



**C.H. ROBINSON**

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**Michael Castagnetto, President of NAST**  
**Chuck Ives, Senior Director of Investor Relations**

**Q3 2024**

# **Earnings Presentation**

*October 30, 2024*

# Safe Harbor Statement

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Except for the historical information contained herein, the matters set forth in this presentation and the accompanying earnings release are forward-looking statements that represent our expectations, beliefs, intentions or strategies concerning future events. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience or our present expectations, including, but not limited to factors such as changes in economic conditions, including uncertain consumer demand; changes in market demand and pressures on the pricing for our services; fuel price increases or decreases, or fuel shortages; competition and growth rates within the global logistics industry that could adversely impact our profitability; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight; risks associated with seasonal changes or significant disruptions in the transportation industry; risks associated with identifying and completing suitable acquisitions; our dependence on and changes in relationships with existing contracted truck, rail, ocean, and air carriers; risks associated with the loss of significant customers; risks associated with reliance on technology to operate our business; cyber-security related risks; our ability to staff and retain employees; risks associated with operations outside of the U.S.; our ability to successfully integrate the operations of acquired companies with our historic operations; climate change related risks; risks associated with our indebtedness; risks associated with interest rates; risks associated with litigation, including contingent auto liability and insurance coverage; risks associated with the potential impact of changes in government regulations including environmental-related regulations; risks associated with the changes to income tax regulations; risks associated with the produce industry, including food safety and contamination issues; the impact of changes in political and governmental conditions; changes to our capital structure; changes due to catastrophic events; risks associated with the usage of artificial intelligence technologies; and other risks and uncertainties detailed in our Annual and Quarterly Reports. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update such statement to reflect events or circumstances arising after such date.

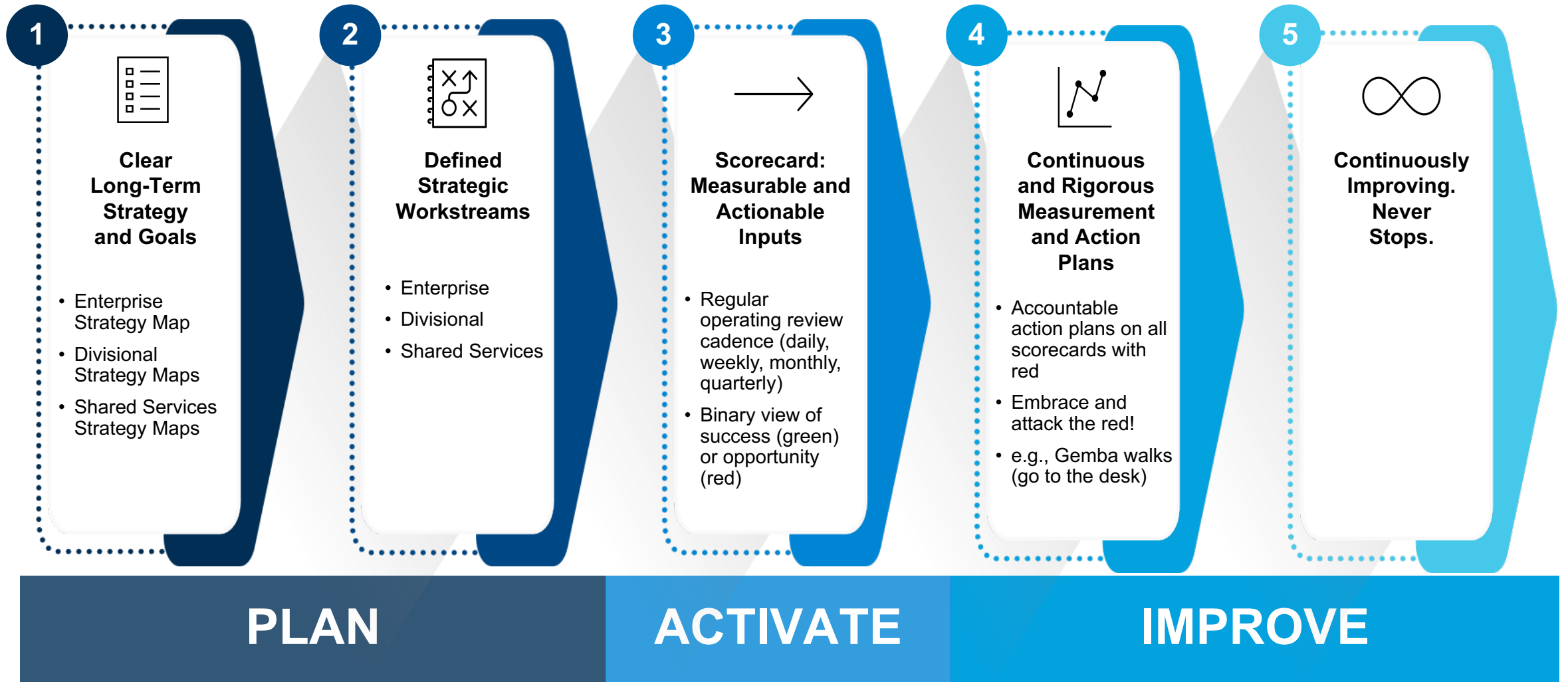
# Thoughts from President & CEO, Dave Bozeman

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- Our Q3 results reflect continued improvement in our execution, as we continue to deploy our new operating model. We are raising the bar, even in a historically prolonged freight recession, with strong execution and disciplined volume growth across divisions while delivering exceptional service for our customers and carriers.
- Due to a focus on constantly testing market conditions and optimizing yield, we improved the quality of our volume in Q3 and continued to expand our NAST gross profit margin.
- We also continued to push our efficiency to higher levels in both NAST and Global Forwarding, and we remain on track to deliver greater than 30% compound growth in productivity over the two-year period from the end of 2022 to the end of 2024.
- Improvements in gross profit margin, productivity, and operating leverage resulted in a 75% increase in our enterprise's Q3 adjusted income from operations.

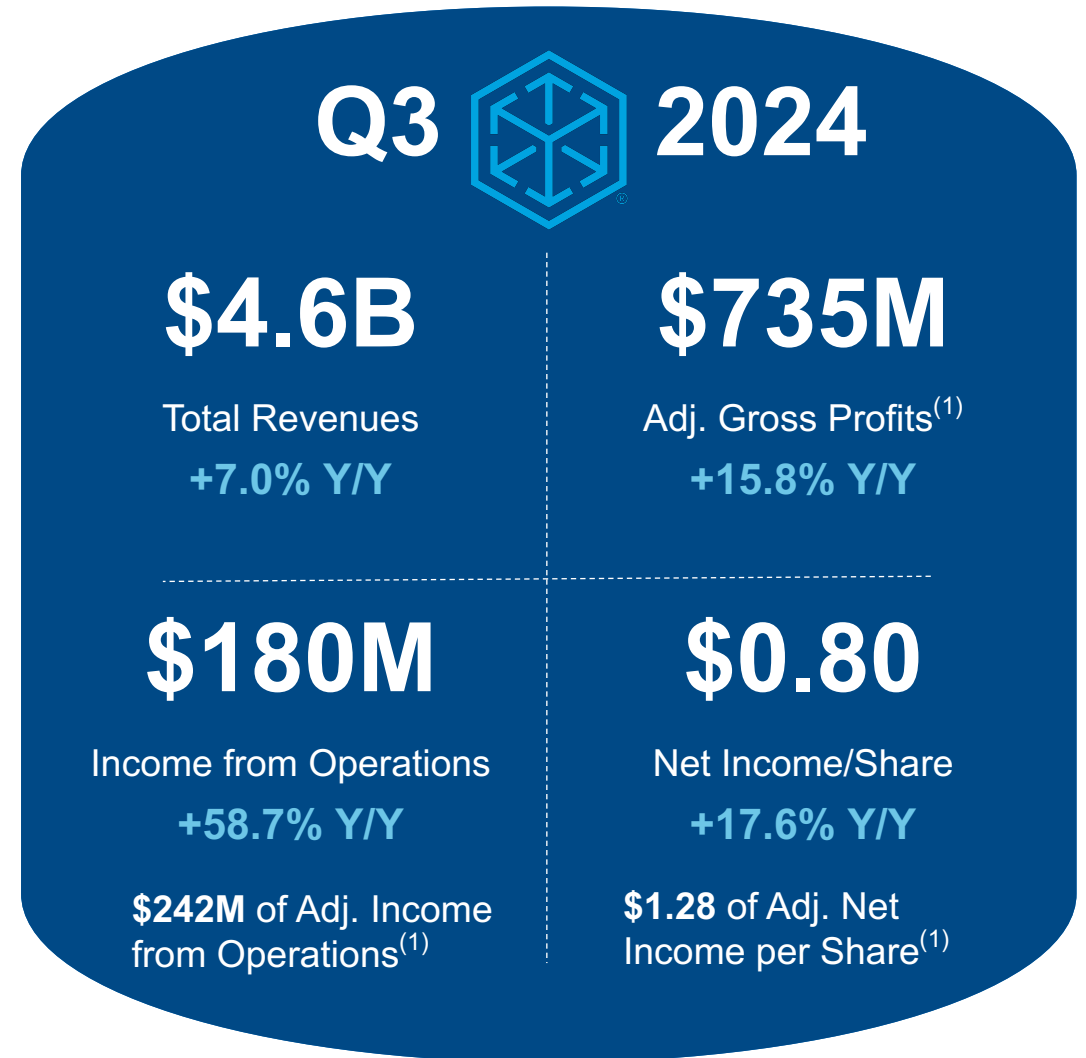


# Robinson Operating Model



# Q3 Highlights

- Q3 NAST volume increased modestly Y/Y, which outpaced the market indices for the sixth consecutive quarter. Truckload AGP/load improved Y/Y and sequentially, driving NAST adjusted income from operations up 34% Y/Y
- Q3 ocean and air volume grew Y/Y, ocean AGP/shipment increased 47% Y/Y and Global Forwarding adjusted income from operations increased 230% Y/Y
- Focused on deploying our new operating model, providing best-in-class service to our customers and carriers, gaining profitable share in targeted market segments, streamlining our processes, applying Lean principles, leveraging generative AI to drive out waste and optimize our costs, and ensuring readiness for the eventual freight market rebound, with a disciplined operating model that responsibly grows market share, decouples headcount growth from volume growth and drives operating leverage



# Complementary Global Suite of Services

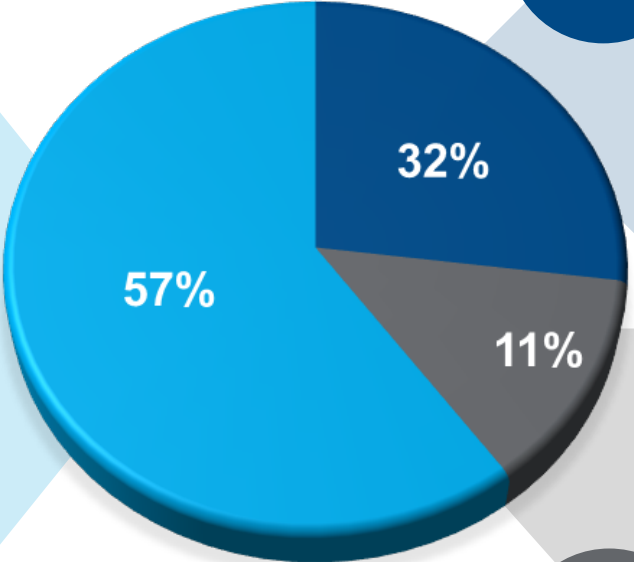
Over half of total revenues is garnered from customers to whom we provide both surface transportation and global forwarding services.<sup>(1)</sup>

## North American Surface Transportation (NAST)

- Adjusted gross profit (AGP) per load/order increased Y/Y in both TL and LTL
- NAST volume performance outpaced the market indices for the sixth quarter in a row
- Significant opportunities for profitable growth remain in a highly fragmented market
- Focused on initiatives that improve the customer and carrier experience and lower our cost to serve
- Productivity improvements are being driven by removing waste and increasing automation

+8.8%  
Y/Y

## Q3 2024 Adjusted Gross Profits<sup>(2)</sup>



+38.1%  
Y/Y

## Global Forwarding (GF)

- Ongoing conflict in the Red Sea has strained ocean capacity and driven rates higher Y/Y
- Ocean volume grew 7.0% Y/Y & air tonnage grew 20.0% Y/Y
- Continuing to diversify our trade lane and industry vertical exposure

## All Other & Corporate

- Robinson Fresh integrated supply chain solutions generating increased AGP
- Managed Services Q3 AGP down 5.0% Y/Y
- Other Surface Transportation AGP declined 14.7% Y/Y

+1.9%  
Y/Y

1. Measured over trailing twelve months.  
2. Adjusted gross profits is a non-GAAP financial measure explained later in this presentation. The difference between adjusted gross profits and gross profits is not material.

# NAST Q3'24 Results by Service

## Third Quarter Highlights

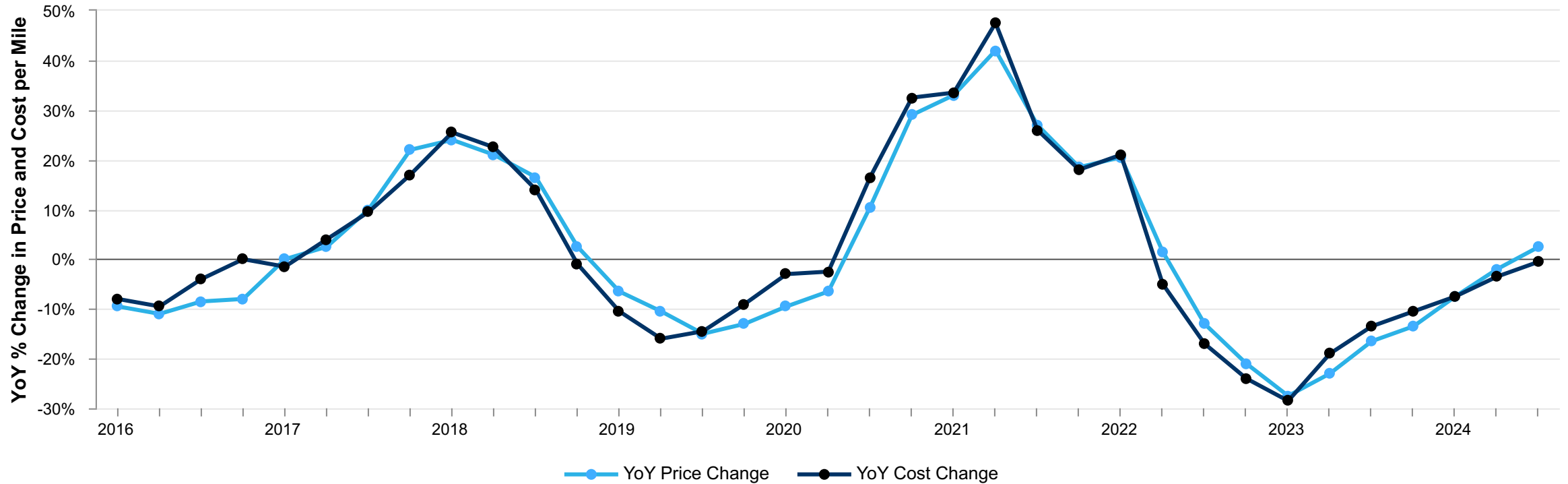
- Truckload AGP per shipment increased 21.0% due to disciplined pricing and procurement efforts, resulting in higher profit per shipment on transactional volume and a 180 bps improvement in adjusted gross profit margin<sup>(2)</sup>
- Total NAST volume increased modestly year-over-year
- Truckload volume down 3.5% year-over-year<sup>(2)</sup>
- LTL volume up 2.5% and AGP per order increased 1.0%<sup>(2)</sup>
- Other AGP decreased primarily due to a decrease in warehousing and intermodal services

## Adjusted Gross Profits<sup>(1)</sup> (\$ in millions)

	3Q24	3Q23	% ▲
Truckload ("TL")	\$260.0	\$223.0	16.6%
Less than Truckload ("LTL")	\$141.4	\$136.4	3.7%
Other	\$19.3	\$27.2	(29.0)%
<b>Total Adjusted Gross Profits</b>	<b>\$420.7</b>	<b>\$386.5</b>	<b>8.8%</b>
Adjusted Gross Profit Margin %	14.3%	12.5%	180 bps

1. Adjusted gross profits and adjusted gross profit margin % are non-GAAP financial measures explained later in this presentation. The difference between adjusted gross profits and gross profits is not material.
2. Growth rates are rounded to the nearest 0.5 percent.

# Truckload Price and Cost Change <sup>(1)(2)(3)</sup>



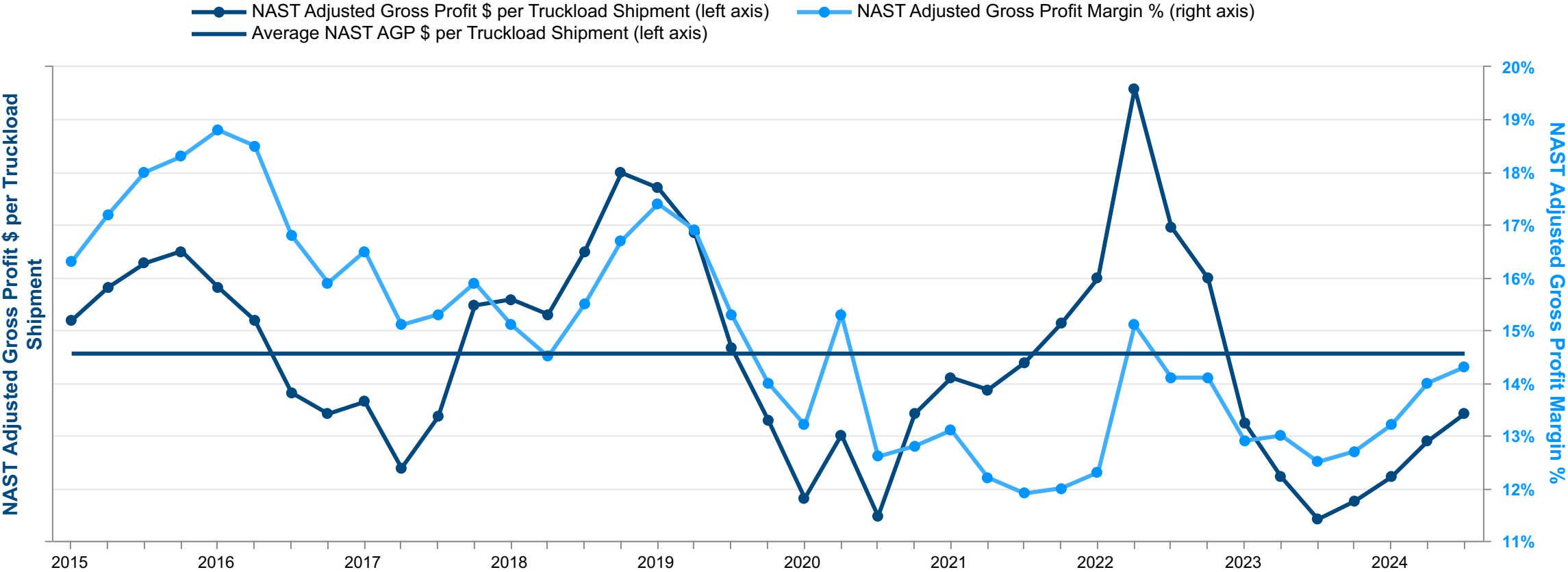
- 70% / 30% truckload contractual / transactional volume mix in Q3
- Average routing guide depth of 1.2 in Managed Services business vs. 1.2 in Q3 last year

Truckload	Q3
Volume <sup>(2)(4)</sup>	-3.5%
Price/Mile <sup>(1)(2)(3)</sup>	+2.5%
Cost/Mile <sup>(1)(2)(3)</sup>	-0.5%
Adjusted Gross Profit <sup>(4)</sup>	+16.6%

1. Price and cost change represents YoY change for North America truckload shipments across all segments.  
 2. Growth rates are rounded to the nearest 0.5 percent.  
 3. Pricing and cost measures exclude fuel surcharges and costs.  
 4. Truckload volume and adjusted gross profit growth represents YoY change for NAST truckload.



# Truckload AGP \$ per Shipment Trend



- Disciplined pricing and capacity procurement efforts resulted in improved optimization of volume and AGP per truckload, primarily in our transactional business.<sup>(1)</sup>
- Increasing adoption of digital brokerage offering is improving our cost of hire.

1. Adjusted gross profits is a non-GAAP financial measure explained later in this presentation. The difference between adjusted gross profits and gross profits is not material.

# Global Forwarding Q3'24 Results by Service

## Third Quarter Highlights

- Ongoing conflict in the Red Sea continues to cause transit interruptions and vessel re-routing, which has put a strain on ocean capacity, resulted in port congestion and equipment shortages and driven rates higher Y/Y
- Ocean AGP increased due to a 47.0% increase in AGP per shipment and a 7.0% increase in shipments<sup>(2)</sup>
- Air AGP increased due to a 20.0% increase in metric tons shipped, partially offset by a 7.0% decrease in AGP per metric ton shipped<sup>(2)</sup>
- Customs AGP increased due to a 6.5% increase in volume and 7.0% increase in adjusted gross profit per transaction<sup>(2)</sup>

## Adjusted Gross Profits <sup>(1)</sup> (\$ in millions)

	3Q24	3Q23	%▲
<b>Ocean</b>	\$163.3	\$103.8	57.4%
<b>Air</b>	\$33.1	\$29.7	11.4%
<b>Customs</b>	\$28.3	\$24.9	13.5%
<b>Other</b>	\$9.9	\$11.5	(13.3)%
<b>Total Adjusted Gross Profits</b>	<b>\$234.6</b>	<b>\$169.9</b>	<b>38.1%</b>
<i>Adjusted Gross Profit Margin %</i>	20.6%	23.6%	(300 bps)

# All Other & Corporate Q3'24 Results

## Third Quarter Highlights

### Robinson Fresh

- Increased AGP due to an increase in integrated supply chain solutions for retail and foodservice customers

### Managed Services

- Decline in AGP due to lower transaction volume

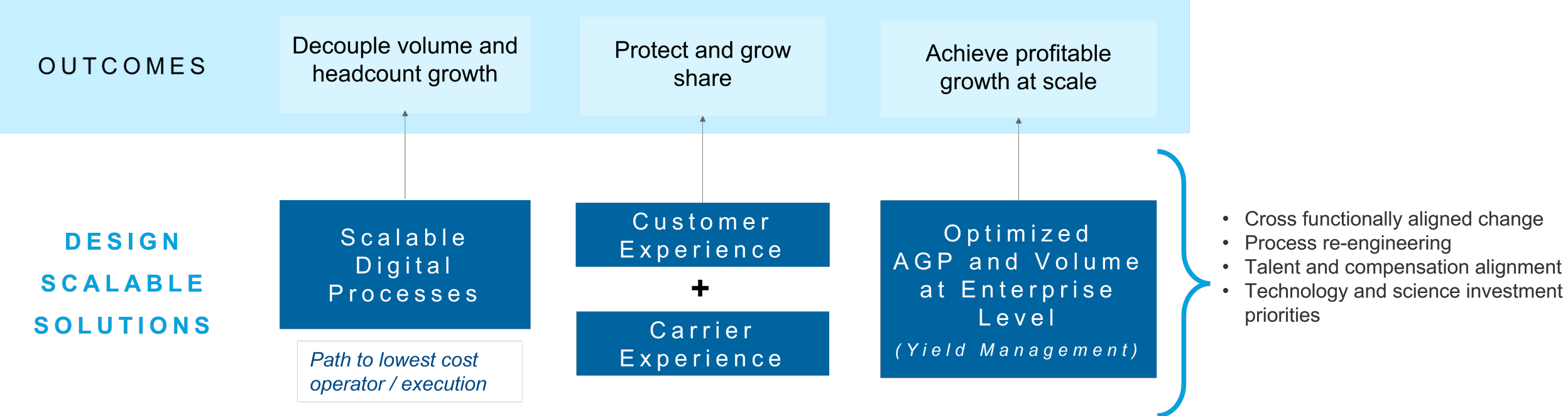
### Other Surface Transportation

- Decline in AGP primarily driven by a 17.0% decrease in Europe truckload AGP

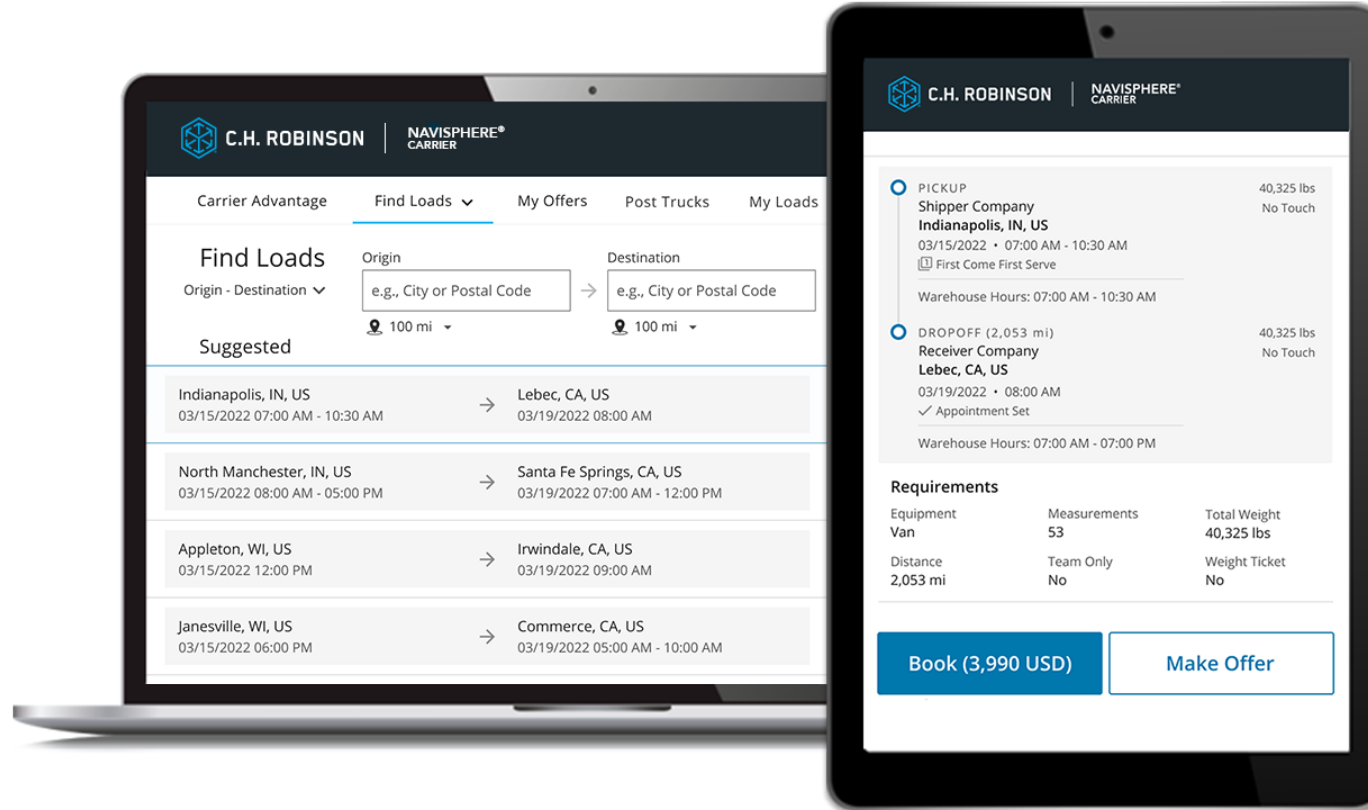
## Adjusted Gross Profits <sup>(1)</sup> (\$ in millions)

	<u>3Q24</u>	<u>3Q23</u>	<u>%▲</u>
Robinson Fresh	\$36.7	\$31.1	18.1%
Managed Services	\$27.9	\$29.4	(5.0)%
Other Surface Transportation	\$15.3	\$17.9	(14.7)%
Total	\$80.0	\$78.4	1.9%

# Streamlining & Automating Processes to Drive Profitable Growth



# New Customer & Carrier Experiences Driving Digital Adoption



- Improving customer and carrier outcomes with technology that supports our people and processes
- Leveraging GenAI to capitalize on our data and information advantage
- Concurrent workstreams are delivering process optimization by eliminating productivity bottlenecks
- Accelerating the digital execution of critical touch points in the lifecycle of a load:
  - Reducing manual tasks per shipment
  - Reducing time per task

# Our Customer Promise

We deliver customer success through exceptional service and high value—like no one else

## Unmatched Expertise

Work with the experts who go further, no matter what, and know more than anyone else about logistics for your industry, business, and customers.

+

## Unrivaled Scale

We get you anywhere you need to go—even when others can't—with the full power of our connections, relationships, and global reach.

+

## Tailored Solutions

Unlock solutions designed for your business through our integrated suite of services and advanced tech capabilities.



# Capital Allocation Priorities: Balanced and Opportunistic

## Sustain & Drive Growth

- Prioritize high-return, close-in investments to drive organic growth
- Opportunistically use M&A to drive total shareholder return by advancing tools, services and global skillset

## Minimize Risk

- Maintain \$600M-\$750M of liquidity (cash and borrowing availability)
- Stagger debt maturities to reduce refinancing risk

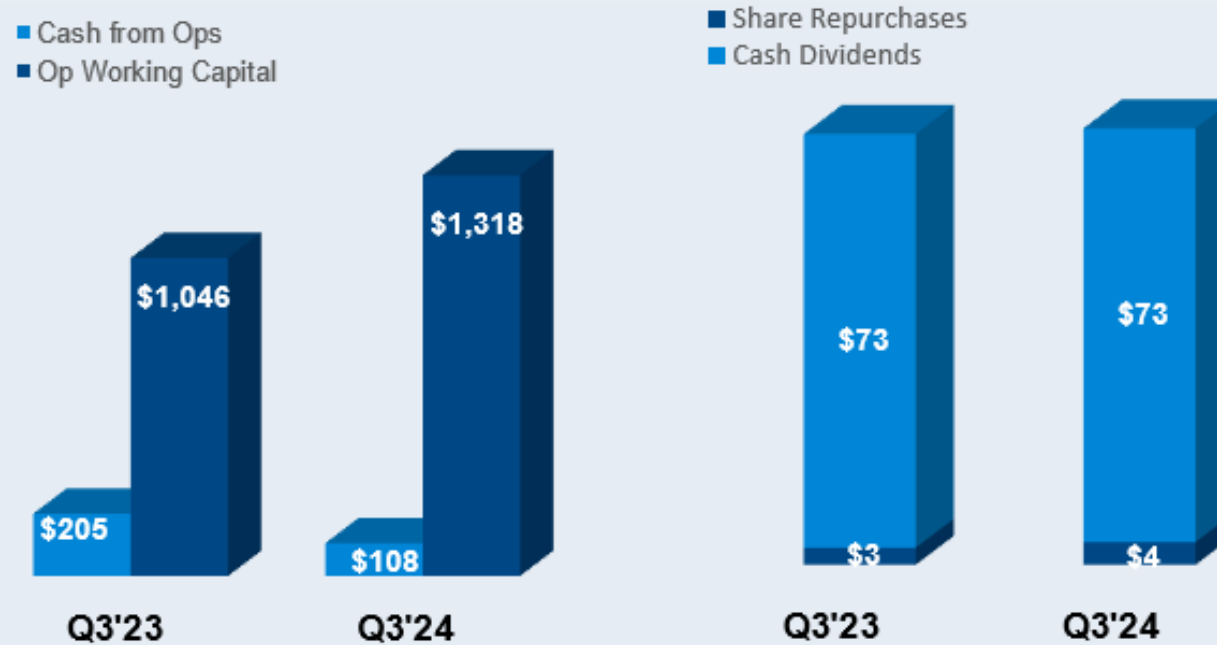
## Optimize Balance Sheet

- Optimize Weighted Average Cost of Capital (WACC) by maintaining investment grade credit ratings
- Efficiently repatriate cash

## Return Capital

- Grow dividends in alignment with long-term EBITDA
- Opportunistic approach to share buybacks
- 6.8M shares of repurchase authorization remaining

## Cash Flow from Operations & Capital Distribution (\$M)



- The cost and price of ocean transportation has risen, resulting in growth of net operating working capital and lower cash from operations.
- We'll continue to manage our capital structure to maintain our investment grade credit rating.

- \$77 million of cash returned to shareholders in Q3 2024
- Q3 2024 capital distribution increased 2% Y/Y
- More than 25 years of annually increasing dividends, on a per share basis
- 43K shares deemed repurchased, upon surrender of shares to satisfy tax withholding, at an average price of \$94.52

# Appendix



# Q3 2024 Transportation Results<sup>(1)</sup>

\$ in thousands	Three Months Ended September 30			Nine Months Ended September 30		
	2024	2023	% Change	2024	2023	% Change
Total Revenues	\$ 4,278,300	\$ 4,029,407	6.2 %	\$12,482,818	\$12,442,199	0.3 %
Total Adjusted Gross Profits <sup>(2)</sup>	\$ 702,317	\$ 607,447	15.6 %	\$ 1,981,456	\$ 1,895,648	4.5 %
Adjusted Gross Profit Margin %	16.4%	15.1%	130 bps	15.9%	15.2%	70 bps

Transportation Adjusted Gross Profit Margin %	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Q1	16.8%	19.7%	17.3%	16.4%	18.6%	15.3%	14.9%	13.5%	15.2%	15.4%
Q2	17.5%	19.3%	16.2%	16.2%	18.3%	17.5%	13.8%	15.4%	15.5%	15.8%
Q3	18.4%	17.6%	16.4%	16.6%	16.9%	14.4%	13.7%	15.1%	15.1%	16.4%
Q4	19.0%	17.2%	16.6%	17.7%	15.6%	14.3%	13.3%	15.5%	15.0%	
<b>Total</b>	<b>17.9%</b>	<b>18.4%</b>	<b>16.6%</b>	<b>16.7%</b>	<b>17.3%</b>	<b>15.3%</b>	<b>13.8%</b>	<b>14.8%</b>	<b>15.2%</b>	

1. Includes results across all segments.

2. Adjusted gross profits and adjusted gross profit margin % are non-GAAP financial measures explained later in this presentation. The difference between adjusted gross profits and gross profits is not material.

# Q3 2024 NAST Results

\$ in thousands	Three Months Ended September 30			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Total Revenues	\$ 2,934,617	\$ 3,086,970	(4.9)%	\$ 8,924,839	\$ 9,470,425	(5.8)%
Total Adjusted Gross Profits <sup>(1)</sup>	\$ 420,664	\$ 386,510	8.8 %	\$ 1,237,431	\$ 1,213,697	2.0 %
<i>Adjusted Gross Profit Margin %</i>	14.3%	12.5%	180 bps	13.9%	12.8%	110 bps
Income from Operations <sup>(2)</sup>	\$ 148,767	\$ 112,121	32.7 %	\$ 398,764	\$ 364,002	9.5 %
<i>Adjusted Operating Margin %</i>	35.4%	29.0%	640 bps	32.2%	30.0%	220 bps
Depreciation and Amortization	\$ 4,904	\$ 5,882	(16.6)%	\$ 15,779	\$ 17,389	(9.3)%
Total Assets	\$ 3,026,031	\$ 3,162,720	(4.3)%	\$ 3,026,031	\$ 3,162,720	(4.3)%
Average Headcount	5,595	6,278	(10.9)%	5,800	6,574	(11.8)%

- Adjusted gross profits and adjusted gross profit margin % are non-GAAP financial measures explained later in this presentation. The difference between adjusted gross profits and gross profits is not material.
- Includes \$1.8 million of restructuring charges in the Three Months Ended September 30, 2024 mainly related to workforce reductions and \$15.2 million of restructuring charges in the Nine Months Ended September 30, 2024 related to workforce reductions, impairment of internally developed software, and charges to reduce our facilities footprint. Includes an amount of \$0.1 million that primarily related to accrual adjustments for amounts settling for an amount different than originally estimated in in the Three Months Ended September 30, 2023 and \$1.1 million in the Nine Months Ended September 30, 2023 mainly related to workforce reductions.

# Q3 2024 Global Forwarding Results

\$ in thousands	Three Months Ended September 30			Nine Months Ended September 30		
	2024	2023	% Change	2024	2023	% Change
Total Revenues	\$ 1,141,190	\$ 719,045	58.7 %	\$ 2,921,050	\$ 2,288,890	27.6 %
Total Adjusted Gross Profits <sup>(1)</sup>	\$ 234,636	\$ 169,893	38.1 %	\$ 598,748	\$ 527,043	13.6 %
<i>Adjusted Gross Profit Margin %</i>	20.6%	23.6%	(300 bps)	20.5%	23.0%	(250 bps)
Income from Operations <sup>(2)</sup>	\$ 88,115	\$ 3,491	N/M	\$ 160,649	\$ 63,254	154.0 %
<i>Adjusted Operating Margin %</i>	37.6%	2.1%	3,550 bps	26.8%	12.0%	1,480 bps
Depreciation and Amortization	\$ 2,608	\$ 5,446	(52.1)%	\$ 8,245	\$ 16,410	(49.8)%
Total Assets	\$ 1,566,427	\$ 1,081,262	44.9 %	\$ 1,566,427	\$ 1,081,262	44.9 %
Average Headcount	4,552	5,082	(10.4)%	4,714	5,276	(10.7)%

- Adjusted gross profits and adjusted gross profit margin % are non-GAAP financial measures explained later in this presentation. The difference between adjusted gross profits and gross profits is not material.
- Includes \$1.3 million of restructuring charges in the Three Months Ended September 30, 2024 and \$8.3 million of restructuring charges in the Nine Months Ended September 30, 2024 mainly related to workforce reductions. Includes \$23.6 million of restructuring charges in the Three Months Ended September 30, 2023 and \$26.0 million in the Nine Months Ended September 30, 2023 mainly related to divesting our operations in Argentina.

# Q3 2024 All Other and Corporate Results

<i>\$ in thousands</i>	Three Months Ended September 30			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Total Revenues	\$ 568,834	\$ 535,015	6.3%	\$ 1,694,411	\$ 1,615,241	4.9%
Total Adjusted Gross Profits <sup>(1)</sup>	\$ 79,953	\$ 78,446	1.9%	\$ 244,212	\$ 245,245	(0.4%)
Income (loss) from Operations <sup>(2)</sup>	\$ (56,763)	\$ (2,090)	N/M	\$ (74,071)	\$ (20,078)	N/M
Depreciation and Amortization	\$ 16,436	\$ 14,216	15.6%	\$ 48,856	\$ 42,100	16.0%
Total Assets	\$ 1,020,897	\$ 1,073,685	(4.9%)	\$ 1,020,897	\$ 1,073,685	(4.9%)
Average Headcount	3,938	4,217	(6.6%)	4,023	4,390	(8.4%)

1. Adjusted gross profits is a non-GAAP financial measure explained later in this presentation. The difference between adjusted gross profits and gross profits is not material.

2. Includes \$58.4 million of restructuring charges in the Three Months Ended September 30, 2024 mainly related to the planned divestiture of our Europe Surface Transportation business and \$66.1 million of restructuring charges in the Nine Months Ended September 30, 2024 related to the planned divestiture of our Europe Surface Transportation business, workforce reductions, and impairment of internally developed software. Includes \$0.9 million of restructuring charges in the Three Months Ended September 30, 2023 and \$15.2 million in the Nine Months Ended September 30, 2023 mainly related to workforce reductions.

# Non-GAAP Reconciliations

Our adjusted gross profit and adjusted gross profit margin are non-GAAP financial measures. Adjusted gross profit is calculated as gross profit excluding amortization of internally developed software utilized to directly serve our customers and contracted carriers. Adjusted gross profit margin is calculated as adjusted gross profit divided by total revenues. We believe adjusted gross profit and adjusted gross profit margin are useful measures of our ability to source, add value, and sell services and products that are provided by third parties, and we consider adjusted gross profit to be a primary performance measurement. The reconciliation of gross profit to adjusted gross profit and gross profit margin to adjusted gross profit margin are presented below:

<i>\$ in thousands</i>	Three Months Ended September 30				Nine Months Ended September 30,			
	2024		2023		2024		2023	
Revenues:								
Transportation	\$4,278,300		\$ 4,029,407		\$12,482,818		\$12,442,199	
Sourcing	366,341		311,623		1,057,482		932,357	
Total Revenues	<u>\$4,644,641</u>		<u>\$ 4,341,030</u>		<u>\$13,540,300</u>		<u>\$13,374,556</u>	
Costs and expenses:								
Purchased transportation and related services	3,575,983		3,421,960		10,501,362		10,546,551	
Purchased produced sourced for resale	333,405		284,221		958,547		842,020	
Direct internally developed software amortization	11,441		8,233		32,546		24,299	
Total direct costs	<u>\$3,920,829</u>		<u>\$ 3,714,414</u>		<u>\$11,492,455</u>		<u>\$11,412,870</u>	
<b>Gross profit &amp; Gross profit margin</b>	<b>\$ 723,812</b>	<b>15.6%</b>	<b>\$ 626,616</b>	<b>14.4%</b>	<b>\$ 2,047,845</b>	<b>15.1%</b>	<b>\$ 1,961,686</b>	<b>14.7%</b>
Plus: Direct internally developed software amortization	11,441		8,233		32,546		24,299	
<b>Adjusted gross profit/Adjusted gross profit margin</b>	<b>\$ 735,253</b>	<b>15.8%</b>	<b>\$ 634,849</b>	<b>14.6%</b>	<b>\$ 2,080,391</b>	<b>15.4%</b>	<b>\$ 1,985,985</b>	<b>14.8%</b>

# Non-GAAP Reconciliations

Our adjusted operating margin is a non-GAAP financial measure calculated as operating income divided by adjusted gross profit. Our adjusted operating margin - excluding restructuring and loss on divestiture is a similar non-GAAP financial measure to adjusted operating margin, but also excludes the impact of restructuring and loss on divestiture. We believe adjusted operating margin and adjusted operating margin - excluding restructuring and loss on divestiture are useful measures of our profitability in comparison to our adjusted gross profit, which we consider a primary performance metric as discussed above. The comparisons of operating margin to adjusted operating margin and adjusted operating margin - excluding restructuring and loss on divestiture are presented below:

<i>\$ in thousands</i>	Three Months Ended September 30		Nine Months Ended September 30,	
	2024	2023	2024	2023
Total Revenues	\$ 4,644,641	\$ 4,341,030	\$ 13,540,300	\$ 13,374,556
Income from operations	180,119	113,522	485,342	407,178
<b>Operating margin</b>	<b>3.9%</b>	<b>2.6%</b>	<b>3.6%</b>	<b>3.0%</b>
Adjusted gross profit	\$ 735,253	\$ 634,849	\$ 2,080,391	\$ 1,985,985
Income from operations	180,119	113,522	485,342	407,178
<b>Adjusted operating margin</b>	<b>24.5%</b>	<b>17.9%</b>	<b>23.3%</b>	<b>20.5%</b>
Adjusted gross profit	\$ 735,253	\$ 634,849	\$ 2,080,391	\$ 1,985,985
Adjusted income from operations <sup>(1)</sup>	241,584	137,985	574,941	449,495
<b>Adjusted operating margin - excluding restructuring and loss on divestiture</b>	<b>32.9%</b>	<b>21.7%</b>	<b>27.6%</b>	<b>22.6%</b>

1. In the Three Months Ended September 30, 2024, we incurred restructuring expenses of \$2.9 million related to workforce reductions and \$58.5 million of other charges, which includes a \$57.0 million loss on the planned divestiture of our Europe Surface Transportation business. In the Nine Months Ended September 30, 2024 we incurred restructuring expenses of \$20.3 million related to workforce reductions and \$69.3 million of other charges, which includes a \$57.0 million loss on the planned divestiture of our Europe Surface Transportation business, an impairment of internally developed software, and charges related to reducing our facilities footprint. In the Three Months Ended September 30, 2023, we incurred restructuring expenses of \$3.0 million related to workforce reductions and \$21.4 million of other charges, primarily related to the divestiture of our operations in Argentina. In the Nine Months Ended September 30, 2023, we incurred restructuring expenses of \$19.7 million related to workforce reductions and \$22.6 million of other charges, primarily related to the divestiture of our operations in Argentina.

# Non-GAAP Reconciliations

Our adjusted income (loss) from operations, adjusted operating margin - excluding restructuring and loss on divestiture, adjusted net income and adjusted net income per share (diluted) are non-GAAP financial measures. These non-GAAP measures are calculated excluding the impact of restructuring, losses from divestitures, and foreign currency losses from our Argentina operations. We believe that these measures provide useful information to investors and include them within our internal reporting to our chief operating decision maker. Accordingly, the discussion of our results of operations includes discussion on the changes in our adjusted income (loss) from operations, adjusted operating margin - excluding restructuring and loss on divestiture, adjusted net income and adjusted net income per share (diluted). The reconciliation of these non-GAAP measures are presented below (in thousands except per share data):

	Three Months Ended September 30, 2024				Nine Months Ended September 30, 2024			
	NAST	Global Forwarding	All Other and Corporate	Consolidated	NAST	Global Forwarding	All Other and Corporate	Consolidated
Income (loss) from operations	\$ 148,767	\$ 88,115	\$ (56,763)	\$ 180,119	\$ 398,764	\$ 160,649	\$ (74,071)	\$ 485,342
Severance and other personnel expenses	1,238	461	1,221	2,920	9,022	5,855	5,430	20,307
Other selling, general, and administrative expenses	560	855	57,130	58,545	6,214	2,448	60,630	69,292
Total adjustments to income (loss) from operations <sup>(1)(2)</sup>	1,798	1,316	58,351	61,465	15,236	8,303	66,060	89,599
<b>Adjusted income from operations</b>	<b>\$ 150,565</b>	<b>\$ 89,431</b>	<b>\$ 1,588</b>	<b>\$ 241,584</b>	<b>\$ 414,000</b>	<b>\$ 168,952</b>	<b>\$ (8,011)</b>	<b>\$ 574,941</b>
Adjusted gross profit	\$ 420,664	\$ 234,636	\$ 79,953	\$ 735,253	\$1,237,431	\$ 598,748	\$ 244,212	\$ 2,080,391
Adjusted income from operations	150,565	89,431	1,588	241,584	414,000	168,952	(8,011)	574,941
Adjusted operating margin - excluding restructuring and loss on divestiture	35.8%	38.1%	2.0%	32.9%	33.5%	28.2%	N/M	27.6%
			\$ in 000's	per share			\$ in 000's	per share
Net income and per share (diluted)			\$ 97,229	\$ 0.80			\$ 316,384	\$ 2.63
Restructuring and related costs, pre-tax			4,429	0.04			32,563	0.28
Loss on divestiture, pre-tax			57,036	0.47			57,036	0.47
Tax effect of adjustments			(3,176)	(0.03)			(9,922)	(0.08)
<b>Adjusted net income and per share (diluted)</b>			<b>\$ 155,518</b>	<b>\$ 1.28</b>			<b>\$ 396,061</b>	<b>\$ 3.30</b>

1. The Three Months Ended September 30, 2024 includes restructuring expenses of \$2.9 million related to workforce reductions and \$58.5 million of other charges, which includes a \$57.0 million loss on the planned divestiture of our Europe Surface Transportation business.
2. The Nine Months Ended September 30, 2024 includes restructuring expenses of \$20.3 million related to workforce reductions and \$69.3 million of other charges, which includes a \$57.0 million loss on the planned divestiture of our Europe Surface Transportation business, an impairment of internally developed software, and charges related to reducing our facilities footprint.

# Non-GAAP Reconciliations

Our adjusted income (loss) from operations, adjusted operating margin - excluding restructuring and loss on divestiture, adjusted net income and adjusted net income per share (diluted) are non-GAAP financial measures. These non-GAAP measures are calculated excluding the impact of restructuring, losses from divestitures, and foreign currency losses from our Argentina operations. We believe that these measures provide useful information to investors and include them within our internal reporting to our chief operating decision maker. Accordingly, the discussion of our results of operations includes discussion on the changes in our adjusted income (loss) from operations, adjusted operating margin - excluding restructuring and loss on divestiture, adjusted net income and adjusted net income per share (diluted). The reconciliation of these non-GAAP measures are presented below (in thousands except per share data):

	Three Months Ended September 30, 2023				Nine Months Ended September 30, 2023			
	NAST	Global Forwarding	All Other and Corporate	Consolidated	NAST	Global Forwarding	All Other and Corporate	Consolidated
Income (loss) from operations	\$ 112,121	\$ 3,491	\$ (2,090)	\$ 113,522	\$ 364,002	\$ 63,254	\$ (20,078)	\$ 407,178
Severance and other personnel expenses	(73)	2,513	578	3,018	1,083	4,742	13,918	19,743
Other selling, general, and administrative expenses	4	21,079	362	21,445	8	21,242	1,324	22,574
Total adjustments to income (loss) from operations <sup>(1)(2)</sup>	(69)	23,592	940	24,463	1,091	25,984	15,242	42,317
<b>Adjusted income from operations</b>	<b>\$ 112,052</b>	<b>\$ 27,083</b>	<b>\$ (1,150)</b>	<b>\$ 137,985</b>	<b>\$ 365,093</b>	<b>\$ 89,238</b>	<b>\$ (4,836)</b>	<b>\$ 449,495</b>
Adjusted gross profit	\$ 386,510	\$ 169,893	\$ 78,446	\$ 634,849	\$1,213,697	\$ 527,043	\$ 245,245	\$ 1,985,985
Adjusted income from operations	112,052	27,083	(1,150)	137,985	365,093	89,238	(4,836)	449,495
Adjusted operating margin - excluding restructuring	29.0%	15.9%	N/M	21.7%	30.1%	16.9%	N/M	22.6%
			\$ in 000's	per share			\$ in 000's	per share
Net income and per share (diluted)			\$ 81,949	\$ 0.68			\$ 294,156	\$ 2.46
Restructuring and related costs, pre-tax			(139)	—			17,715	0.15
Loss on divestiture, pre-tax			24,602	0.21			24,602	0.20
Foreign currency loss on divested operations, pre-tax			5,112	0.04			8,921	0.07
Tax effect of adjustments			(5,469)	(0.05)			(9,755)	(0.08)
<b>Adjusted net income and per share (diluted)</b>			<b>\$ 106,055</b>	<b>\$ 0.88</b>			<b>\$ 335,639</b>	<b>\$ 2.80</b>



1. The Three Months Ended September 30, 2023 includes restructuring expenses of \$3.0 million related to workforce reductions and \$21.4 million of other charges, primarily related to the divestiture of our Argentina operations.

2. The Nine Months Ended September 30, 2023 includes restructuring expenses of \$19.7 million related to workforce reductions and \$22.6 million of other charges, primarily related to the divestiture of our Argentina operations.





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**Thank you**

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