



# First Quarter 2022 Earnings Conference Call

April 27, 2022

SUPPLY CHAIN | DEDICATED TRANSPORTATION | FLEET MANAGEMENT SOLUTIONS



# Safe Harbor and Non-GAAP Financial Measures

## Note Regarding Forward-Looking Statements:

Certain statements and information included in this news release are “forward-looking statements” under the Federal Private Securities Litigation Reform Act of 1995, including our forecast; expectations regarding market trends and economic environment; impact of supply chain and labor shortage challenges and vehicle production constraints, on market conditions, e-commerce trends, freight environment, earnings, depreciation, commercial rental demand and utilization, and used vehicle sales volume and pricing; expected benefits from our strategic investments and initiatives, including our recent supply chain acquisitions; expectations regarding excess capital for acquisitions and additional share purchases; expectations with respect to timing and anticipated cash proceeds from exit of FMS U.K.; our ability to execute our strategy of focusing our capital on higher returning businesses, including accelerating growth in SCS/DTS and enhancing margins in those segments; performance, including sales and revenue growth, in our product lines and segments, including Ryder E-commerce by Whiplash; residual values and depreciation expense; used vehicle inventory; earnings; free cash flow; operating cash flow; capital expenditures; fleet growth; and expected benefits from new contracts and pricing initiatives in our supply chain and dedicated business divisions. Our forward-looking statements also include our estimates of the impact of our changes to residual value estimates on earnings and depreciation expense. The expected impact of the change in residual value estimates is based on our current assessment of the residual values and useful lives of revenue-earning equipment based on multi-year trends and our outlook for the expected near- and long-term used vehicle market. A variety of factors, many of which are outside of our control, could cause residual value estimates to differ from actual used vehicle sales pricing, such as changes in supply and demand of used vehicles; volatility in market conditions; changes in vehicle technology; competitor pricing; regulatory requirements; driver shortages; customer requirements and preferences; and changes in underlying assumption factors.

All of our forward-looking statements should be evaluated by considering the many risks and uncertainties inherent in our business that could cause actual results and events to differ materially from those in the forward-looking statements. Important factors that could cause such differences include, the effect of the COVID-19 pandemic, supply chain and labor challenges and vehicle production constraints; the impact of geopolitical events, including the ongoing conflict between Russia and Ukraine; our ability to adapt to changing market conditions, lower than expected contractual sales, decreases in commercial rental demand or utilization or poor acceptance of rental pricing, declining market demand for or excess supply of used vehicles impacting current or estimated pricing and our anticipated proportion of retail versus wholesale sales; declining customer demand for our services; higher than expected maintenance costs; lower than expected benefits from our cost-savings initiatives; lower than expected benefits from our sales, marketing and new product initiatives; our ability to retain profitable customer accounts; impact of changing laws and regulations; difficulty in obtaining adequate profit margins for our services; inability to maintain current pricing levels due to soft economic conditions, business interruptions or expenditures due to labor disputes, severe weather or natural occurrences; fluctuations in interest rates; competition from other service providers and new technology or entrants; driver and technician shortages resulting in higher procurement costs and turnover rates; impact of worldwide semiconductor shortage, higher than expected bad debt reserves or write-offs; decrease in credit ratings; increased debt costs; adequacy of accounting estimates; our ability to effectively and efficiently integrate acquisitions into our business; higher than expected reserves and accruals particularly with respect to pension, taxes, insurance and revenue; impact of changes in our residual value estimates and accounting policies, including our depreciation policy; unanticipated changes in fuel prices; unanticipated currency exchange rate fluctuations; our ability to manage our cost structure; and the risks described in our filings with the Securities and Exchange Commission (SEC). The risks included here are not exhaustive. New risks emerge from time to time and it is not possible for management to predict all such risk factors or to assess the impact of such risks on our business. Accordingly, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

**Note Regarding Non-GAAP Financial Measures:** This presentation includes certain non-GAAP financial measures as defined under SEC rules, including:

**Comparable Earnings Measures**, including comparable earnings from continuing operations; comparable earnings per share from continuing operations; and comparable earnings before income tax. Additionally, our adjusted ROE (ROE) measure is calculated based on adjusted earnings items.

**Operating Revenue Measures**, including operating revenue, operating revenue growth and EBT as a percentage of operating revenue, in each case for Ryder and its business segments.

**Cash Flow Measures**, including total cash generated and free cash flow.

Refer to Appendix - Non-GAAP Financial Measures for reconciliations of the non-GAAP financial measures contained in this presentation to the nearest GAAP measure. Additional information regarding non-GAAP financial measures as required by Regulation G and Item 10(e) of Regulation S-K can be found in our most recent Form 10-K, Form 10-Q, and our Form 8-K filed with the SEC as of the date of this presentation, which are available at <http://investors.ryder.com>.

All amounts subsequent to January 1, 2017 have been recast to reflect the impact of the lease accounting standard, ASU 2016-02, *Leases*. Amounts throughout the presentation may not be additive due to rounding.



# Contents

## 1Q22 Earnings Release Conference Call

**Note Regarding Forward Looking Statements**

**Slide 2**

**Strategic Update**

**Slide 4 - 6**

**1Q22 Results**

**Slides 7 - 13**

**Outlook**

**Slide 14**

**Appendix & Non-GAAP Financial Measures**

# Key Updates

## Strategy Update

- SCS acquisitions performing well, in line with expectations
- New sales activity in all segments remains strong
- Supply chain disruptions and labor challenges support long-term outsourcing trends

## Returns Focus

- Increased FY22 ROE forecast to 23% - 25%, above high-teens target over the cycle, reflecting strong market environment in FMS
- On track in SCS/DTS to reach HSD EBT% target in 2H22 reflecting pricing adjustments and growth

## Balance Sheet / Cash Flow

- Executing previously announced \$300M accelerated share repurchase program
- Strong balance sheet provides capacity for additional acquisitions and share repurchases
- Increased FY22 free cash flow forecast to \$550M - \$650M primarily reflecting expected UK sale proceeds

## Executing strategy to create shareholder value

Note: See Appendix for reconciliations of non-GAAP financial measures including ROE and Free Cash Flow.

# Investments to Accelerate Growth in SCS & DTS

## New & Enhanced Products

- **E-commerce Fulfillment**  
*delivers to 100% of U.S. within 2 days and 60% within 1 day*
- **Ryder Last Mile (RLM)**  
*home delivery and installation of big-and-bulky goods*
- **Freight Brokerage**  
*+26K vetted carriers, 24/7/365 support, digitally enabled load tracking, high % of workstream digitized*

## Technology

- **E-commerce Technology**  
*ability to scale, faster and easier customer onboarding, enhances robotics integration and carrier optimization*
- **RyderView™**  
*self-scheduling and route optimization platform for RLM*
- **RyderShare™**  
*freight visibility, collaboration & exceptions management tool*

## Marketing & Sales Initiatives

- **Ever better™ Campaign**  
*brand awareness campaign highlighting supply chain*
- **Digital Marketing**  
*targets prospects online*
- **Expanding Sales Force**  
*recruiting talent to leverage opportunities from outsourcing trends*

## M&A and RyderVentures

- **Integrating Whiplash and Midwest Acquisitions**
- **RyderVentures**
  - *Autonomous vehicles*
  - *E-commerce micro-fulfillment*
  - *Digital driver staffing*

**Organic growth, acquisitions, and capital allocation initiatives expected to enable faster growth and margin enhancement**

# Spotlight: E-commerce Fulfillment



## RYDERECOMMERCE by whiplash

- 2022 Whiplash acquisition strengthens our industry-leading omni-channel logistics portfolio
- Accelerates growth in higher-return supply chain business
- Combined portfolio provides seamless direct-to-consumer, retail, and warehouse fulfillment nationwide
- Delivers to 100% of the U.S. population within 2 days and 60% within 1 day

### Best-in-class technology and operations platform

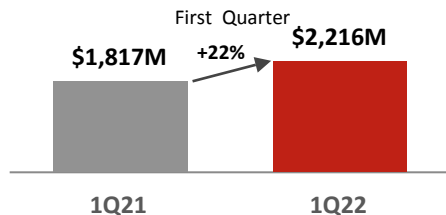
- **Provides quality delivery experience** for our customers and their end customers
  - easily integrates with customer e-commerce sales platforms; facilitates onboarding
  - streamlines orders and inventory management
  - optimizes carrier selection
- **Flexibility to scale** for customers ranging from small-medium sized businesses to large enterprise level
- **Robotics and automation** increase productivity; lower costs; improve safety and retention; enable seamless scaling

To learn more visit: <https://ryder.com/supply-chain-management/e-commerce-fulfillment>

**Combining best-in-class e-commerce fulfillment platform with industry leading logistics expertise to create the ultimate end user experience**

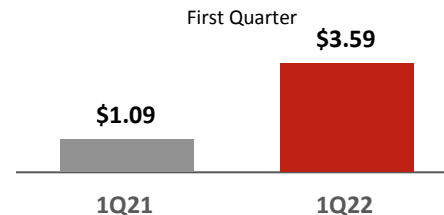
# Results Overview

## Operating Revenue



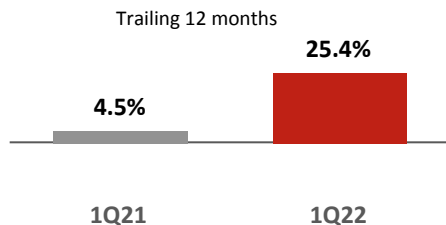
Higher revenue in all segments

## Comparable EPS



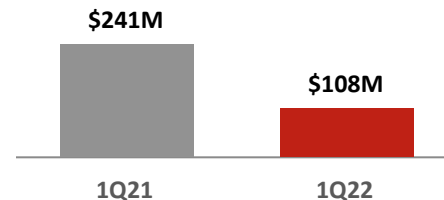
Improved results in used vehicle sales, declining depreciation expense impact, rental, and higher lease pricing

## ROE



Higher earnings primarily from improved results in used vehicle sales, rental, and declining depreciation expense impact

## 1Q Free Cash Flow



Increased capital expenditures partially offset by higher used vehicle sales proceeds

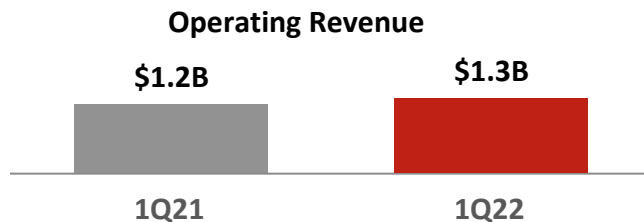
Note: See Appendix for reconciliations of non-GAAP financial measures including Operating Revenue, Comparable EPS, ROE, and Free Cash Flow.

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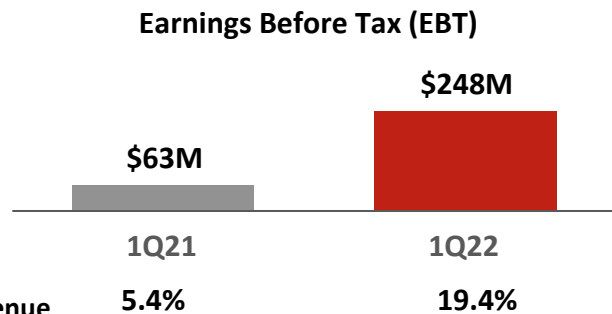
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# 1st Quarter Results Overview – FMS



10% increase due to 40% higher rental revenue driven by strong demand and higher pricing



Earnings improvement of \$185 million reflects:

- \$115 million YOY earnings benefit from higher gains on used vehicles sold and a declining depreciation expense impact related to prior residual value estimate changes
- improved rental performance
- higher lease pricing

**Trailing 12-month FMS EBT as % of Operating Revenue is 16.8%, above low double-digit target**

Note: See Appendix for reconciliations of non-GAAP financial measures including Operating Revenue.

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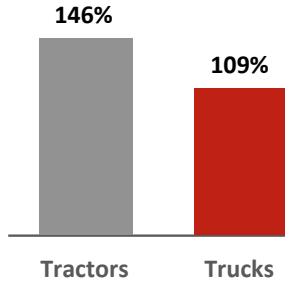
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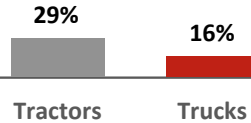


# Global Used Vehicle Sales Update – FMS

**% Change in Proceeds\* vs. 1Q21**



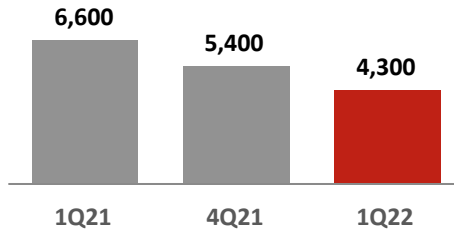
**% Change in Proceeds\* vs. 4Q21**



Higher proceeds reflect increased market pricing

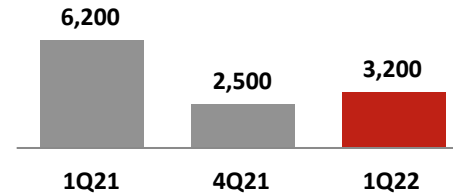
\*Represents average sales proceeds per used vehicle sold in North America compared to prior period

**Used Vehicles Sold**



YOY sales volumes declined due to lower inventory

**Used Vehicle Inventory**

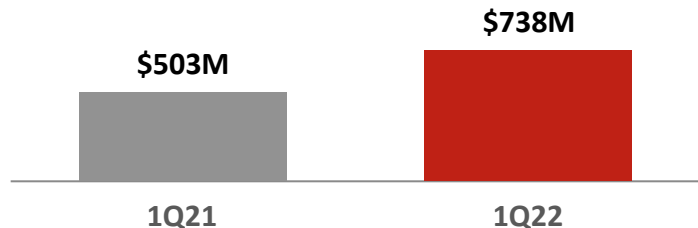


Below long-term target range of 7K - 9K

**Average used vehicle pricing is well above residual values used for depreciation purposes**

# 1st Quarter Results Overview – SCS

## Operating Revenue

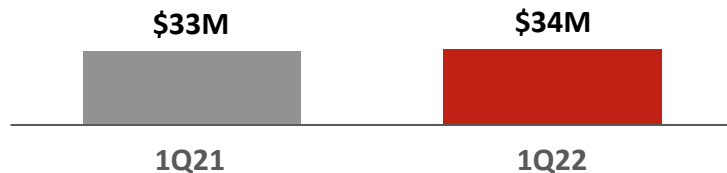


47% increase primarily reflects:

- the Whiplash and Midwest acquisitions
- strong revenue growth in all verticals reflecting new business and increased volumes

21% organic revenue growth

## Earnings Before Tax (EBT)



4% increase reflects:

- growth from new business and acquisitions
- offset by lower automotive earnings from supply chain disruptions and labor challenges

EBT as % of Operating Revenue

6.6%

4.6%

**1Q22 EBT as % of Operating Revenue of 4.6% improved sequentially from 3.5% in 4Q21; Trailing 12-month SCS EBT as % of Operating Revenue is 4.8%, below high single-digit target**

Note: See Appendix for reconciliations of non-GAAP financial measures including Operating Revenue.

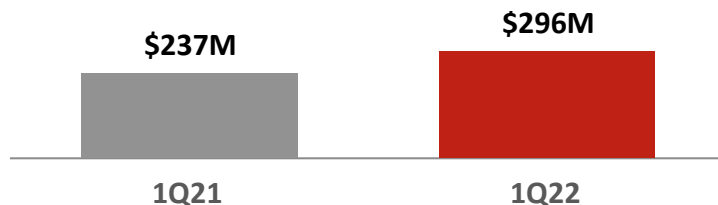
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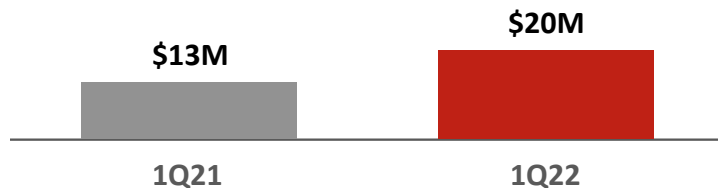
# 1st Quarter Results Overview – DTS

## Operating Revenue



Increased 25% due to new business and increased pricing

## Earnings Before Tax (EBT)



Increased 56% primarily due to:

- growth, improved performance, and higher gains on vehicles sold
- partially offset by increased labor costs

EBT as % of Operating Revenue

5.5%

6.8%

**1Q22 EBT as a % of Operating Revenue of 6.8% increased sequentially from 4.0% in 4Q21; Trailing 12-month DTS EBT as % of Operating Revenue is 5.1%, below high single-digit target**

Note: See Appendix for reconciliations of non-GAAP financial measures including Operating Revenue.

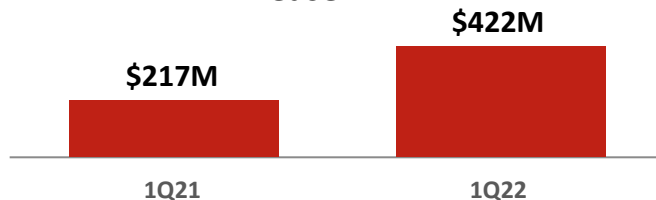
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# Capital Expenditures

## Lease



Reflects higher lease replacement capital;  
lease returns benefiting from pricing initiatives

## Rental



Reflects higher investment in trucks;  
supported by e-commerce market growth

### Capital Expenditures (billions)

	<u>FY21</u>	<u>FY22F</u>
Lease Vehicles	\$ 1.2	\$2.0 - \$2.1
Rental Vehicles	0.7	0.5
Operating Property & Equipment	0.2	0.2
<b>Gross Capital Expenditures</b>	<b>\$ 2.0</b>	<b>\$2.7 - \$2.8</b>
Less: Used Vehicle Sales Proceeds (*)	0.8	1.1
<b>Net Capital Expenditures</b>	<b>\$ 1.2</b>	<b>\$1.6 - \$1.7</b>

(\*) includes proceeds of \$0.3B related to exit of UK FMS business

Note: Amounts may not be additive due to rounding.

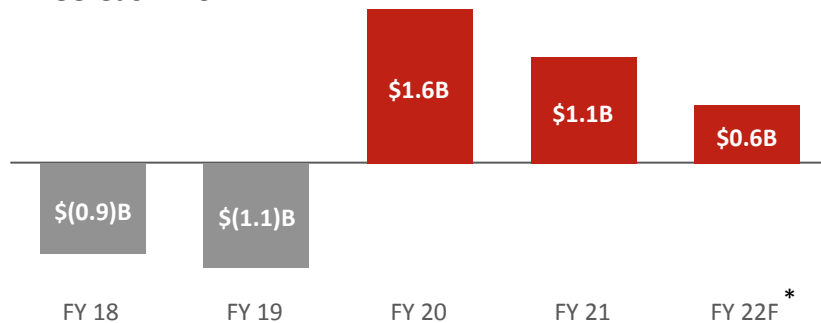
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# Free Cash Flow and ROE

## Free Cash Flow

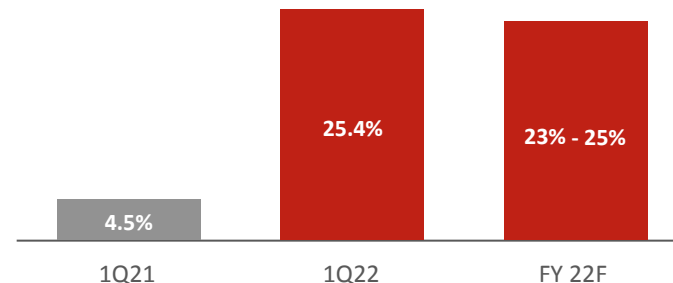


- FY21 reflects lower cap ex due to OEM delivery delays
- FY22 forecast reflects higher cap ex, partially offset by \$300M in expected proceeds from UK asset sales
- Leverage expected to be below 250-300% target range

\* Midpoint of \$550M - \$650M forecast range

Note: See Appendix for reconciliations of non-GAAP financial measures including Free Cash Flow and ROE

## ROE



- Increased 2022 ROE forecast from 20-22%
- Expected to benefit from continued strength in FMS and recovery of SCS/DTS returns in 2H22

# EPS – Continuing Operations

	Full Year EPS			Second Quarter EPS	
	2022 Forecast	2021		2022 Forecast	2021
<b>GAAP</b>	\$12.83 - \$13.83	\$9.70		\$3.97 - \$4.22	\$2.78
<b>Comparable</b>	\$13.00 - \$14.00	\$9.58		\$3.50 - \$3.75	\$2.40

- Used vehicle sales and rental are key drivers of increased full-year 2022 forecast
- Continue to expect very strong used vehicle sales and rental market environment to moderate in 2H22, with slower freight growth partially offset by ongoing vehicle production constraints
- Record 2021 and 1Q22 SCS/DTS new contract wins and recent acquisitions benefiting 2022 revenue growth
- SCS and DTS margins expected to return to HSD EBT% target in 2H22 reflecting price increases to address higher labor costs

Note: See Appendix for reconciliations of non-GAAP financial measures including Comparable EPS.



**Save the Date**

***Ryder Investor Day***

***June 3, 2022***

***The Westin New York Grand Central***



# Q&A



# Appendix

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Financial Targets

Comparable Segment EBITDA

ChoiceLease Fleet Count - Active Fleet

Business Segment Detail

Central Support Services

Balance Sheet

Asset Management

Non-GAAP Financial Measures & Reconciliations

# Long Term Financial Model

ROE	Target
Long-term average over the cycle	High Teens
<b><i>Component drivers to achieve ROE target include:</i></b>	
Operating Revenue Growth	
Fleet Management	Mid Single Digit
Supply Chain & Dedicated	High Single Digit
EBT as % of Operating Revenue	
Fleet Management	Low Double Digit
Supply Chain & Dedicated	High Single Digit
Leverage (Debt-to-Equity)	250 - 300%

In order to achieve a long-term ROE target over the cycle, we are pursuing segment revenue and profitability targets as set forth above over the long-term. Our long-term leverage goal is also set forth above. These targets are based on management's current estimates and expectations over the long-term and are subject to change.

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# Comparable Segment EBITDA <sup>(1)</sup>

	<u>First Quarter</u>			
		FMS	SCS	DTS
1Q22				
Net segment earnings	\$	173	\$ 31	\$ 16
Income taxes		75	3	4
Non-operating pension costs, net		—	—	—
Other items impacting comparability, net		—	—	—
EBT		248	34	20
Interest expense / (income)		50	3	(1)
Depreciation <sup>(1)</sup>		412	16	1
Used vehicle sales, net <sup>(1)</sup>		(105)	—	—
Amortization		1	9	—
Comparable Segment EBITDA <sup>(2)</sup>	\$	607	\$ 62	\$ 20
1Q21				
Net segment earnings	\$	48	\$ 26	\$ 10
Income taxes <sup>(3)</sup>		16	7	3
Non-operating pension costs, net		—	—	—
Other items impacting comparability, net		—	—	—
EBT		63	33	13
Interest expense / (income)		55	—	(1)
Depreciation <sup>(1)</sup>		449	11	1
Used vehicle sales, net <sup>(1)</sup>		(29)	—	—
Amortization		—	1	—
Comparable Segment EBITDA <sup>(2)</sup>	\$	539	\$ 46	\$ 13

Note: Amounts may not be additive due to rounding.

(1) Excludes the impact of depreciation and gains on vehicles sold allocated to SCS and DTS

(2) Non-GAAP financial measure. A reconciliation of GAAP net earnings to comparable EBITDA for each business segment (FMS, SCS and DTS) is set forth in this table.

(3) SCS and DTS income taxes have been recast to be consistent with the current year allocation for income taxes presentation.

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# ChoiceLease Fleet Count - Active Fleet

	<u>First Quarter</u>		
	2022	2021	Change 2022/2021
Average Active Vehicles <sup>(1)</sup>	139,300	142,100	(2)%
Revenue per Average Active Vehicle <sup>(2)</sup>	\$ 5,800	\$ 5,600	4%
End of Period Active Vehicles	138,800	141,800	(2)%

(1) Active ChoiceLease vehicles are calculated as those units currently earning revenue and excludes not yet earning or no longer earning units.

(2) Calculated based on the quarterly and year-to-date ChoiceLease revenue. Quarterly and year-to-date revenue per active ChoiceLease vehicle may be impacted by changes in vehicle mix.

# Business Segments

	First Quarter			Memo: Operating Revenue <sup>(3)</sup>			(\$ Millions)
	2022	2021	% B/(W)	2022	2021	% B/(W)	
Total Revenue:							
Fleet Management Solutions	\$ 1,529.2	\$ 1,335.5	15%	\$ 1,282.1	\$ 1,168.1	10%	
Supply Chain Solutions	1,088.5	706.7	54%	738.1	502.6	47%	
Dedicated Transportation Solutions	424.9	320.5	33%	296.5	236.8	25%	
Eliminations	(188.9)	(141.1)	(34)%	(101.1)	(90.2)	(12)%	
Total	\$ 2,853.9	\$ 2,221.6	28%	\$ 2,215.6	\$ 1,817.4	22%	
Segment Earnings Before Tax: <sup>(1)</sup>							
Fleet Management Solutions	\$ 248.2	\$ 63.4	291%				
Supply Chain Solutions	34.2	33.0	4%				
Dedicated Transportation Solutions	20.2	13.0	56%				
Eliminations	(26.6)	(12.3)	(117)%				
Total	276.0	97.1	184%				
Central Support Services (Unallocated Share)	(16.0)	(18.4)	13%				
Non-operating Pension Costs, net	(2.8)	—	NM				
Other Items Impacting Comparability, net <sup>(2)</sup>	(5.4)	(8.4)	36%				
Earnings Before Income Taxes	251.9	70.3	258%				
Provision for Income Taxes	76.0	18.7	(307)%				
Earnings from Continuing Operations	\$ 175.8	\$ 51.6	241%				
Comparable Earnings from Continuing Operations <sup>(3)</sup>	\$ 188.3	\$ 58.2	224%				

(1) Our primary measure of segment financial performance excludes unallocated CSS, non-operating pension costs, net and other items impacting comparability.

(2) Amounts in 2022 are comprised of Restructuring and other, net of \$14.3 million, Gains on sale of U.K. revenue earning equipment of \$(8.3) million, and Gains on sale of properties of \$(0.6) million. Amounts in 2021 are comprised of Restructuring and other, net of \$3 million, ERP implementation costs of \$7.6 million, Gains on sale of properties of \$(1.5) million, and ChoiceLease liability insurance revenue of \$(0.8) million.

(3) Non-GAAP financial measure. See our Non-GAAP reconciliations in this earnings presentation for further discussion on these items.

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# Fleet Management Solutions (FMS)

	<u>First Quarter</u>		(\$ Millions)
<u>Revenue</u>	<u>2022</u>	<u>2021</u>	<u>% B/(W)</u>
ChoiceLease	\$ 802.3	\$ 797.1	1%
Commercial Rental	313.2	223.0	40%
SelectCare and other	166.7	148.0	13%
FMS Operating Revenue <sup>(1)</sup>	1,282.1	1,168.1	10%
Fuel Services Revenue and ChoiceLease Liability Insurance Revenue <sup>(2)</sup>	247.1	167.4	48%
FMS Total Revenue	\$ 1,529.2	\$ 1,335.5	15%
<u>Earnings Before Tax</u>			
FMS Earnings Before Tax (EBT)	\$ 248.2	\$ 63.4	291%
FMS EBT as a % of FMS Total Revenue	16.2 %	4.7 %	
FMS EBT as a % of FMS Operating Revenue <sup>(1)</sup>	19.4 %	5.4 %	

NM - Not meaningful

Note: Amounts may not be additive due to rounding.

(1) Non-GAAP financial measure.

(2) In the first quarter of 2021, we completed the previously announced exit of the extension of our liability insurance coverage for ChoiceLease customers.

# Fleet Management Solutions (FMS)

(\$ Millions)

## Rolling Twelve Months

<u>Revenue</u>	<b>2022</b>	2021	<b>% B/(W)</b>
FMS Operating Revenue <sup>(1)</sup>	\$ <b>5,054.6</b>	\$ 4,588.1	<b>10%</b>
Fuel Services Revenue and ChoiceLease Liability Insurance Revenue <sup>(2)</sup>	<b>818.1</b>	577.6	<b>42%</b>
FMS Total Revenue	<u><u>\$ <b>5,872.7</b></u></u>	<u><u>\$ 5,165.7</u></u>	<b>14%</b>
 <u>FMS Earnings Before Tax</u>			
FMS Earnings Before Tax (EBT)	<u><u>\$ <b>847.9</b></u></u>	<u><u>\$ 36.0</u></u>	<b>2,254%</b>
FMS EBT as a % of FMS Total Revenue	<u><u><b>14.4 %</b></u></u>	<u><u>0.7 %</u></u>	
FMS EBT as a % of FMS Operating Revenue <sup>(1)</sup>	<u><u><b>16.8 %</b></u></u>	<u><u>0.8 %</u></u>	

NM - Not meaningful

Note: Amounts may not be additive due to rounding.

(1) Non-GAAP financial measure.

(2) In the first quarter of 2021, we completed the previously announced exit of the extension of our liability insurance coverage for ChoiceLease customers.

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# Supply Chain Solutions (SCS)

## First Quarter

(\$ Millions)

<u>Revenue</u>	<u>2022</u>	<u>2021</u>	<u>% B/(W)</u>
CPG & Retail	\$ 395.1	\$ 220.5	79%
Automotive	194.6	171.9	13%
Technology & Healthcare	70.4	54.7	29%
Industrial & Other	77.9	55.5	40%
SCS Operating Revenue <sup>(1)</sup>	738.1	502.6	47%
Subcontracted transportation and fuel	350.5	204.1	72%
SCS Total Revenue	\$ 1,088.5	\$ 706.7	54%
<u>Earnings Before Tax</u>			
SCS Earnings Before Tax (EBT)	\$ 34.2	\$ 33.0	4%
SCS EBT as a % of SCS Total Revenue	3.1 %	4.7 %	
SCS EBT as a % of SCS Operating Revenue <sup>(1)</sup>	4.6 %	6.6 %	

Note: Amounts may not be additive due to rounding.

(1) Non-GAAP financial measure.



# Supply Chain Solutions (SCS)

## Rolling Twelve Months

(\$ Millions)

### Revenue

	<u>2022</u>	<u>2021</u>	<u>% B/(W)</u>
SCS Operating Revenue <sup>(1)</sup>	\$ 2,446.0	\$ 1,905.7	28%
Subcontracted transportation and fuel	1,090.6	717.0	52%
SCS Total Revenue	<u>\$ 3,536.6</u>	<u>\$ 2,622.7</u>	35%

### Earnings Before Tax

SCS Earnings Before Tax (EBT)	<u>\$ 118.6</u>	<u>\$ 161.9</u>	(27)%
SCS EBT as a % of SCS Total Revenue	<u>3.4 %</u>	<u>6.2 %</u>	
SCS EBT as a % of SCS Operating Revenue <sup>(1)</sup>	<u>4.8 %</u>	<u>8.5 %</u>	

Note: Amounts may not be additive due to rounding.

(1) Non-GAAP financial measure.

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# Dedicated Transportation Solutions (DTS)

## First Quarter

(\$ Millions)

### Revenue

	<u>2022</u>	<u>2021</u>	<u>% B/(W)</u>
DTS Operating Revenue <sup>(1)</sup>	\$ 296.5	\$ 236.8	25%
Subcontracted transportation and fuel	128.5	83.7	54%
DTS Total Revenue	<u>\$ 424.9</u>	<u>\$ 320.5</u>	33%

### Earnings Before Tax

DTS Earnings Before Tax (EBT)	<u>\$ 20.2</u>	<u>\$ 13.0</u>	56%
DTS EBT as a % of DTS Total Revenue	<u>4.8 %</u>	<u>4.1 %</u>	
DTS EBT as a % of DTS Operating Revenue <sup>(1)</sup>	<u>6.8 %</u>	<u>5.5 %</u>	

Note: Amounts may not be additive due to rounding.

(1) Non-GAAP financial measure.

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# Dedicated Transportation Solutions (DTS)

(\$ Millions)

## Rolling Twelve Months

<u>Revenue</u>	<u>2022</u>	<u>2021</u>	<u>% B/(W)</u>
DTS Operating Revenue <sup>(1)</sup>	\$ 1,114.5	\$ 929.4	20%
Subcontracted transportation and fuel	447.1	285.6	57%
DTS Total Revenue	<u>\$ 1,561.6</u>	<u>\$ 1,215.0</u>	29%
<u>Earnings Before Tax</u>			
DTS Earnings Before Tax (EBT)	<u>\$ 56.3</u>	<u>\$ 74.2</u>	(24)%
DTS EBT as a % of DTS Total Revenue	<u>3.6 %</u>	<u>6.1 %</u>	
DTS EBT as a % of DTS Operating Revenue <sup>(1)</sup>	<u>5.1 %</u>	<u>8.0 %</u>	

Note: Amounts may not be additive due to rounding.

(1) Non-GAAP financial measure.

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# Central Support Services (CSS)

## First Quarter

(\$ Millions)

	<u>2022</u>	<u>2021</u>	<u>% B/(W)</u>
Allocated CSS Costs	\$ <b>80.9</b>	\$ 70.1	<b>(15)%</b>
Unallocated CSS Costs	<b>16.0</b>	18.4	<b>13%</b>
Total CSS Costs	<u><u>\$ <b>96.9</b></u></u>	<u><u>\$ 88.6</u></u>	<u><u><b>(9)%</b></u></u>

Note: Amounts may not be additive due to rounding.

# Balance Sheet

(\$ Millions)

	March 31, 2022	December 31, 2021
Cash and cash equivalents	\$ 222	\$ 234
Other current assets	1,890	2,227
Revenue earning equipment, net	8,391	8,323
Operating property and equipment, net	1,046	985
Other assets	2,687	2,066
Total assets	<u>\$ 14,236</u>	<u>\$ 13,834</u>
Current liabilities	\$ 1,995	\$ 1,868
Total debt (including current portion)	6,781	6,580
Other non-current liabilities (including deferred income taxes)	2,812	2,589
Shareholders' equity	2,648	2,798
Total liabilities and shareholders' equity	<u>\$ 14,236</u>	<u>\$ 13,834</u>

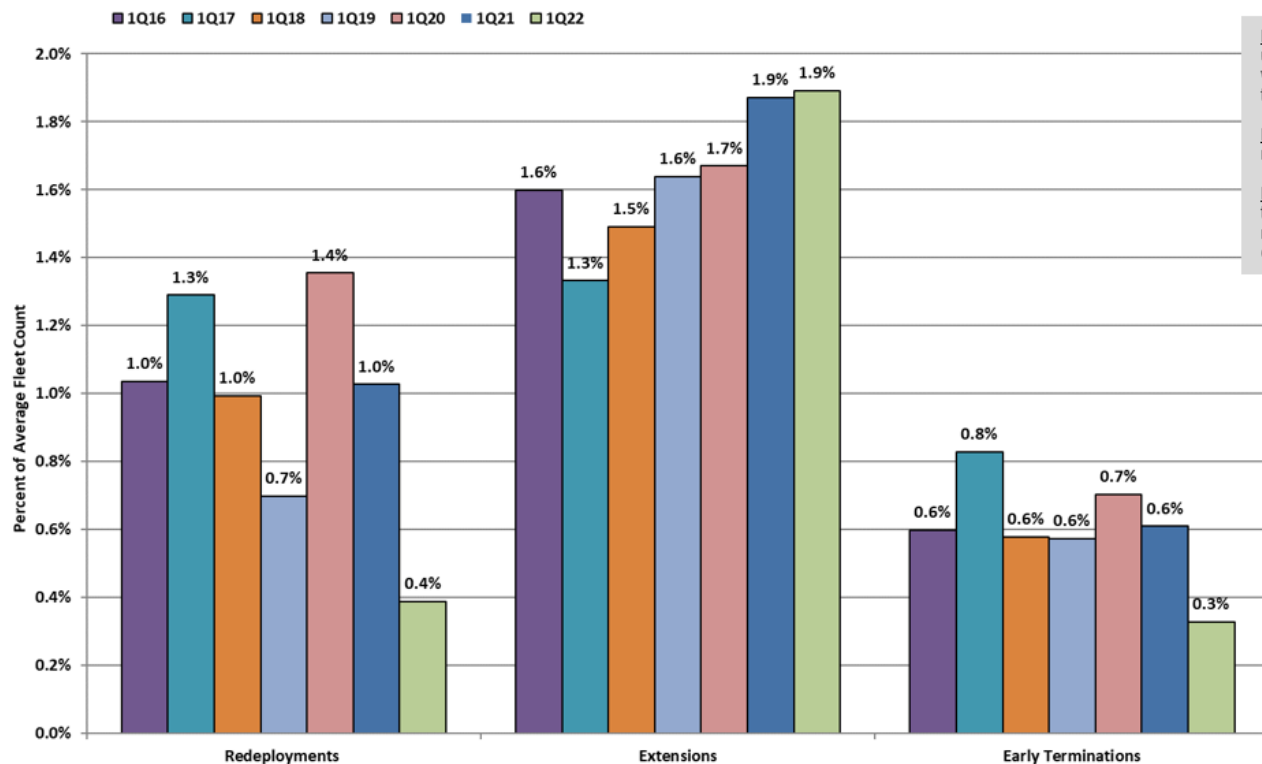
Note: Amounts may not be additive due to rounding.

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# Asset Management Update (US Only)



**Redeployments** – Vehicles coming off-lease or in Rental with useful life remaining are redeployed in the Ryder fleet (SCS, or with another Lease customer). Redeployments exclude units transferred into the Rental product line.

**Extensions** – Ryder re-prices lease contract and extends maturity date.

**Early terminations** – Customer elects to terminate lease prior to maturity. Depending on the remaining useful life, the vehicle may be redeployed in the Ryder fleet (Commercial Rental, SCS, other Lease customer) or sold by Ryder.

# Non-GAAP Financial Measures

This presentation includes “non-GAAP financial measures” as defined by SEC rules. As required by SEC rules, we provide a reconciliation of each non-GAAP financial measure to the most comparable GAAP measure. Non-GAAP financial measures should be considered in addition to, but not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP. Specifically, the following non-GAAP financial measures are included in this presentation:

Non-GAAP Financial Measure	Comparable GAAP Measure	Reconciliation & Additional Information Presented on Slide Titled
<b>Operating Revenue Measures:</b>		
Operating Revenue	Total Revenue	Reconciliation of Total to Operating Revenue
FMS Operating Revenue, SCS Operating Revenue and DTS Operating Revenue	FMS Total Revenue, SCS Total Revenue and DTS Total Revenue	Fleet Management Solutions (FMS), Supply Chain Solutions (SCS) and Dedicated Transportation Solutions (DTS)
FMS EBT as a % of FMS Operating Revenue, SCS EBT as a % of SCS Operating Revenue, and DTS EBT as a % of DTS Operating Revenue	FMS EBT as a % of FMS Total Revenue, SCS EBT as a % of SCS Total Revenue, and DTS EBT as a % of DTS Total Revenue	Fleet Management Solutions (FMS), Supply Chain Solutions (SCS) and Dedicated Transportation Solutions (DTS)
<b>Comparable Earnings Measures:</b>		
Comparable Earnings and Comparable EPS	Earnings and EPS from Continuing Operations	Earnings and EPS from Continuing Operations Reconciliation Comparable EPS Reconciliation
Adjusted Return on Equity (ROE)	Not Applicable. However, the non-GAAP elements of the calculation have been reconciled to the corresponding GAAP measures. A numerical reconciliation of net earnings to adjusted net earnings and average shareholders' equity to adjusted average equity is provided in the following reconciliations.	Adjusted Return on Equity Reconciliation
FMS Comparable EBITDA, SCS Comparable EBITDA, and DTS Comparable EBITDA **	FMS Net Segment Earnings, SCS Net Segment Earnings, and DTS Net Segment Earnings	Comparable Segment EBITDA
<b>Cash Flow Measures:</b>		
Total Cash Generated and Free Cash Flow	Cash Provided by Operating Activities	Cash Flow Reconciliation

\*\* We believe comparable segment EBITDA provides investors with useful information, as it is a standard measure commonly reported and widely used by analysts, investors and other interested parties to measure financial performance by segment.

# Reconciliation of Total to Operating Revenue

(\$ Millions)

## First Quarter

	2022	2021
Total Revenue	\$ 2,854	\$ 2,222
Subcontracted transportation and fuel	(638)	(403)
ChoiceLease Liability Insurance Revenue <sup>(1)</sup>	—	(1)
Operating Revenue	<u>\$ 2,216</u>	<u>\$ 1,817</u>



# Earnings and EPS from Continuing Operations Reconciliation

(\$ Millions, Except Per Share Amounts)

	1Q22 Earnings	1Q22 EPS	1Q21 Earnings	1Q21 EPS
Continuing operations (GAAP)	\$ 175.8	\$ 3.35	\$ 51.6	\$ 0.97
Non-operating pension costs, net	1.8	0.03	(0.8)	(0.01)
Restructuring and other, net <sup>(1)</sup>	14.3	0.27	2.6	0.03
ERP implementation costs <sup>(1)</sup>	—	—	5.7	0.11
Gain on sale of U.K. revenue earning equipment	(8.3)	(0.15)	—	—
Gains on sale of properties <sup>(1)</sup>	(0.6)	(0.01)	(1.2)	(0.02)
Tax adjustments <sup>(1)</sup>	5.3	0.10	0.3	0.01
Comparable (non-GAAP)	<u>\$ 188.3</u>	<u>\$ 3.59</u>	<u>\$ 58.2</u>	<u>\$ 1.09</u>

Note: Amounts may not be additive due to rounding.

(1) Comprises Other items impacting comparability, net.

# Comparable EPS Reconciliation

EPS from continuing operations forecast (GAAP)  
 Non-operating pension costs, net  
 Restructuring and other, net  
 Comparable EPS from continuing operations forecast (non-GAAP)

Second Quarter 2022 Forecast	Full Year 2022 Forecast
<b>\$3.97 - \$4.22</b>	<b>\$12.83 - \$13.83</b>
<b>0.03</b>	<b>0.12</b>
<b>(0.50)</b>	<b>0.05</b>
<b>\$3.50 - \$3.75</b>	<b>\$13.00 - \$14.00</b>

EPS from continuing operations (GAAP)  
 Non-operating pension costs, net  
 Restructuring and other, net  
 ERP implementation costs  
 Gains on sale of properties  
 Tax adjustments, net  
 Comparable EPS from continuing operations (non-GAAP)

Second Quarter 2021
\$ 2.78
(0.02)
0.06
0.07
(0.50)
0.01
\$ 2.40

# Adjusted Return on Equity Reconciliation <sup>(1)</sup>

	Twelve months ended March 31,		2022 Forecast
	2021	2022	
Net earnings	\$ 38.2	\$ 643.8	\$ 670.0
Other items impacting comparability, net <sup>(5)</sup>	77.2	(13.4)	(35.0)
Income taxes <sup>(2)</sup>	4.9	228.5	295.0
Adjusted earnings before income taxes	120.2	858.8	930.0
Adjusted income taxes <sup>(3)</sup>	(18.7)	(215.3)	(250.0)
Adjusted net earnings [A]	<u>\$ 101.6</u>	<u>\$ 643.5</u>	<u>\$ 680.0</u>
Average shareholders' equity	\$ 2,217.5	\$ 2,531.6	\$ 2,840.0
Average adjustments to shareholders' equity <sup>(4)</sup>	54.8	(2.0)	5.0
Adjusted average shareholders' equity [B]	<u>\$ 2,272.3</u>	<u>\$ 2,529.6</u>	<u>\$ 2,845.0</u>
Adjusted return on equity <sup>(1)</sup> [A]/[B]	4.5 %	25.4 %	24 %

(\$ Millions)

- (1) Non-GAAP elements of this calculation have been reconciled to the corresponding GAAP measures. A numerical reconciliation of net earnings to adjusted net earnings and average shareholders' equity to adjusted average total equity is provided on this slide.
- (2) Includes income taxes on discontinued operations.
- (3) Represents provision for income taxes plus income taxes on other items impacting comparability.
- (4) Represents the impact of other items impacting comparability, net of tax, to equity for the respective period.
- (5) Other items impacting comparability are comprised of the following:

	Twelve months ended March 31,		2022 Forecast
	2021	2022	
Restructuring and other, net	\$ 43.5	\$ 30.9	\$ 40.0
ERP implementation costs	31.6	5.1	—
Gains on sale of properties	(6.9)	(41.1)	(35.0)
Gains on sale of U.K. revenue earning equipment	—	(8.3)	(40.0)
Early redemption of medium-term notes	9.0	—	—
Other items impacting comparability	<u>\$ 77.2</u>	<u>\$ (13.4)</u>	<u>\$ (35.0)</u>

Note: Amounts may not be additive due to rounding.

# Cash Flow Reconciliation

(\$ Millions)

	2018	2019	2020	2021	2022 Forecast
Net Cash Provided by Operating Activities from Continuing Operations	\$ 1,718	\$ 2,141	\$ 2,181	\$ 2,175	\$ 2,300
Proceeds from Sales (Primarily Revenue Earning Equipment) <sup>(1)</sup>	396	518	552	822	1,050
Other, net <sup>(1)</sup>	—	—	—	1	—
Total Cash Generated <sup>(2)</sup>	2,114	2,659	2,734	2,998	3,350
Purchases of Property and Revenue Earning Equipment <sup>(1)</sup>	(3,050)	(3,735)	(1,147)	(1,194)	(2,800 - 2,700)
Free Cash Flow <sup>(2) (3)</sup>	\$ (936)	\$ (1,077)	\$ 1,587	\$ 1,056	\$550M - \$650M

Note: Amounts may not be additive due to rounding.

(1) Included in cash flows from investing activities.

(2) Non-GAAP financial measure.

(3) We calculate free cash flow as the sum of net cash provided by operating activities, net cash provided by the sale of revenue earning equipment and operating property and equipment, and other cash inflows from investing activities, less purchases of property and revenue earning equipment.