



J.B. Hunt Transport Services, Inc.

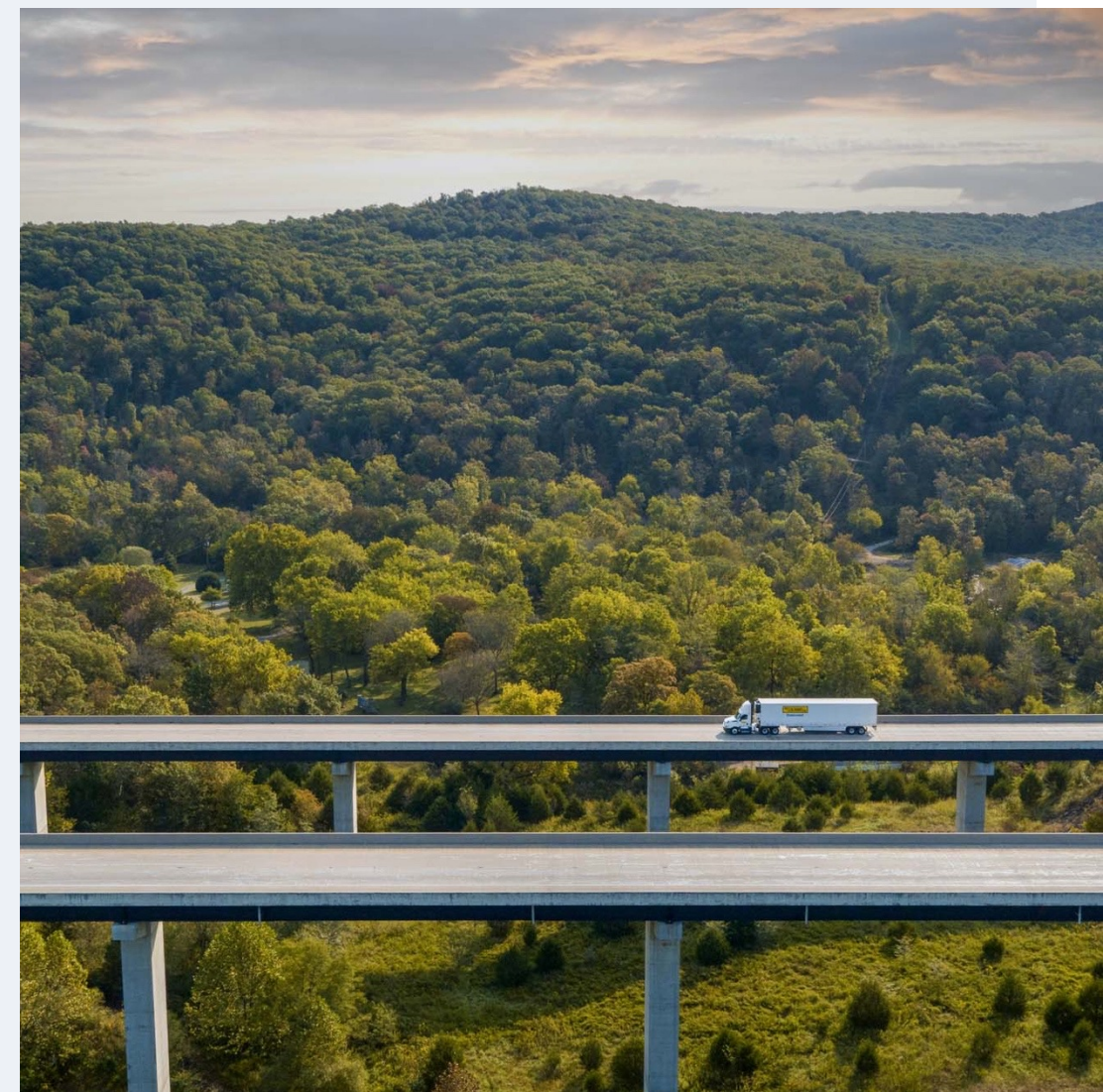
Q1 2024 Results





Disclosure

This presentation and discussion may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “expects,” “anticipates,” “intends,” “estimates,” or similar expressions are intended to identify these forward-looking statements. These statements are based on J.B. Hunt’s current plans and expectations and involve risks and uncertainties that could cause future activities and results of operations to be materially different from those set forth in the forward-looking statements. For further information, please refer to J.B. Hunt’s reports and filings with the Securities and Exchange Commission.



Distinct & Complementary Businesses

Intermodal (JBI)

- Largest, 100% 53' high-cube container fleet
- Largest drayage fleet in North America
- Priority loading and unloading at major rail terminals

Dedicated Contract Services® (DCS®)

- Fleet creation, conversion, and augmentation
- Design & implementation of value-driven supply chain solutions
- On-site management

Integrated Capacity Solutions (ICS)

- Non-asset based offering of dry van, flatbed, refrigerated, and expedited services
- 40- and 20-foot box domestic and international containers and international intermodal services
- Services to all 50 States, Canada, and Mexico

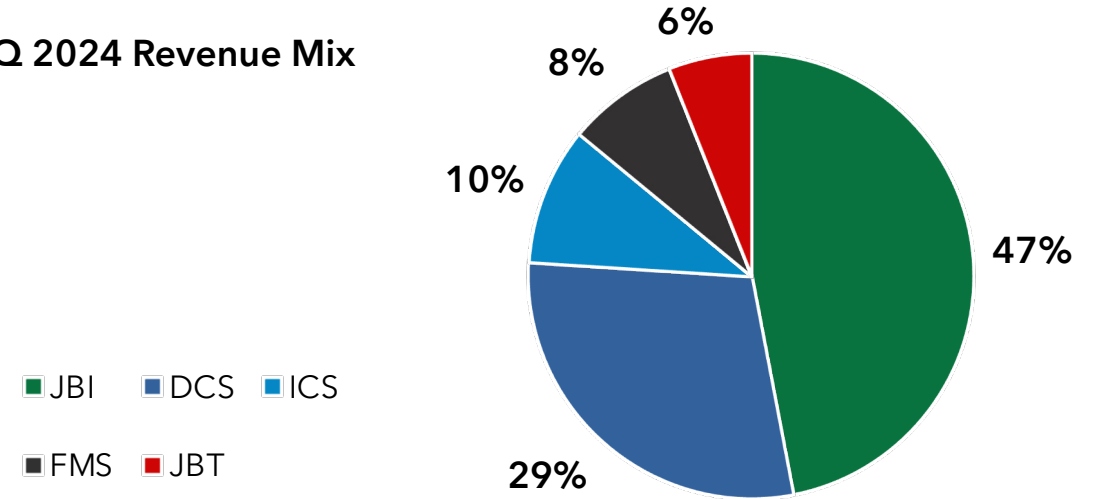
Final Mile Services® (FMS)

- Largest final mile asset network in the US
- Provider of both asset and non-asset big and bulky delivery and installation services
- Nationwide fulfillment and retail-pooling distribution services

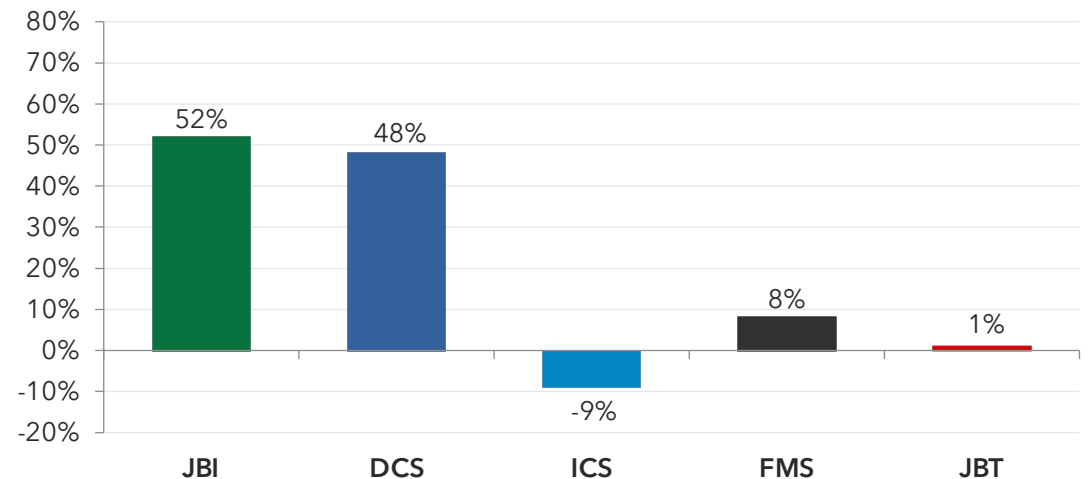
Truckload (JBT)

- One of the largest capacity networks in North America
- Instant tracking via the Internet
- GPS trailer tracking

1Q 2024 Revenue Mix



Percentage of 1Q 2024 Operating Income by Business Segment





1Q 2024 Results vs. 1Q 2023

Overview

1Q 2024 Revenue:

\$2.94 billion; down 9%

1Q 2024 Revenue, excl FSC:

\$2.55 billion; down 7%

1Q 2024 Operating Income:

\$194.4 million; down 30%

1Q 2024 Diluted EPS:

\$1.22 vs. \$1.89; down 35%

Segment Performance

Intermodal (JBI)

Revenue: \$1.40 billion; down 9%

Operating Income: \$101.9 million; down 40%

Dedicated Contract Services (DCS)

Revenue: \$860 million; down 2%

Operating Income: \$93.6 million; down 9%

Integrated Capacity Solutions (ICS)

Revenue: \$285 million; down 26%

Operating Loss: \$(17.5) million; vs. \$(5.4) million in 1Q'23

Final Mile Services (FMS)

Revenue: \$229 million; up 2%

Operating Income: \$15.1 million; up 128%

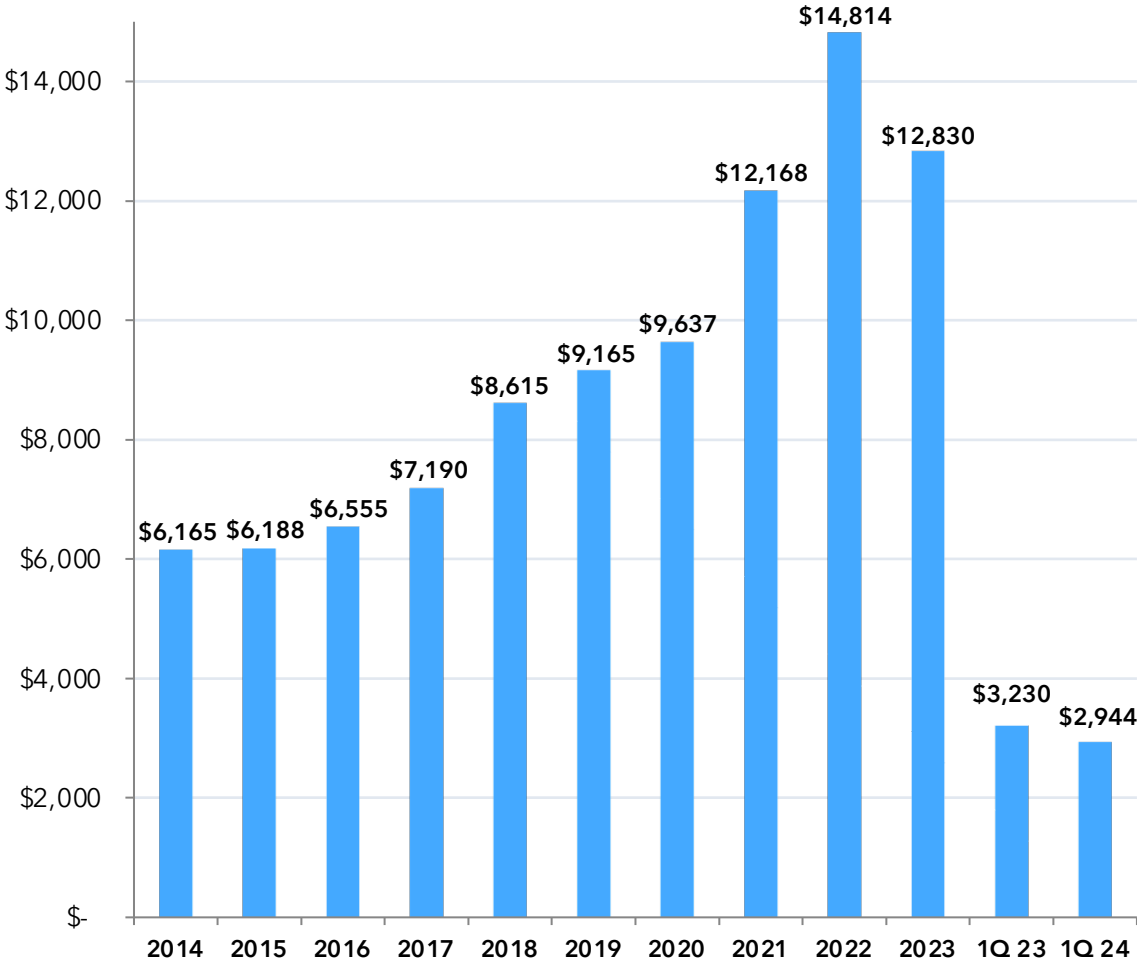
Truckload (JBT)

Revenue: \$178 million; down 13%

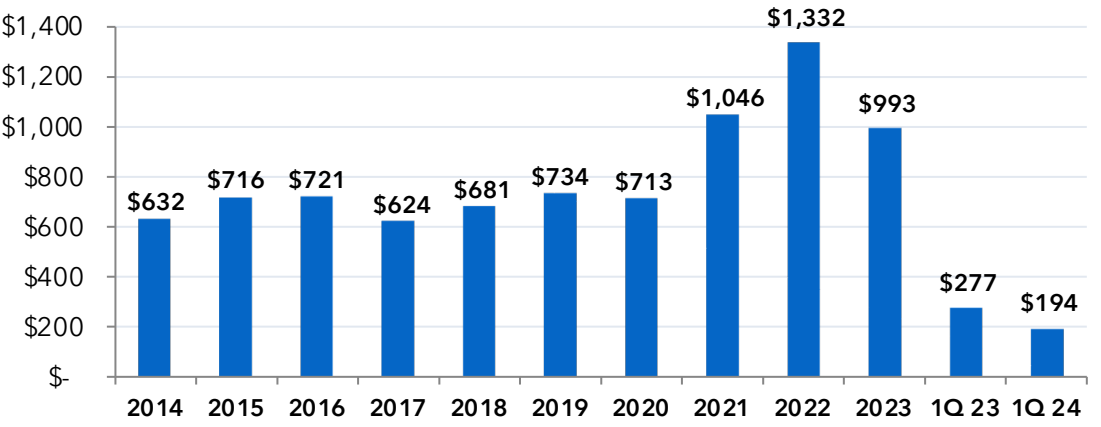
Operating Income: \$1.2 million; down 75%

1Q Results Consolidated

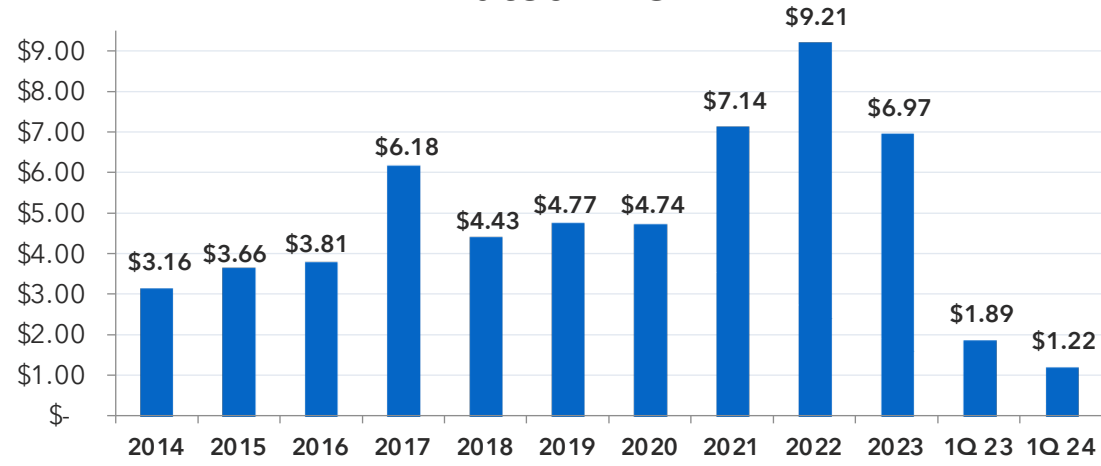
Revenue (in millions)



Operating Income (in millions)



Diluted EPS



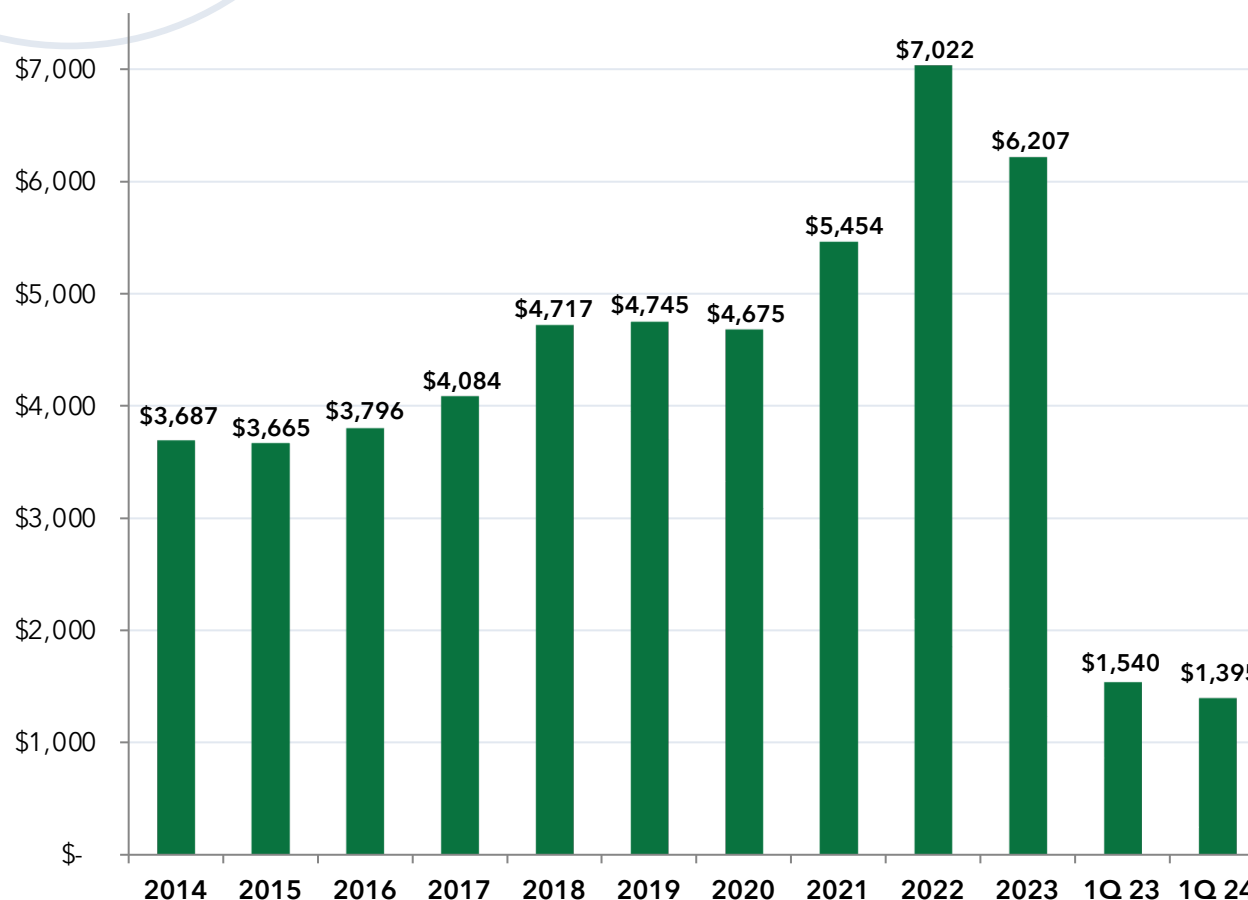


Segment Discussion



Intermodal (JBI)

JBI Revenue (in millions)

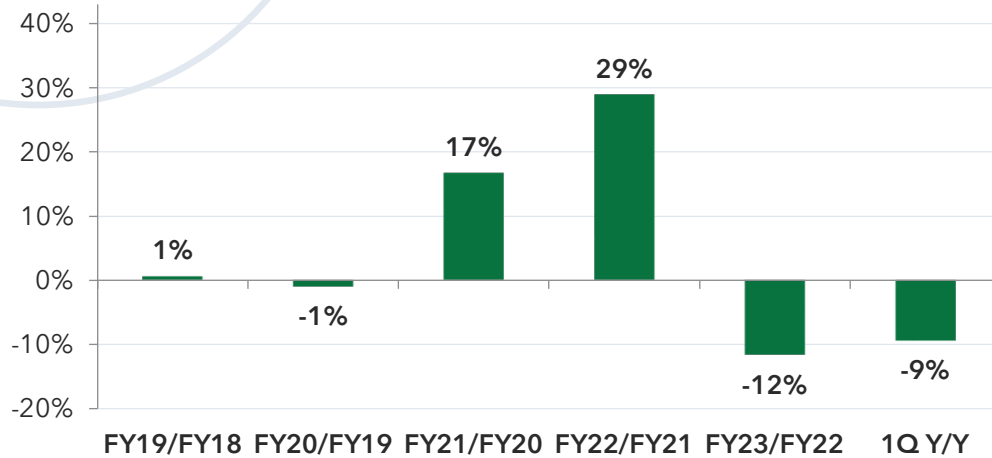


Intermodal volume was flat versus the same period in 2023. Transcontinental network loads increased 5%, while eastern network loads decreased 7% compared to the first quarter 2023. Overall demand for our domestic intermodal service offering in the quarter was weaker than expected, partially attributable to competition from over-the-road truck options in the eastern network, and our disciplined approach to the market for the value our services provide. Segment gross revenue decreased 9% from the prior year period, driven by a 9% decrease in segment gross revenue per load, resulting from changes in the mix of freight, customer rates, and fuel surcharge revenue. Revenue per load excluding fuel surcharge revenue was down 8% year-over-year.

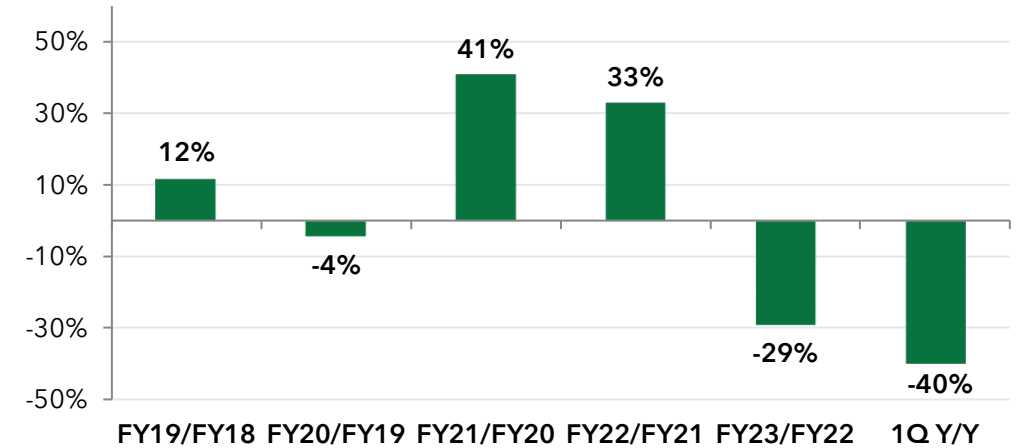
Operating income decreased 40% in the first quarter primarily from lower yields. JBI segment operating income as a percentage of segment gross revenue declined versus the prior-year period as a result of increases in professional driver and non-driver wages and benefits, higher equipment and maintenance expenses, and insurance premium costs as a percentage of gross revenue. During the period we onboarded approximately 1,140 new units of container capacity. The current period ended with approximately 119,300 units of trailing capacity and approximately 6,300 power units in the dray fleet.

Intermodal (JBI) Performance

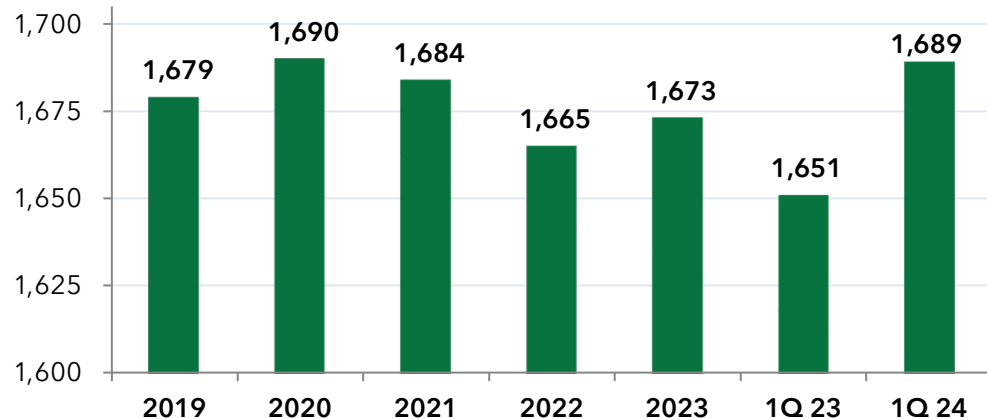
JBI Revenue Change



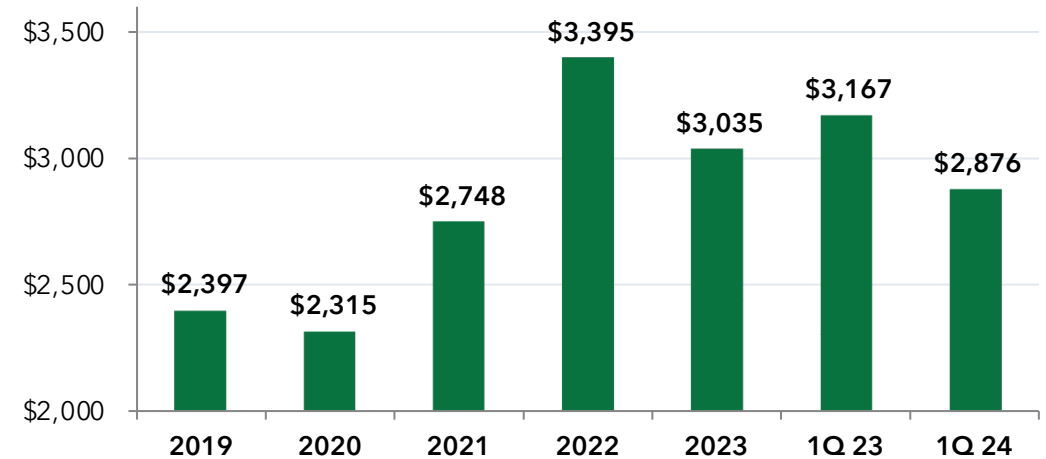
JBI Operating Income Change



JBI Average Length of Haul

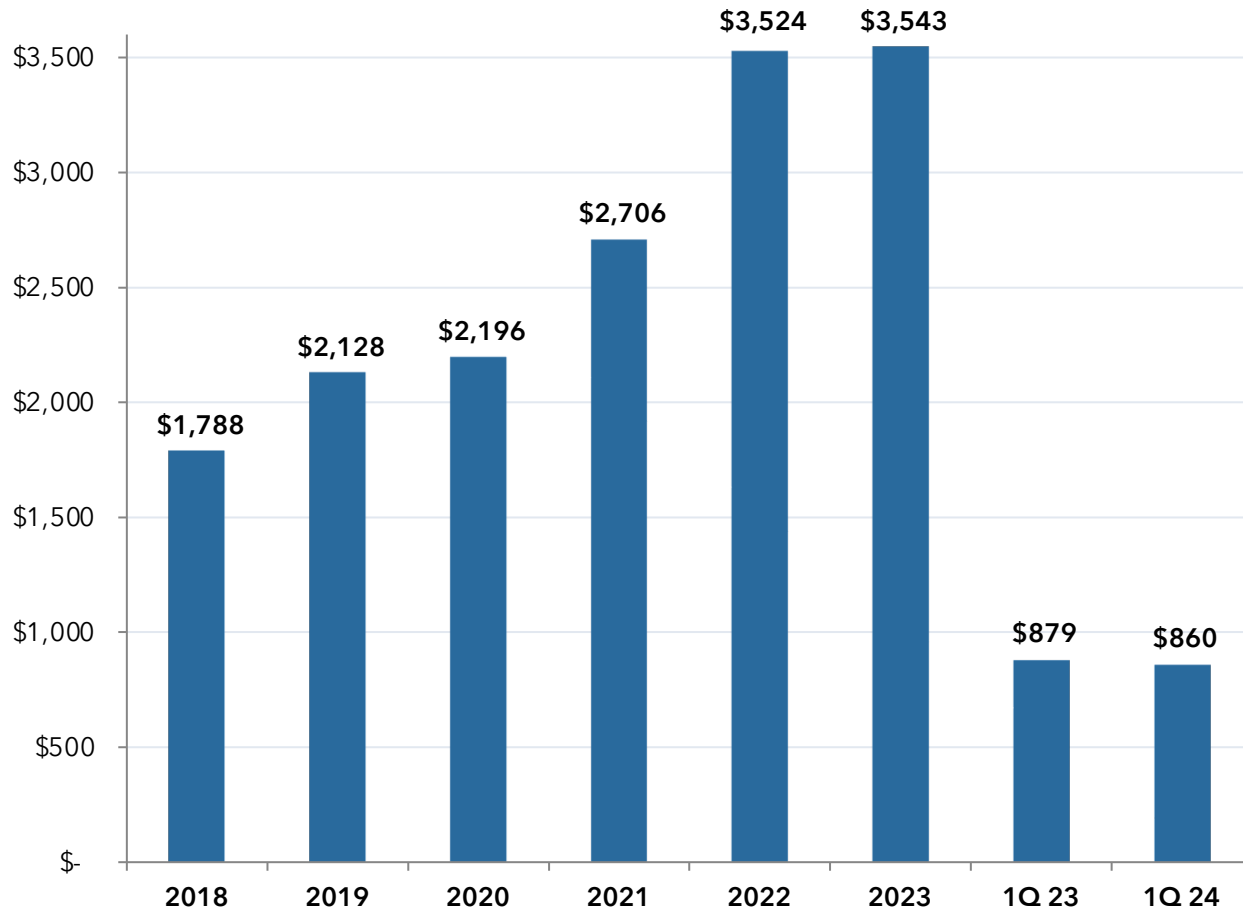


JBI Revenue per Load



Dedicated Contract Services[®] (DCS[®])

DCS Revenue (in millions)

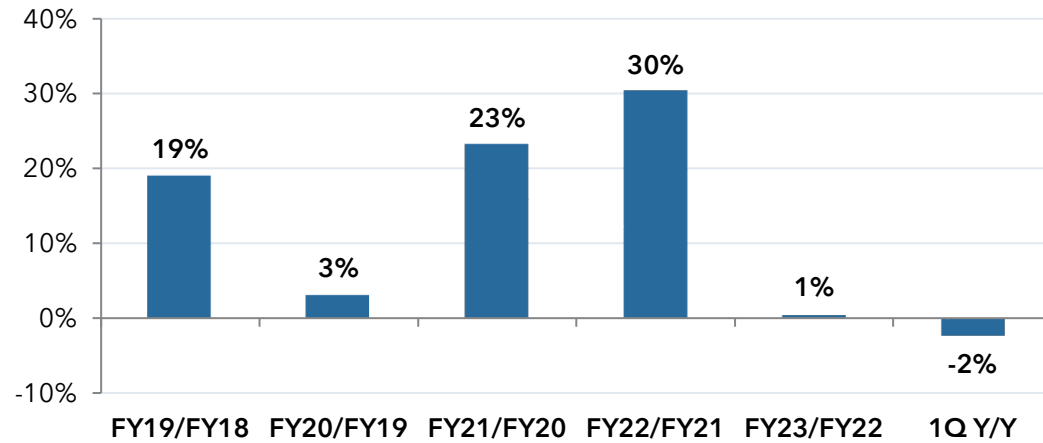


DCS revenue decreased 2% during the current quarter over the same period 2023, driven by a 1% decline in average trucks combined with a 1% decline in productivity (gross revenue per truck per week). Productivity excluding fuel surcharge revenue increased 1% from a year ago driven by contracted indexed-based price escalators, partially offset by an increase in idled equipment. On a net basis, there were 71 fewer revenue producing trucks in the fleet by the end of the quarter compared to the prior-year period, and 2 more versus the end of the fourth quarter 2023. Customer retention rates are approximately 91%, largely reflecting the downsizing of fleets and to a lesser extent account losses.

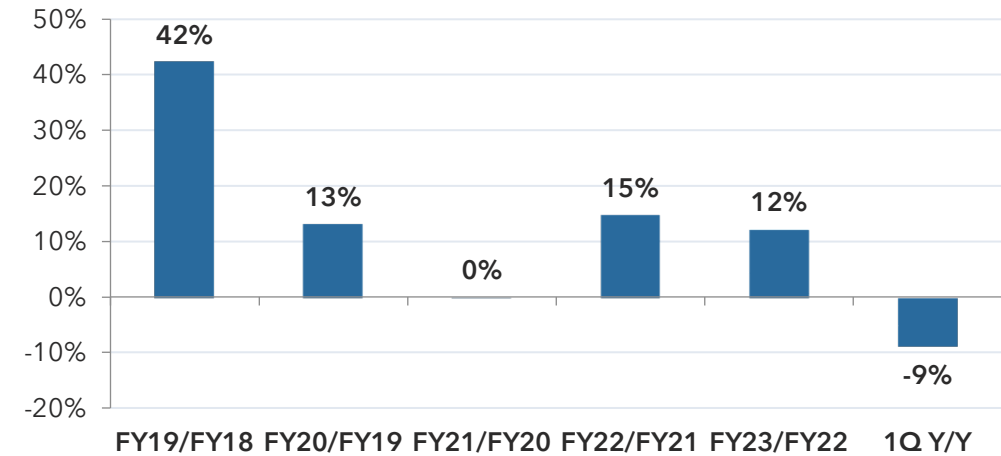
Operating income decreased 9% from the prior year quarter. The decrease was primarily driven by lower revenue; increases in insurance premiums, equipment and bad debt expense; and higher new account start-up costs as compared to the prior year period. These items were partially offset by lower maintenance costs and the maturing of new business onboarded over the past trailing twelve months.

Dedicated Contract Services® (DCS®)

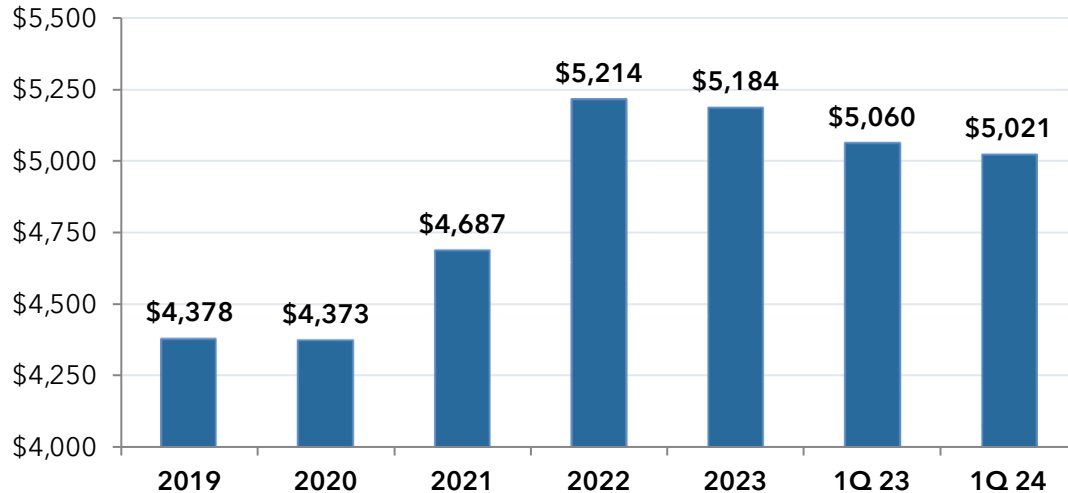
DCS Revenue Change



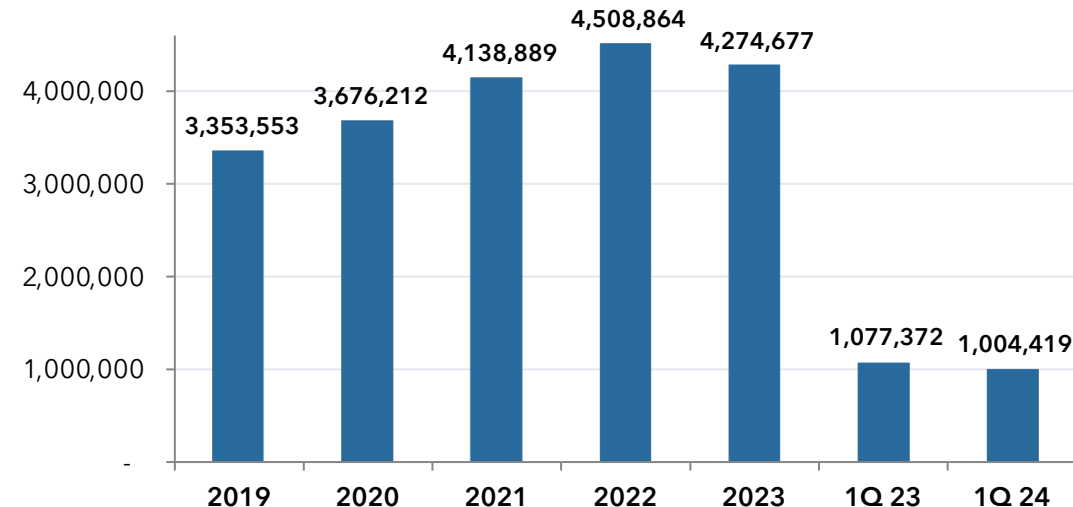
DCS Operating Income Change



DCS Revenue Per Truck Per Week



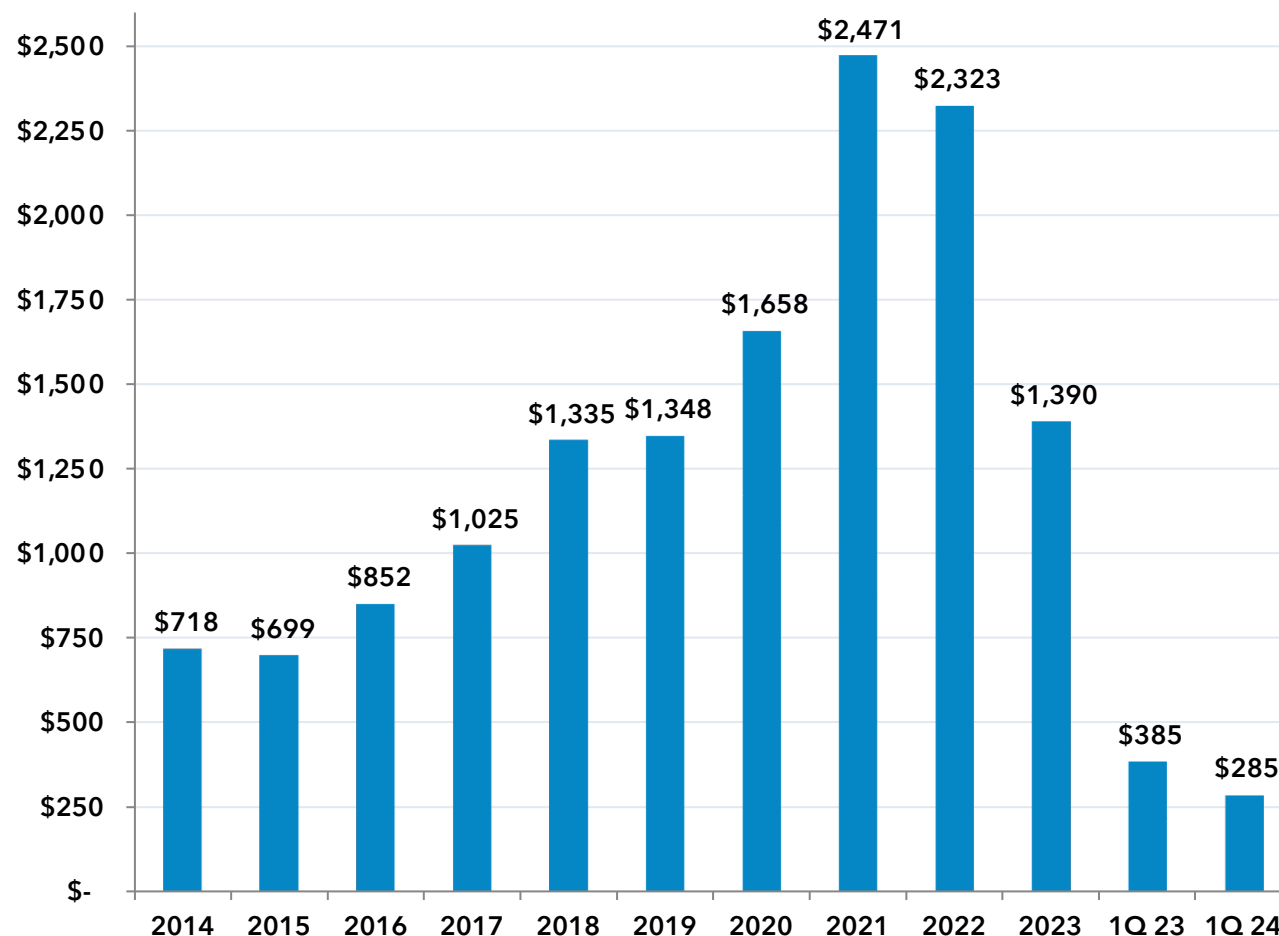
DCS Loads





Integrated Capacity Solutions (ICS)

ICS Revenue (in millions)

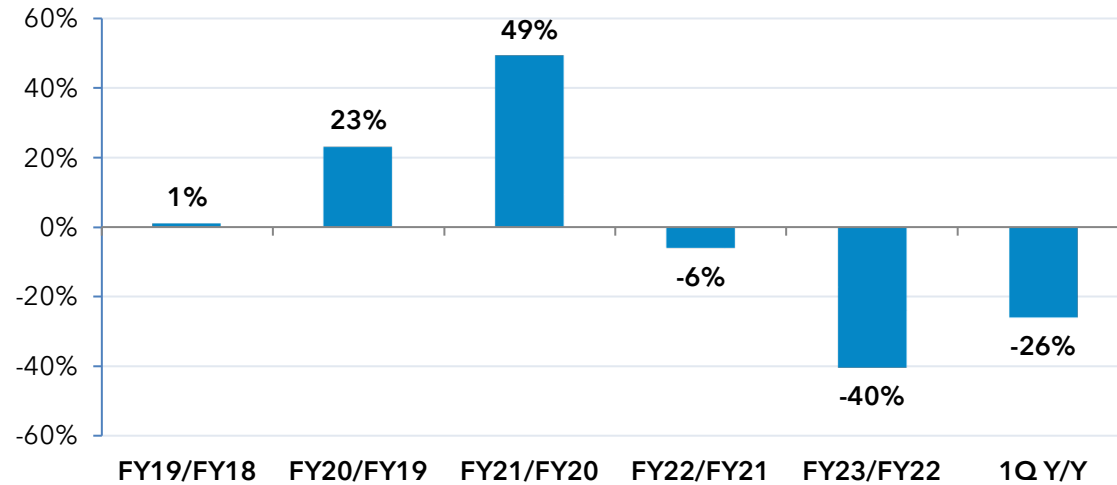


ICS revenue declined 26% during the current quarter versus the first quarter 2023. Overall segment volume decreased 22% versus the prior year period. Revenue per load decreased 5% compared to the first quarter 2023 due to lower contractual and transactional rates and changes in customer freight mix. Contractual volume represented approximately 57% of the total load volume and 59% of the total revenue in the current quarter compared to 63% and 64%, respectively, in first quarter 2023.

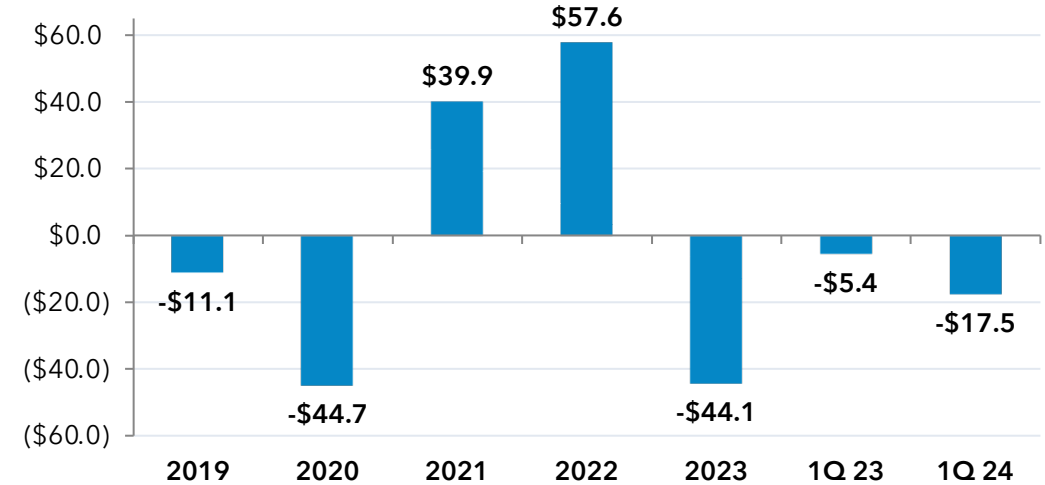
Operating loss was \$17.5 million compared to operating loss of \$5.4 million for the first quarter 2023. Operating performance declined largely due to an \$11.0 million decrease in gross profit, higher insurance costs, and integration and transition costs related to the purchase of the brokerage assets of BNSF Logistics. These items were partially offset by lower personnel-related expenses and reduced technology costs. Gross profit declined 21% versus the prior year period as a result of lower volume and revenue, despite gross profit margins improving to 14.3% as compared to 13.4% in the prior year period. ICS carrier base decreased 22% year-over-year, largely driven by changes to carrier qualification requirements to mitigate cargo theft.

Integrated Capacity Solutions (ICS)

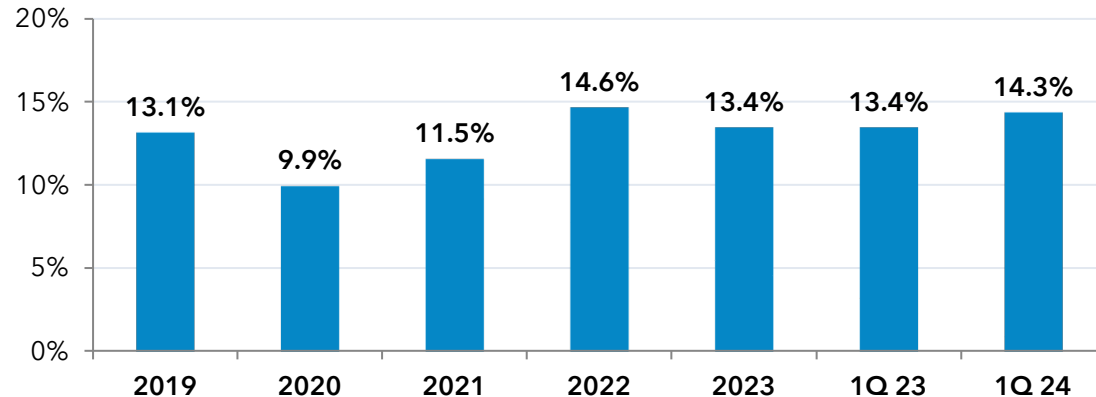
ICS Revenue Change



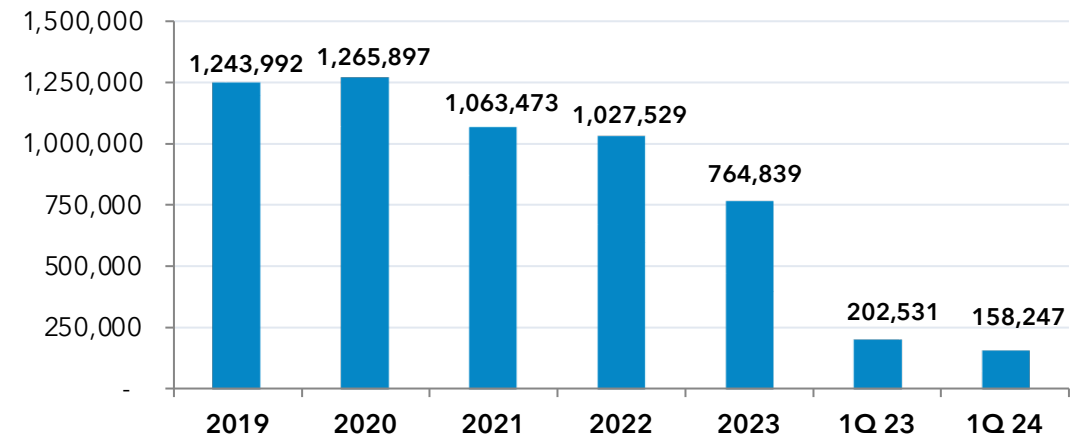
ICS Operating Income/(Loss) (in millions)



ICS Gross Profit Margin

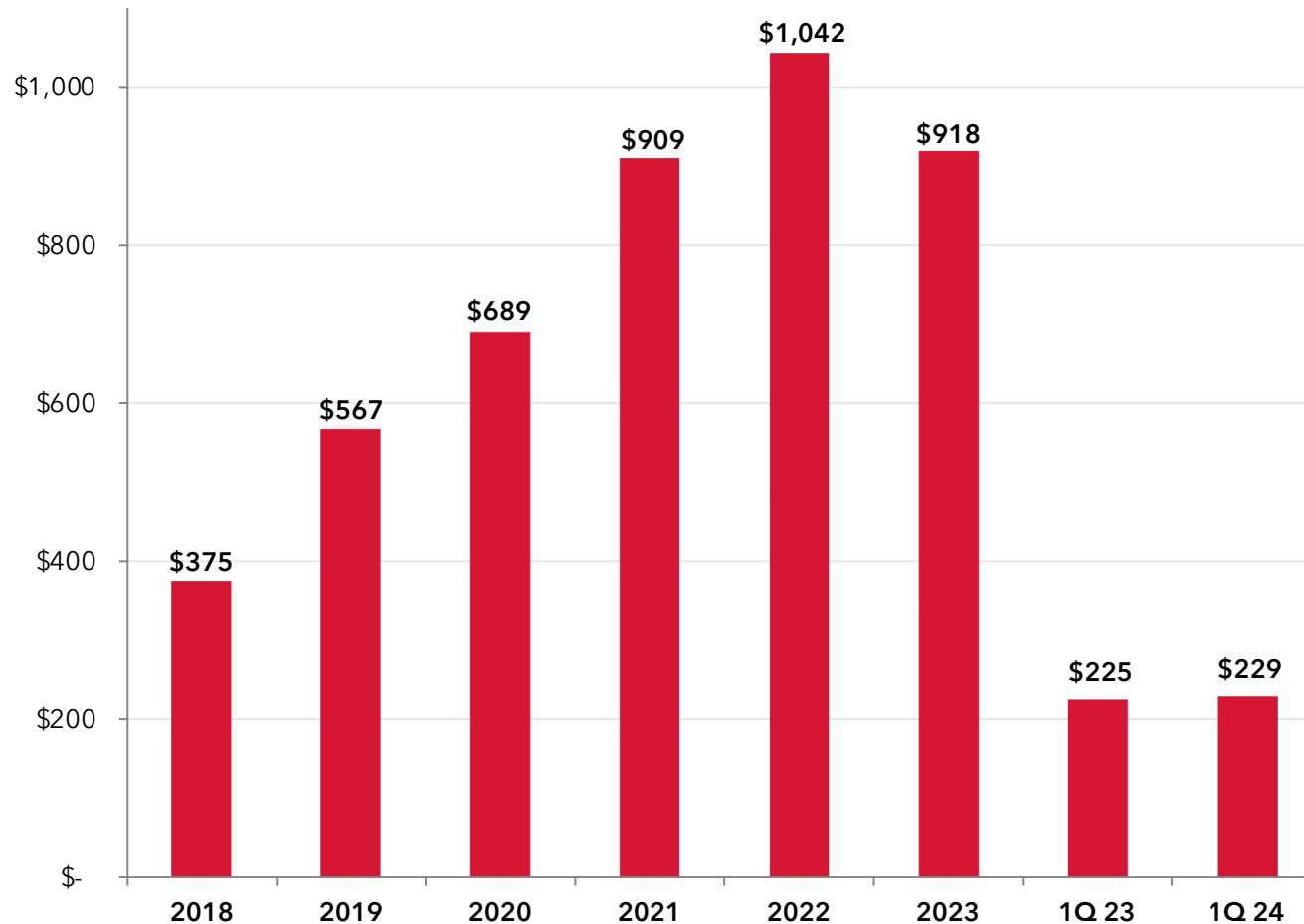


ICS Loads



Final Mile Services[®] (FMS)

FMS Revenue (in millions)

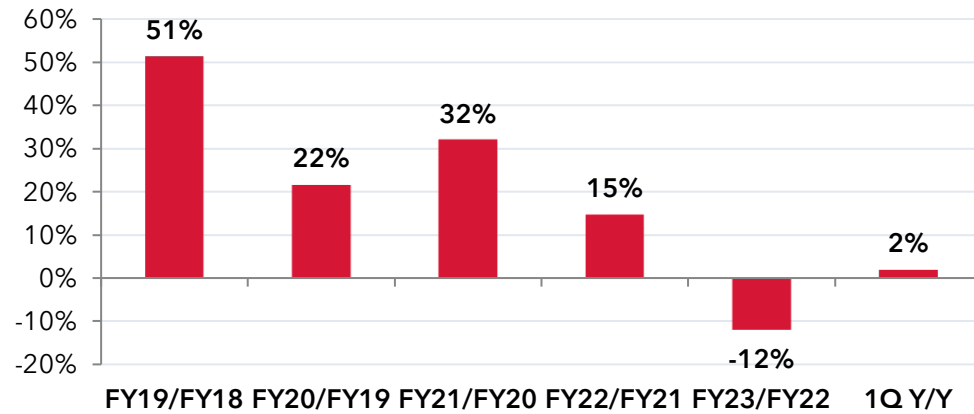


FMS revenue increased 2% compared to the same period 2023. The increase was primarily driven by multiple new contracts implemented over the past year and efforts to improve the overall revenue quality of the business. These items were partially offset by general weakness in demand across many of the end markets served.

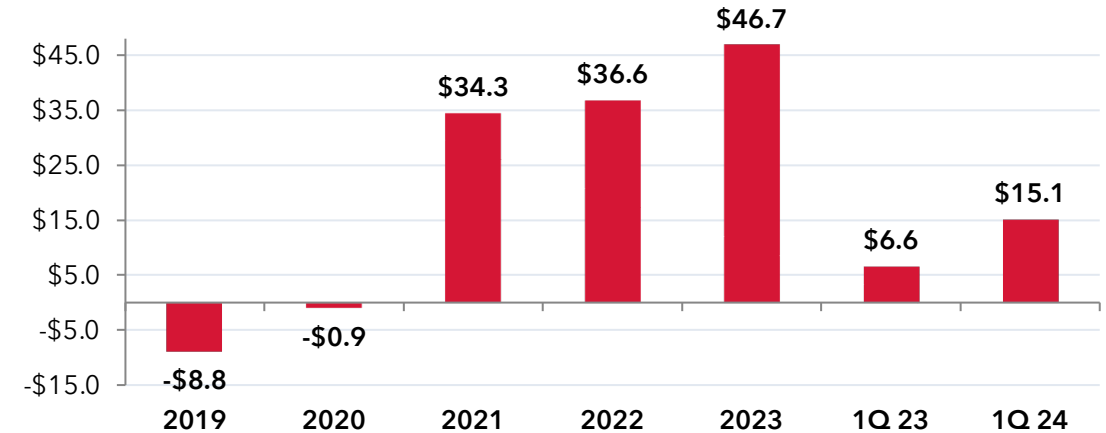
Operating income increased 128% to \$15.1 million compared to the prior-year period. First quarter 2024 included a \$3.1 million benefit from a prior period claim settlement. Excluding this impact, operating income increased primarily from higher revenue and lower personnel, maintenance, and technology costs. These items were partially offset by higher facility rent expense, insurance premiums, bad debt expense, and loss on equipment sales as compared to the prior year period.

Final Mile Services® (FMS)

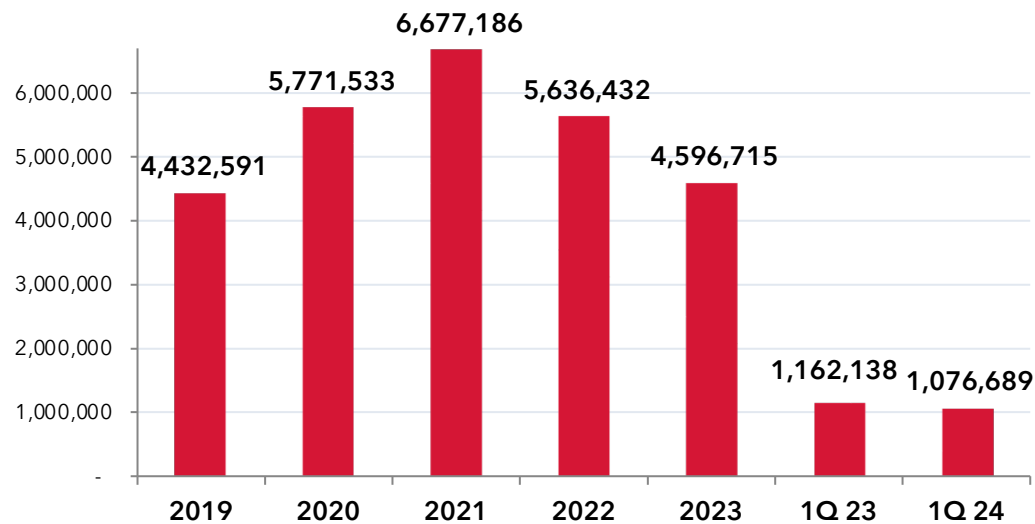
FMS Revenue Change



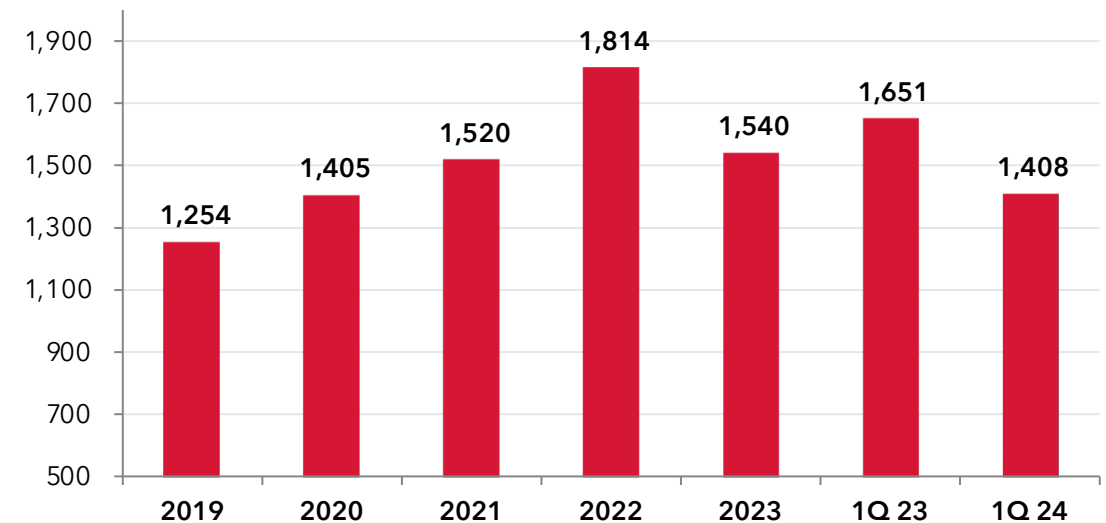
FMS Operating Income/(Loss) (in millions)



FMS Stops

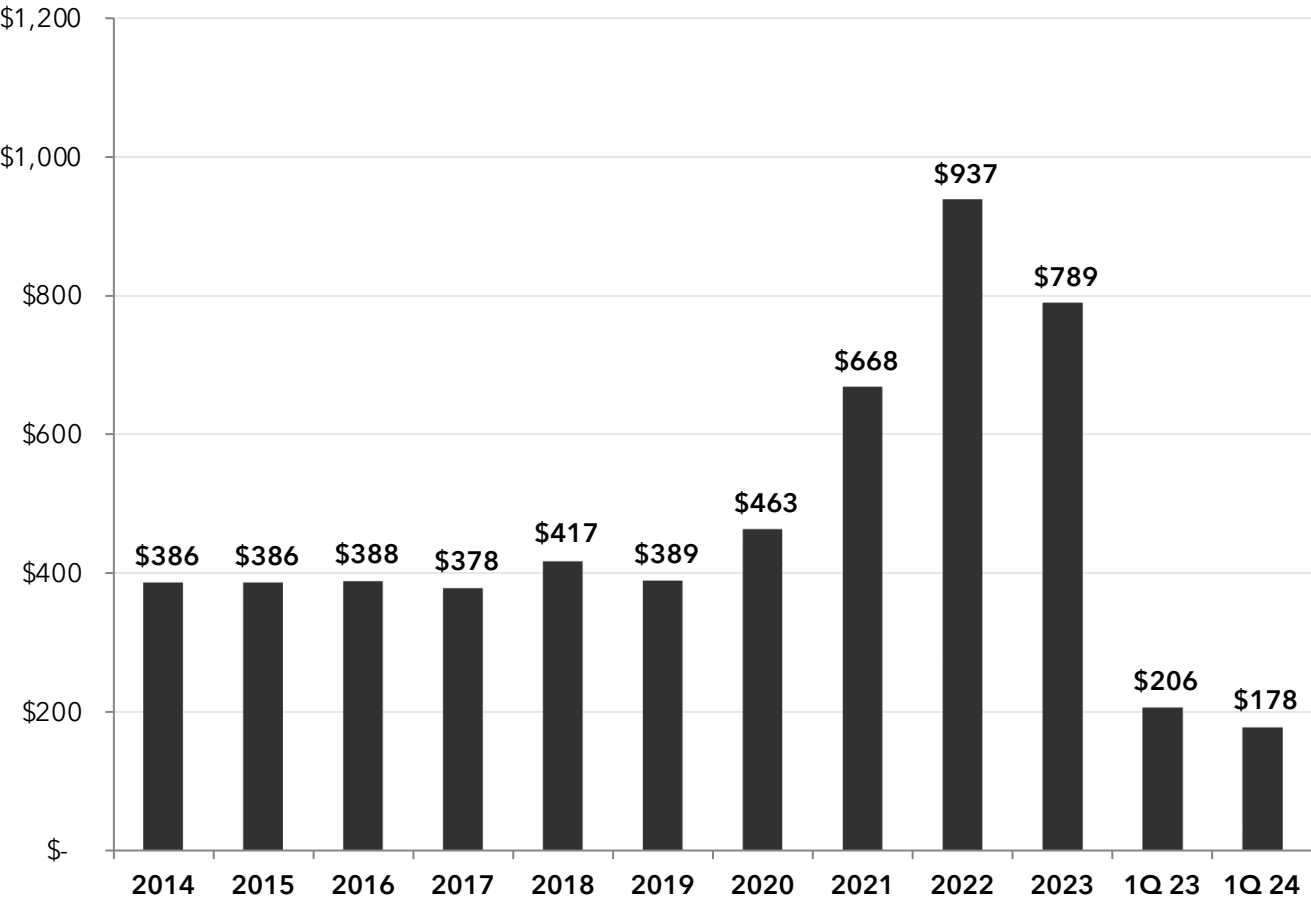


FMS Average Trucks



Truckload (JBT)

JBT Revenue (in millions)

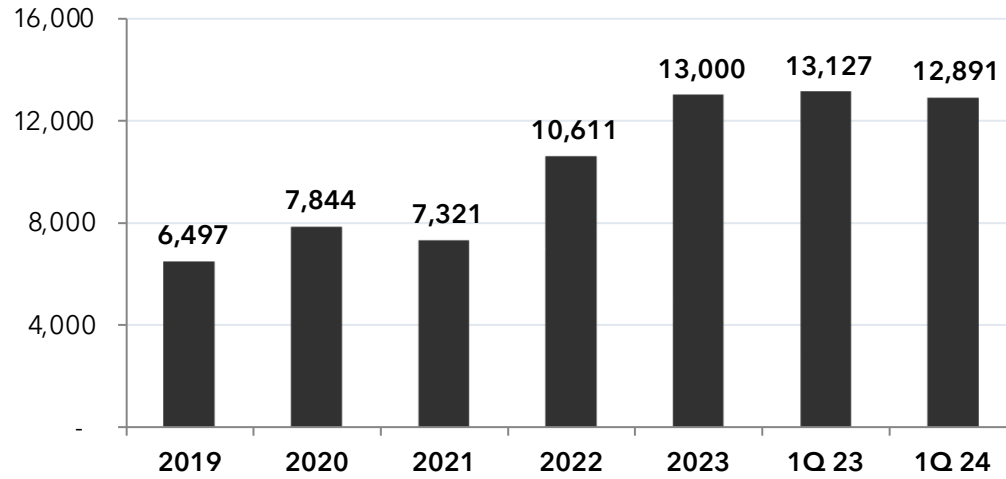


JBT revenue decreased 13% compared to the same period in the previous year. Revenue excluding fuel surcharge revenue decreased 13% due to a 9% decline in revenue per load excluding fuel surcharge revenue and a 5% decline in load volume. Total average effective trailer count decreased by approximately 200 units, or 2% versus the prior-year period. Trailer turns in the quarter were down 2% compared to the prior year period primarily due to changes in freight mix and weaker overall freight demand as compared to the first quarter 2023.

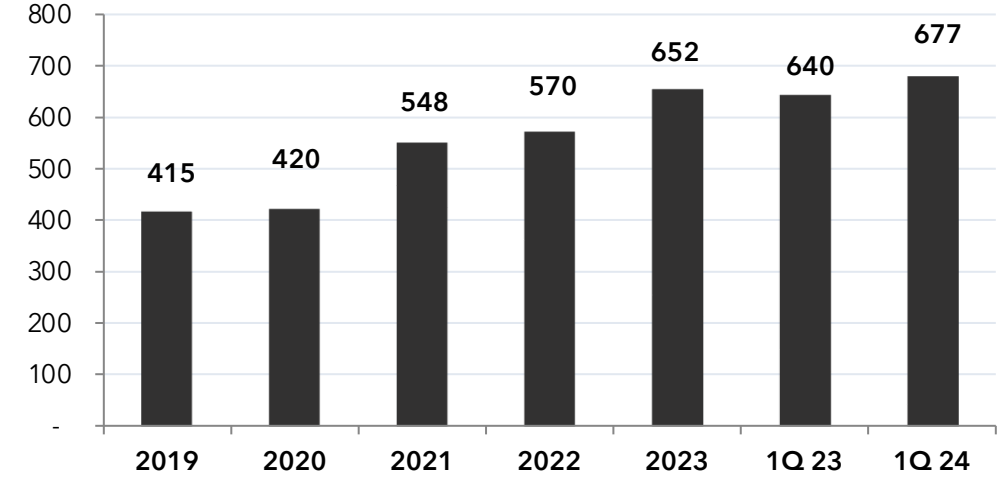
JBT operating income decreased 75% to \$1.2 million compared to the first quarter 2023. The decrease in operating income was primarily driven by the decline in revenue. JBT segment operating income as a percentage of segment gross revenue declined versus the prior-year period as a result of higher equipment, maintenance and insurance premium expenses as a percentage of gross revenue.

Truckload (JBT)

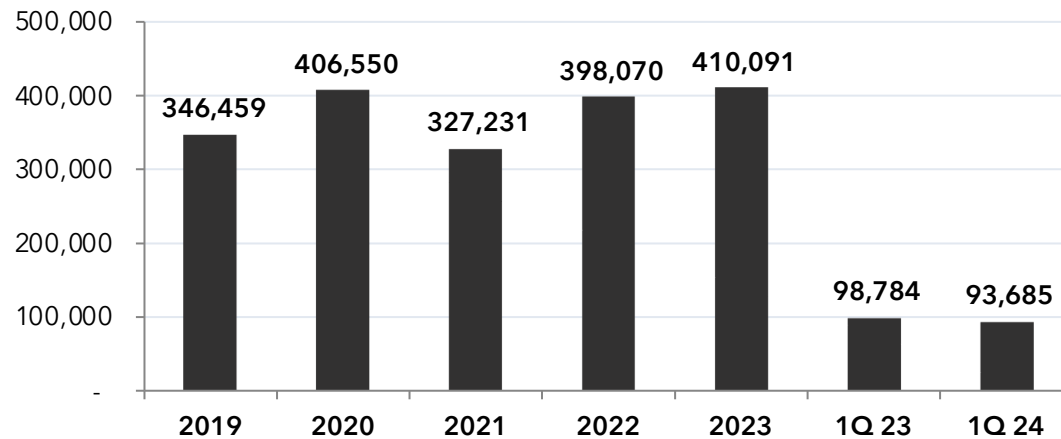
JBT Average Effective Trailing Equipment



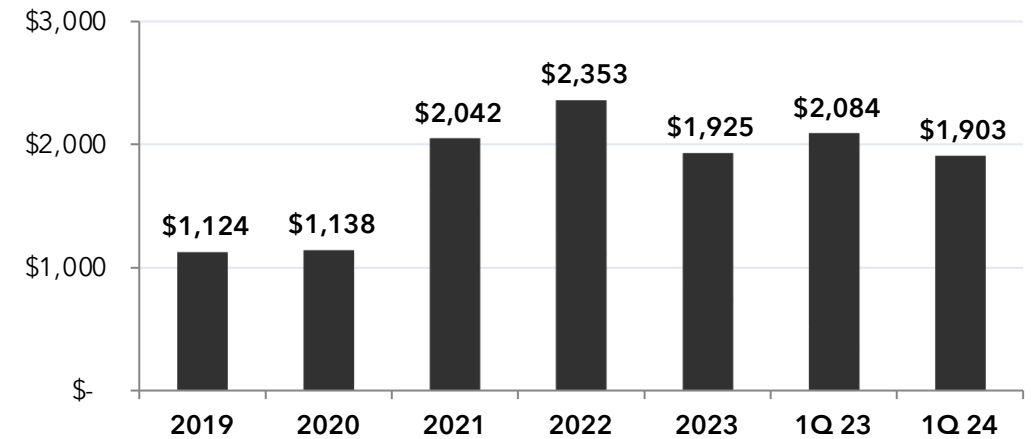
JBT Average Length of Haul



JBT Loads



JBT Revenue per Load



Summary



Competitively Differentiated

Unique intermodal network

Distinct advantages in dedicated segments

Network economics and brand strength to penetrate new markets

Complemented by Industry Dynamics

Shippers need to reduce costs

Shippers demand on-time service

Increasingly complex supply chains

Positioned for Growth

Leading positions in large and consolidating markets

Clear value proposition for our customers

Best-in-class systems and technology

Balance Sheet

J.B. HUNT TRANSPORT SERVICES, INC.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	March 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 64,185	\$ 53,344
Accounts Receivable, net	1,272,115	1,334,912
Prepaid expenses and other	613,260	696,656
Total current assets	1,949,560	2,084,912
Property and equipment	8,866,281	8,767,872
Less accumulated depreciation	3,071,485	2,993,959
Net property and equipment	5,794,796	5,773,913
Other assets, net	683,427	679,435
	\$ 8,427,783	\$ 8,538,260
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Current debt	\$ -	\$ 249,961
Trade accounts payable	731,741	737,364
Claims accruals	576,082	547,277
Accrued payroll	93,579	94,563
Other accrued expenses	142,582	150,256
Total current liabilities	1,543,984	1,779,421
Long-term debt	1,366,506	1,326,107
Other long-term liabilities	397,866	392,766
Deferred income taxes	952,996	936,208
Stockholders' equity	4,166,431	4,103,758
	\$ 8,427,783	\$ 8,538,260



Thank You



People.
Technology.
Capacity.™

