

All interest shall be calculated on the basis of a 360 day year for the actual number of days the Principal Sum or any part thereof remains unpaid.

MANNER OF PAYMENT

The Principal Sum shall be payable on __________ and accrued interest shall be due and payable monthly beginning on ________________, 199__, and continuing on the _____ day of each month thereafter, and at maturity, whether by demand, acceleration or otherwise.

LATE CHARGE

Any installment or other payment not made within 10 days of the date such payment or installment is due shall be subject to a late charge equal to 5% of the amount of the installment or payment.

SECURITY

This Note is secured by the security interests, assignments, and mortgages granted and/or referenced in the Loan Agreement.

DEFAULT

Upon the occurrence of any of the following events:

(a) the undersigned fail to make any payment of interest or of the Principal Sum on or before the date such payment is due;

(b) an "Event of Default" under the Loan Agreement shall have occurred;

then the Bank may, at its option, without notice or demand, accelerate the maturity of the obligations evidenced hereby, which obligations shall become immediately due and payable. In the event the Bank shall institute any action for the enforcement or collection of the obligations evidenced hereby, the undersigned agree to pay all costs and expenses of such action, including reasonable attorneys' fees, to the extent permitted by law.

GENERAL PROVISIONS

Each of the parties executing this Note, and any indorser, surety, or guarantor, hereby jointly and severally waive presentment, notice of dishonor, protest, notice of protest, and diligence in bringing suit against any party hereto, waive the defenses of impairment of collateral for the obligation evidenced hereby, impairment of a person against whom the Bank has any right of recourse, and any defenses of any accommodation maker and consent that without discharging any of them, the time of payment and any other provision of this promissory note may be extended or modified an unlimited number of times before or after maturity without notice to the undersigned. Each of the undersigned jointly and severally agrees that it will pay the obligations evidenced hereby, irrespective of any action or lack of action on the Bank's part in connection with the acquisition, perfection, possession, enforcement, disposition, or modification of all the obligations evidenced hereby or any and all security therefor, and no omission or delay on the Bank's part in exercising any right against, or taking any action to collect from or pursue the Bank's remedies against any party hereto will release, discharge, or modify the duties of the undersigned, or any of them, to make payments hereunder. Each of the undersigned agrees that the Bank, without notice to or further consent from the undersigned, may release or modify any collateral, security, document or other guaranties now held or hereafter acquired, or substitute other collateral, security or other guaranties, and no such action will release, discharge or modify the duties of the undersigned, or any of them, hereunder. Each of the undersigned agrees that the Bank will not be required to pursue or exhaust any of its rights or remedies against the undersigned, or any of them, or any guarantors of the obligations evidenced hereby with respect to the payment of any said obligations, or to pursue, exhaust or preserve any of the Bank's rights or remedies with respect to any collateral, security or other guaranties given to secure said obligations. Each of the undersigned waives any claim or other right which it might now have or hereafter acquire against any other person or entity that is primarily or contingently liable on the obligations that arise from the existence or performance of each of the obligations of the undersigned under this Note, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, indemnification, or any right to participate in any claim or remedy of the Bank or any collateral security which the Bank now has or hereafter acquires, whether such claim, remedy or right arises in equity, under contract or statute, at common law, or otherwise.

The obligations evidenced hereby may from time to time be evidenced by another note or notes given in substitution, renewal or extension hereof. Any security interest or mortgage which secures the obligations evidenced hereby shall remain in full force and effect notwithstanding any such substitution, renewal, or extension.

The captions used herein are for references only and shall not be deemed a part of this Note. If any of the terms or provisions of this Note shall be deemed unenforceable, the enforceability of the remaining terms and provisions shall not be affected. This Note shall be governed by and construed in accordance with the law of the State of Ohio.

WAIVER OF RIGHT TO TRIAL BY JURY

EACH OF THE UNDERSIGNED HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (1) ARISING UNDER THIS NOTE OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR (2) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE UNDERSIGNED OR THE BANK, OR ANY OF THEM, WITH RESPECT TO THIS NOTE OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH OF THE UNDERSIGNED HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT THE UNDERSIGNED, OR ANY OF THEM, OR THE BANK MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OF THE UNDERSIGNED TO THE WAIVER OF THE RIGHT OF THE UNDERSIGNED TO TRIAL BY JURY.

WARRANT OF ATTORNEY

Each of the undersigned authorizes any attorney at law to appear in any Court of Record in the State of Ohio or in any state or territory of the United States after the above indebtedness becomes due, whether by acceleration or otherwise, to waive the issuing and service of process, and to confess judgment against any one or more of the undersigned in favor of the Bank for the amount then appearing due together with costs of suit, and thereupon to waive all errors and all rights of appeal and stays of execution. No such judgment or judgments against less than all of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more of the undersigned against whom judgment has not been obtained hereon, this being a joint and several warrant of attorney to confess judgment.

Borrower:

INTRENET, INC.

By:
Its:

ADVANCED DISTRIBUTION SYSTEM, INC.

By:
Its:

ECK MILLER TRANSPORTATION CORPORATION

By:
Its:

INET LOGISTICS, INC.

By:
Its:

MID-WESTERN TRANSPORT, INC.

By:
Its:

ROADRUNNER ENTERPRISES, INC.

By:
Its:

ROADRUNNER TRUCKING, INC.

By:
Its:

ROADRUNNER DISTRIBUTION SERVICES, INC.

By:
Its:

ROADRUNNER INTERNATIONAL SERVICES, INC.

By:
Its:

SECOND AMENDMENT TO EMPLOYMENT AGREEMENT

This Second Amendment to Employment Agreement ("Amendment)" is made and dated as of December 29, 1998, by and between INTRENET, INC., an Indiana corporation ("Employer"), and JOHN DELAVAN ("Employee"),

WITNESSETH

NOW, THEREFORE, the Employer and Employee agree as follows:

1. The Base Compensation of the Employee as defined in Paragraph 4 of the Original Agreement and Item 2 of the First Amendment to Employment Agreement shall be amended to $220,000 per annum, payable at regular intervals in accordance with the Employer's normal payroll practices now or hereafter in effect.

2. Except as set forth in this Amendment, the Prior Agreement shall continue in effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered as of the day and year first set forth above.

INTRENET, INC.

By /s/ Edwin H. Morgens
Edwin H. Morgens,
Chairman of the Board, Employer

By /s/ John P. Delavan
John P. Delavan, Employee

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

This First Amendment to Employment Agreement ("Amendment)" is made and dated as of March 8, 1999, by and between INTRENET, INC., an Indiana corporation ("Employer"), and ROGER T. BURBAGE ("Employee"),

WITNESSETH

WHEREAS, Employee is currently serving as the Chief Financial Officer of Employer pursuant to an Employment Agreement dated as of March 10, 1997 (the "Prior Agreement").

WHEREAS, Employee desires to be assured of certain compensation and other benefits for his continued services to Employer.

WHEREAS, the parties have agreed to amend the Prior Agreement on the terms and conditions set forth in this Amendment.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and undertakings contained herein, Employer and Employee agree as follows:

1. The Term of the agreement for Employee's employment as defined in Paragraph 3 of the Prior Agreement shall continue through March 31, 2001.

2. The Base Compensation of the Employee as defined in Paragraph 4 of the Prior Agreement shall be $185,000 per annum, payable at regular intervals in accordance with the Employer's normal payroll practices now or hereafter in effect.

3. Except as set forth in this Amendment, the Prior Agreement shall continue in effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered as of the day and year first set forth above.

INTRENET, INC.

By /s/ John P. Delavan
John P. Delavan, President & CEO

By /s/ Roger T. Burbage
Roger T. Burbage, Employee

SUBSIDIARIES OF THE REGISTRANT

Intrenet, Inc.
December 31, 1998

Advanced Distribution System, Inc., a Florida corporation

Eck Miller Transportation Corporation, an Indiana corporation

Mid-Western Transport, Inc., an Indiana corporation

Roadrunner Enterprises, Inc., an Indiana corporation

INET Logistics, Inc., an Indiana corporation

CONSENT OF INDEPENDENT PUBLIC ACCOUNTS

As independent public accountants, we hereby consent to the incorporation of our reports included in this Form 10-K, into the Company's previously filed Registration Statement File No. 33-69882.

Indianapolis, Indiana,
March 26, 1999.

ARTHUR ANDERSEN LLP

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