



J.B. HUNT

Q2 2021 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, expedited, and LTL services.
- 40- and 20-foot box domestic and international containers and international intermodal services
- Services to all 50 States, Canada, and Mexico

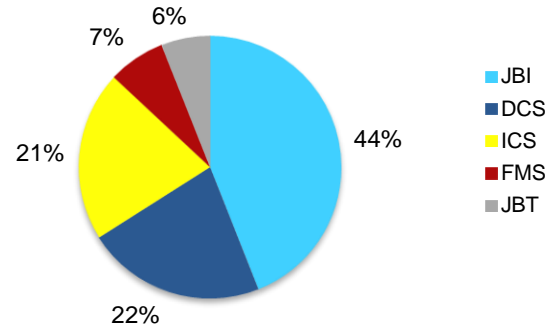
Final Mile Services (FMS)

- 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

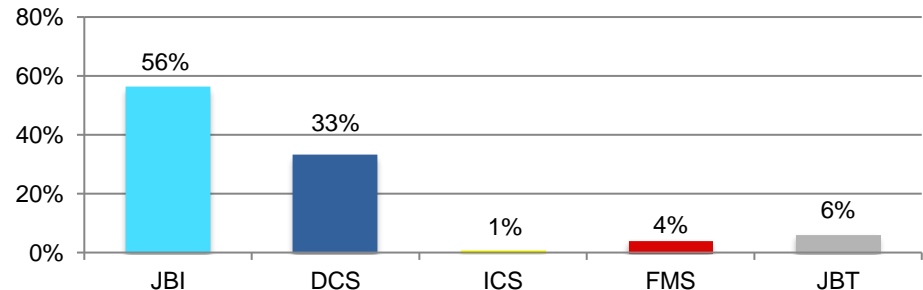
Truckload (JBT)

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

2Q 2021 Revenue Mix



Percentage of 2Q 2021 Operating Income by Business Segment





OVERVIEW

2Q 2021 Revenue:

\$2.91 billion; up 36%

2Q 2021 Revenue, excl FSC:

\$2.61 billion; up 31%

2Q 2021 Operating Income:

\$241.5 million; up 38%

2Q 2021 EPS:

\$1.61 vs. \$1.14; up 41%

SEGMENT PERFORMANCE

Intermodal (JBI)

Revenue: \$1.29 billion; up 21%

Operating Income: \$134.6 million; up 26%

Dedicated Contract Services (DCS)

Revenue: \$621 million; up 17%

Operating Income: \$79.0 million; down 5%

Integrated Capacity Solutions (ICS)

Revenue: \$607 million; up 100%

Operating Income: \$3.1 million; vs. \$(13.1) million loss in Q2 '20

Final Mile Services (FMS)

Revenue: \$212 million; up 52%

Operating Income: \$10.7 million; vs. \$(5.2) million loss in Q2 '20

Truckload (JBT)

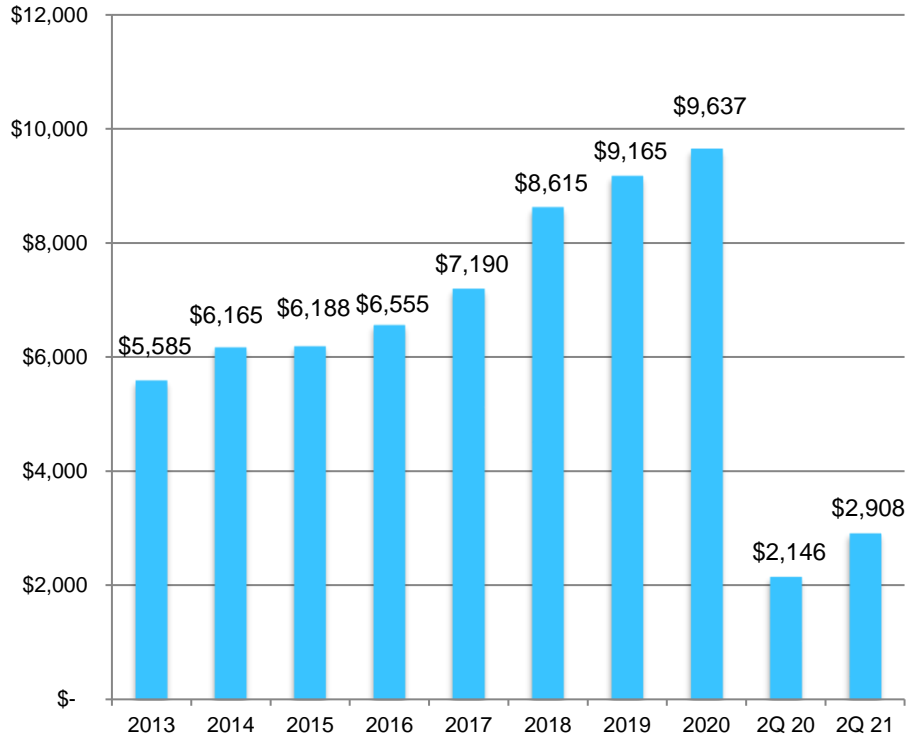
Revenue: \$184 million; up 70%

Operating Income: \$14.2 million; up 308%

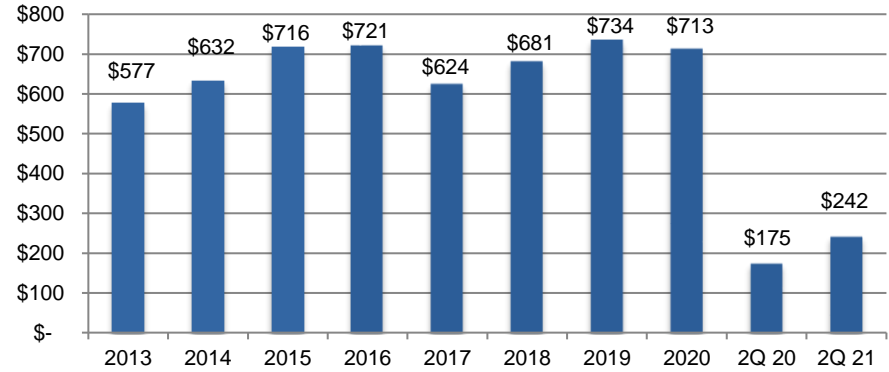
2Q RESULTS CONSOLIDATED



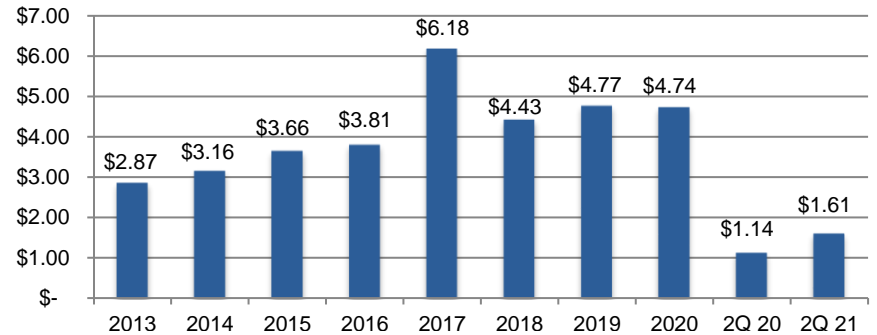
Revenue (in millions)



Operating Income (in millions)



Diluted EPS





- **Industry leading Intermodal franchise**
- **Differentiated and specialized Dedicated business**
- **Independent brokerage/management services**
- **Lighter Truckload asset model**

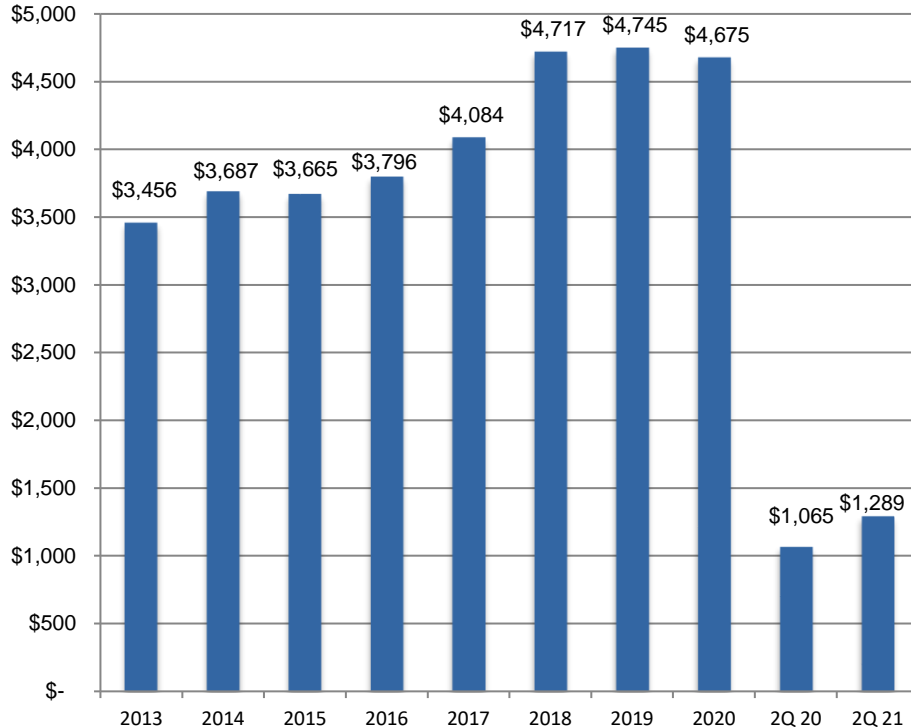
SEGMENT DISCUSSION



INTERMODAL (JBI)



**JBI Revenue
(in millions)**



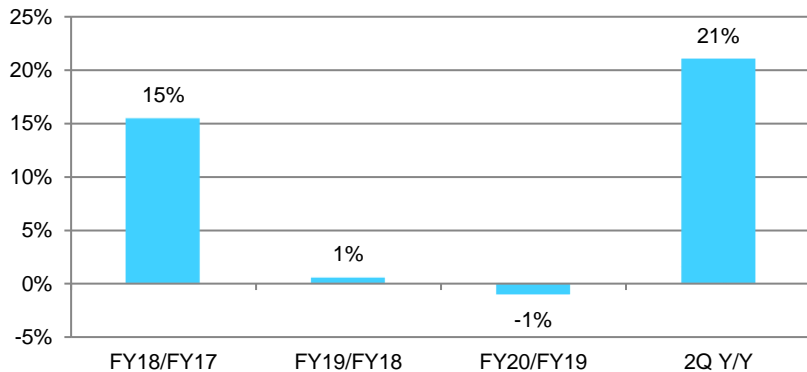
JBI load volumes increased 6% over the same period in 2020. Eastern network volumes increased 9% and transcontinental volumes increased 3% from second quarter 2020. Demand for intermodal service remains robust, however, significant restrictions across the rail network were implemented throughout the quarter by rail service providers reflecting challenges within their network related to car imbalances and chassis and labor shortages. In addition, customer detention of trailing equipment was at an all-time high during the quarter further pressuring the availability of capacity and our volumes during the quarter. Despite these volume-related challenges, revenue increased 21% year-over-year, reflecting the 6% increase in volumes and a 15% increase in gross revenue per load. Excluding fuel surcharge revenue, revenue per load increased 9% year-over-year.

Operating income increased 26% from the prior year period primarily driven by the increase in volume, complemented with higher rate and cost recovery efforts. These benefits were partially offset by higher rail and third-party dray purchased transportation expense, higher costs to attract and retain drivers, and higher equipment cost. The current period ended with approximately 99,400 units of trailing capacity and 5,820 power units in the dray fleet.

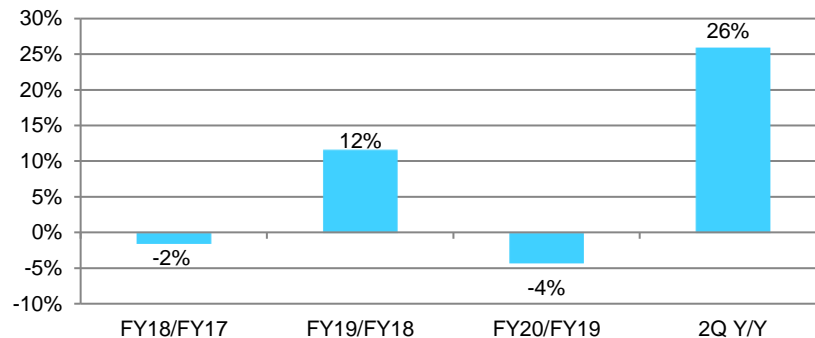
INTERMODAL (JBI) PERFORMANCE



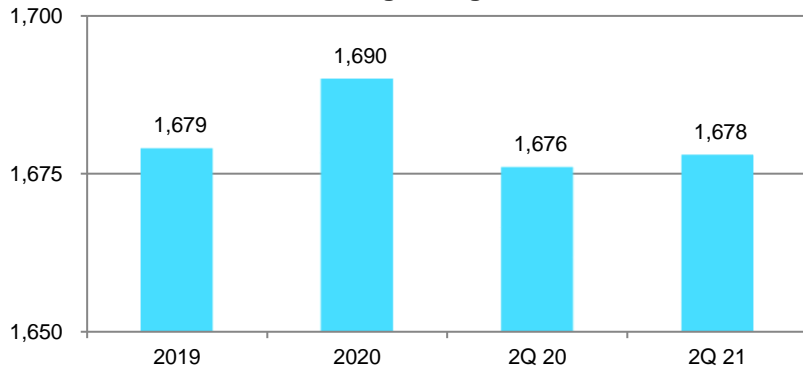
JBI Revenue Change



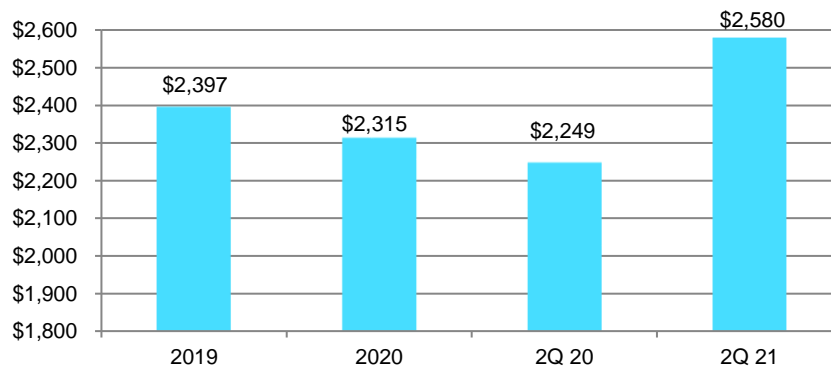
JBI Operating Income Change



JBI Average Length of Haul



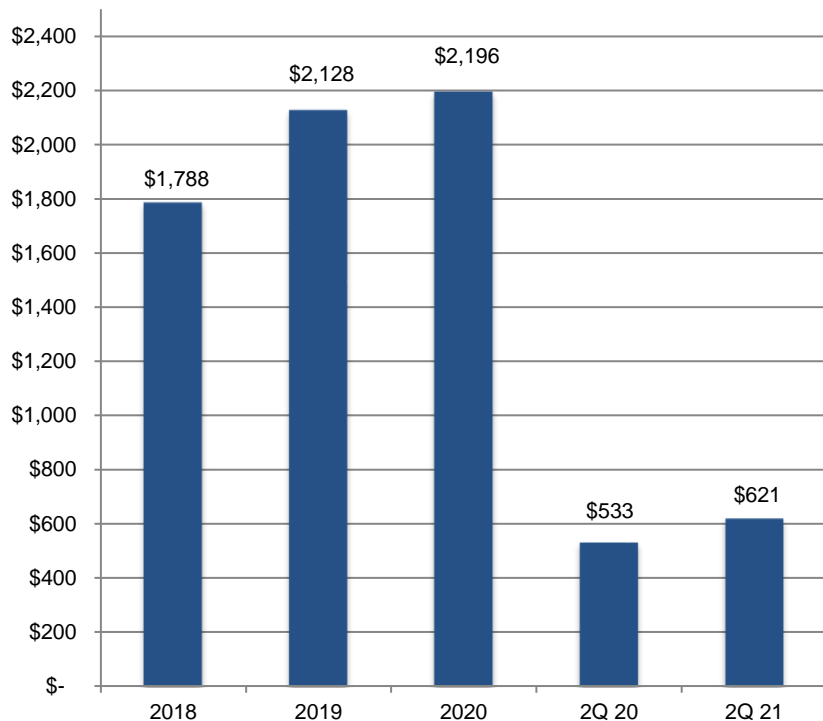
JBI Revenue per Load



DEDICATED (DCS)



**DCS Revenue
(in millions)**



DCS revenue increased 17% during the current quarter over the same period in 2020. Productivity, defined as revenue per truck per week, increased approximately 11% vs. 2020. Productivity excluding fuel surcharge revenue increased 7% from a year ago primarily from higher utilization of assets, contracted indexed-based price escalators, and less idled equipment in the quarter. A net additional 832 revenue producing trucks were in the fleet by the end of the quarter compared to the prior year, and a net additional 555 versus the end of the first quarter 2021. Customer retention rates remain above 98%.

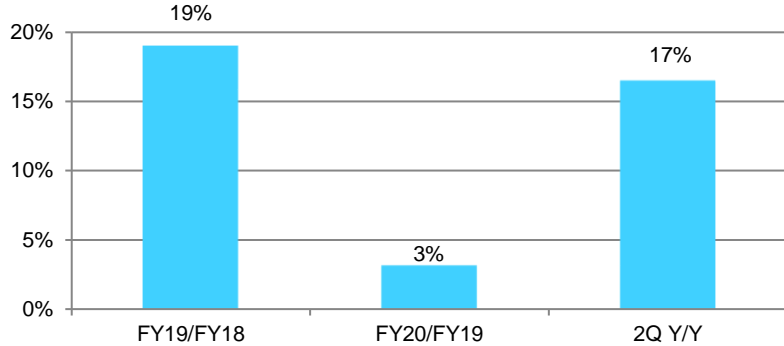
Operating income decreased by 5% from the prior year quarter. Higher revenue and productivity were more than offset by increases in driver wage and recruiting costs, non-driver personnel salary, wages and incentive compensation, higher group medical expense, and elevated costs related to the implementation of new, long term contracts.

*In March 2020, J.B. Hunt separated its DCS segment into two reportable segments: DCS and FMS. See additional ["JBHT FMS Segmentation"](#) investor presentation.

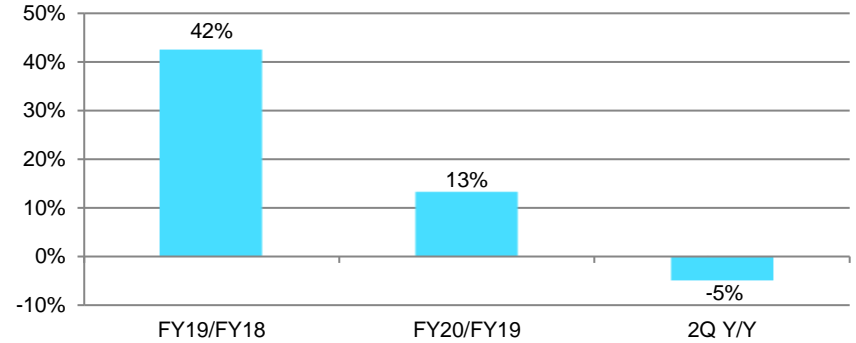
DEDICATED (DCS) PERFORMANCE



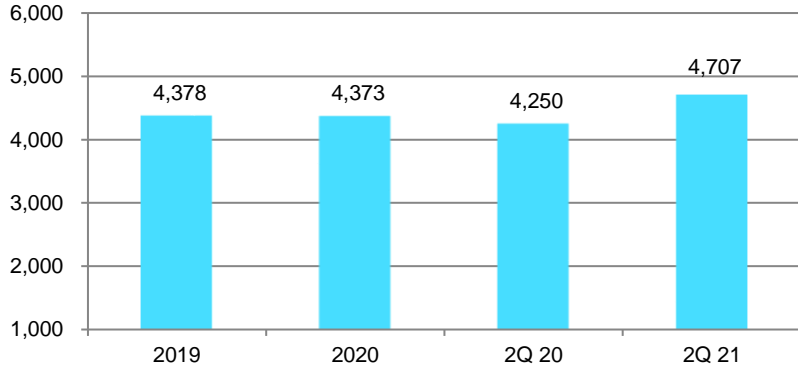
DCS Revenue Change



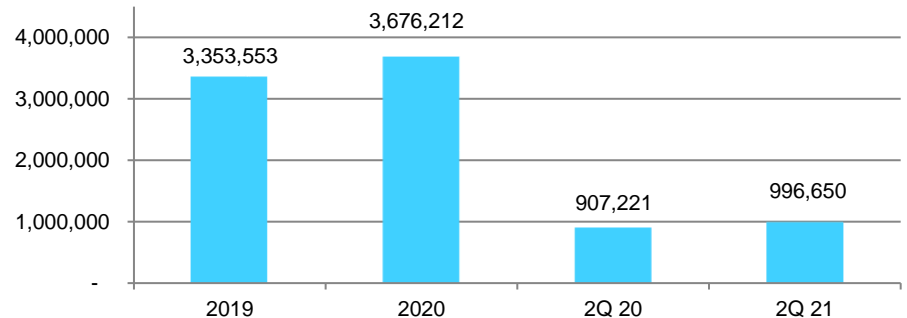
DCS Operating Income Change



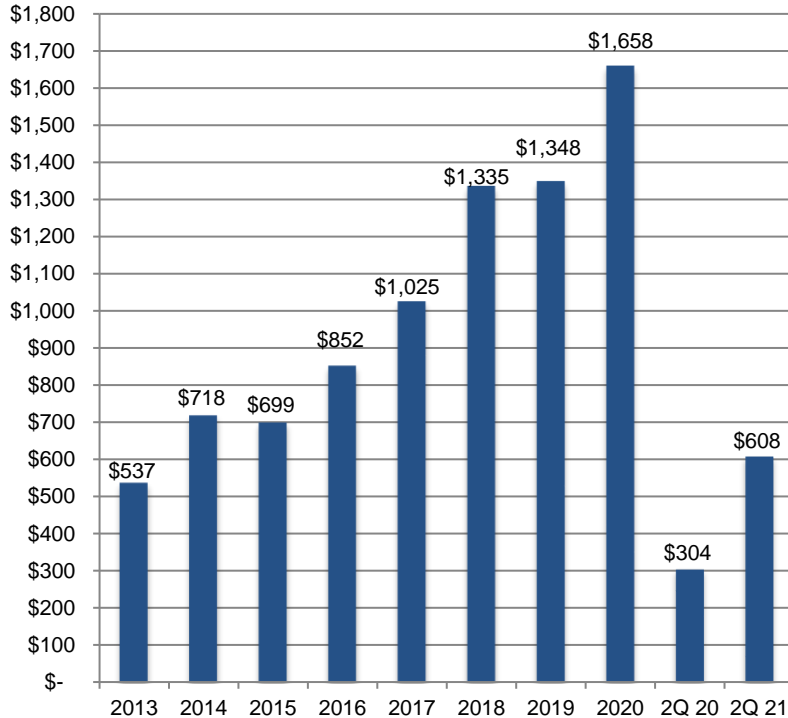
DCS Revenue Per Truck Per Week



DCS Loads



ICS Revenue (in millions)



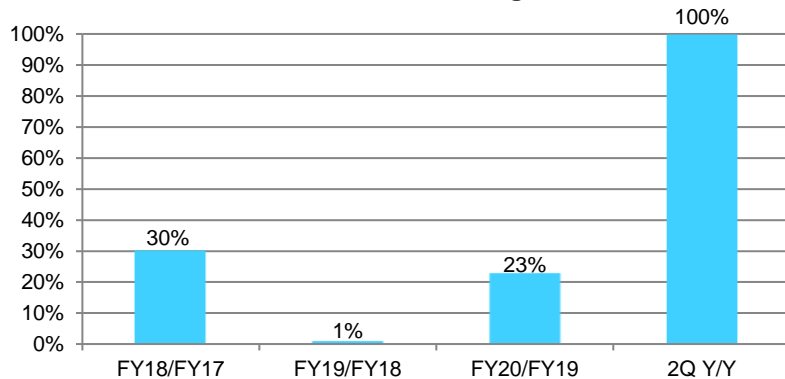
ICS revenue increased 100% during the current quarter vs. the second quarter 2020. Segment volumes increased 20% during the quarter with truckload volumes increasing 30% from the prior year period. Revenue per load increased 66%. In addition to changes in customer freight mix, revenue per load was favorably impacted by higher contractual and spot rates in our truckload business as compared to the second quarter 2020. Contractual volumes represented approximately 48% of the total load volume and 35% of the total revenue in the current quarter compared to 67% and 55%, respectively, in second quarter 2020. Of the total reported ICS revenue, approximately \$396 million was executed through the Marketplace for J.B. Hunt 360 compared to \$229 million in second quarter 2020.

Operating income increased to \$3.1 million compared to an operating loss of \$13.1 million in the second quarter 2020. Benefits from higher gross profit margin dollars and increased scale in the Marketplace for J.B. Hunt 360 platform were partially offset by higher personnel and technology costs as compared to the same period 2020. Gross profit margin percent decreased to 10.5% in the current period versus 11.8% in the same period last year primarily as a result of tighter industry capacity dynamics versus the prior year period. ICS carrier base increased 30% vs. second quarter 2020.

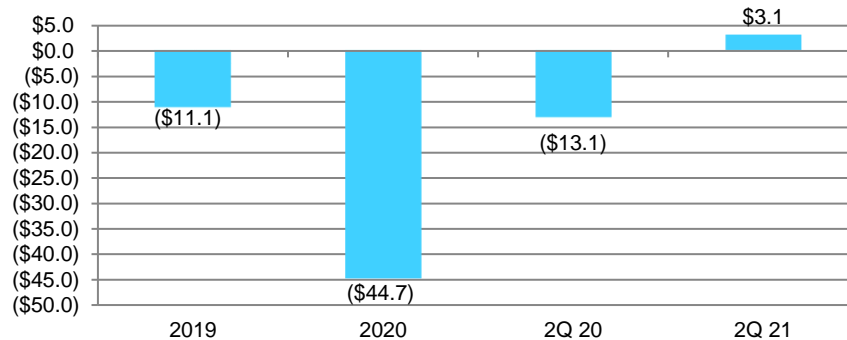
INTEGRATED (ICS) PERFORMANCE



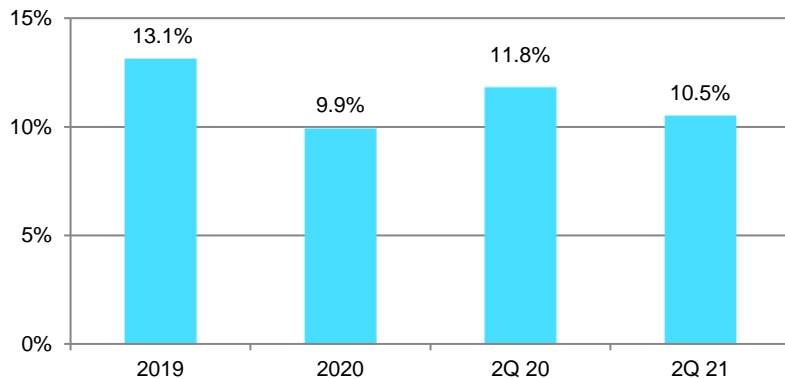
ICS Revenue Change



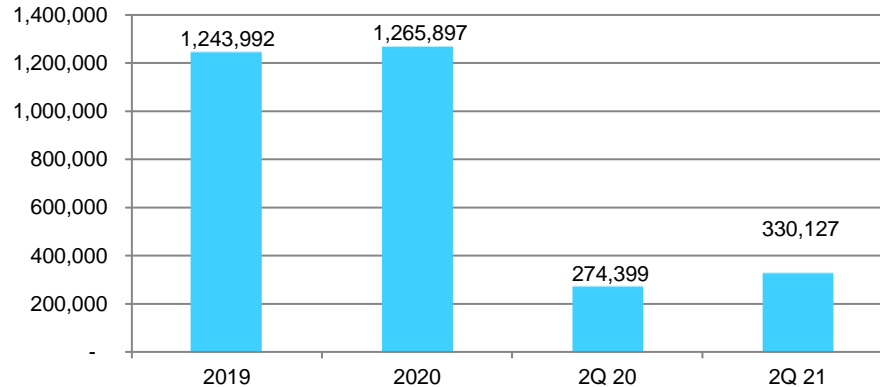
ICS Operating Income/(Loss) (in millions)



ICS Gross Profit Margin



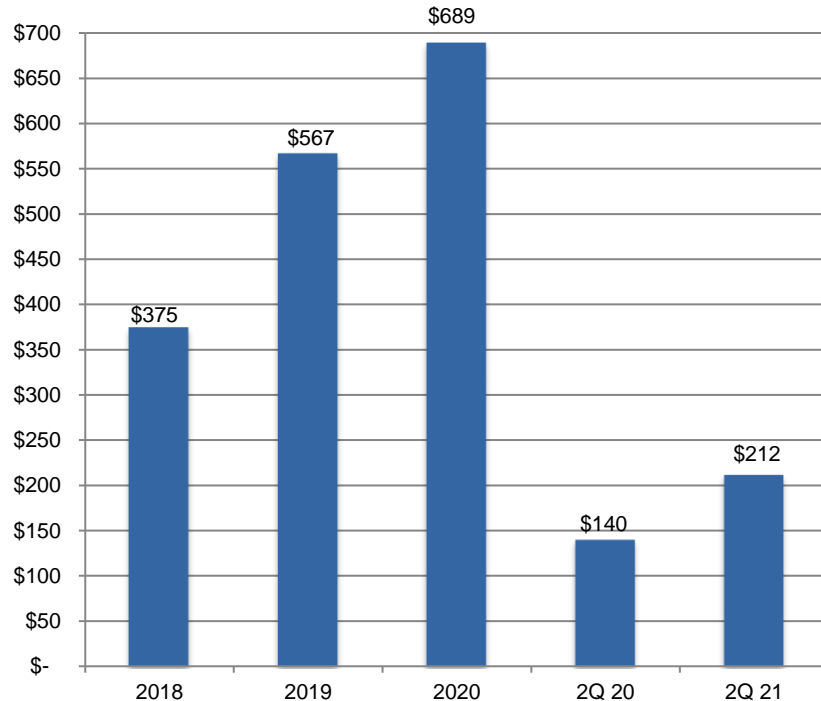
ICS Loads



FINAL MILE SERVICES (FMS)*



**FMS Revenue
(in millions)**



FMS revenue increased 52% compared to the same period 2020. Stop count within FMS increased 59% during the current quarter vs. a year ago, primarily from the addition of multiple customer contracts implemented over the last year. Additionally, the prior year period included temporary suspension of operations at several of our customers' sites as a result of COVID-19. Productivity, defined as revenue per stop, decreased approximately 5% compared to the prior year period primarily from a shift in the mix of business between asset and asset-light operations.

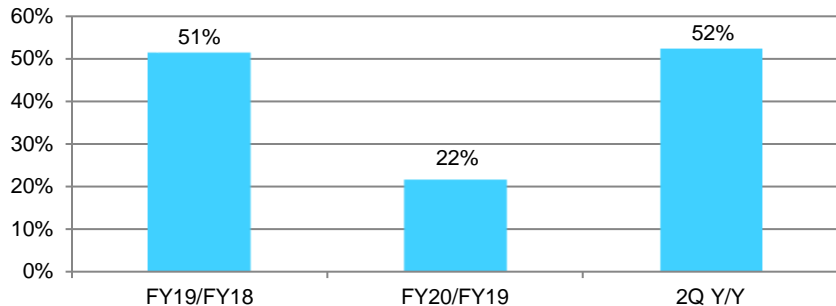
Operating income increased to \$10.7 million compared to an operating loss of \$5.2 million in the second quarter 2020. The increase in operating income in the second quarter 2021 was primarily the result of higher volumes compared to the prior year period and a \$3.2 million benefit from the net settlement of claims, partially offset by higher personnel expense related to salary, wages and incentive comp.

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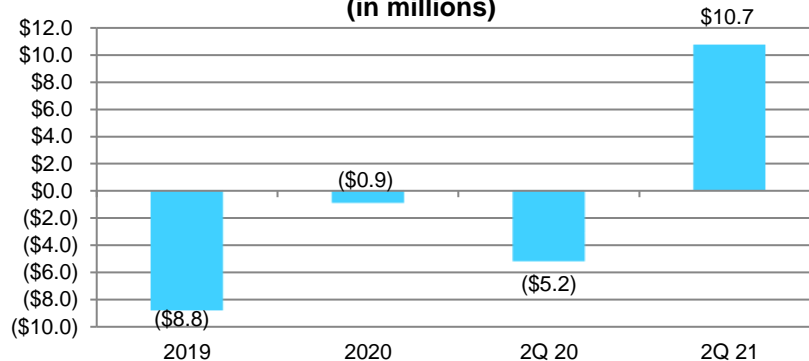
FINAL MILE SERVICES (FMS)



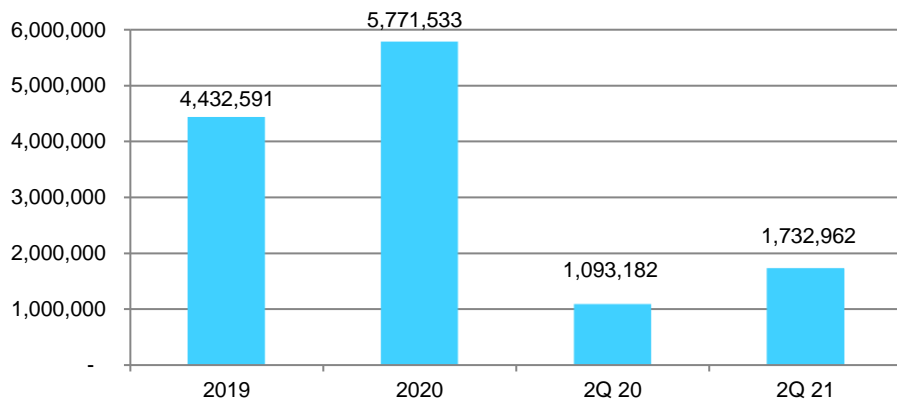
FMS Revenue Change



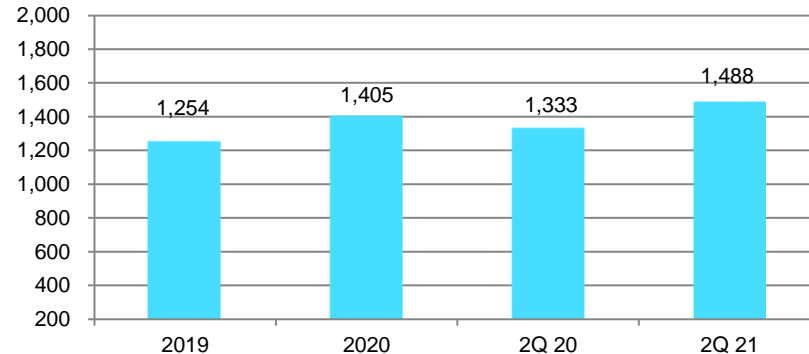
FMS Operating Income/(Loss) (in millions)



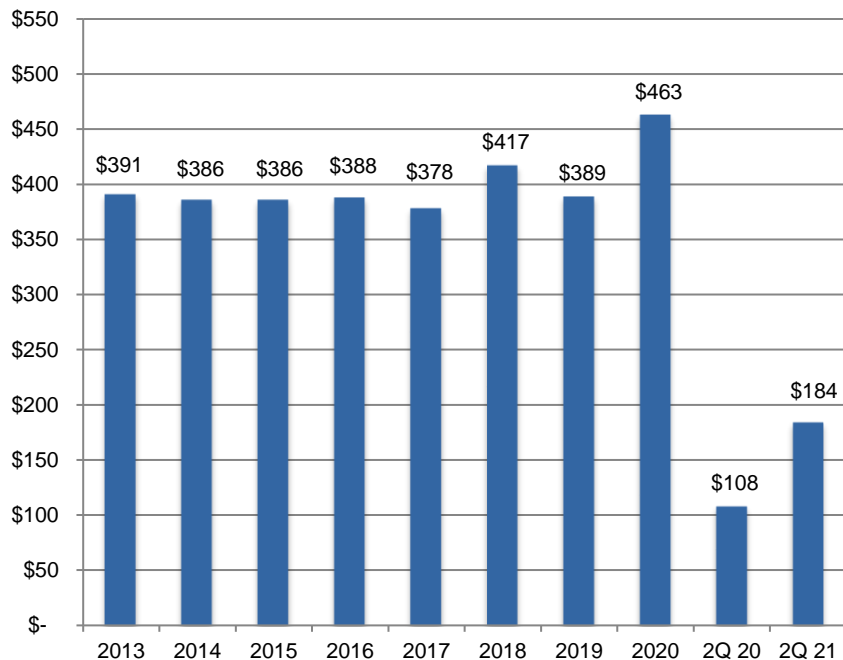
FMS Stops



FMS Average Truck



**JBT Revenue
(in millions)**



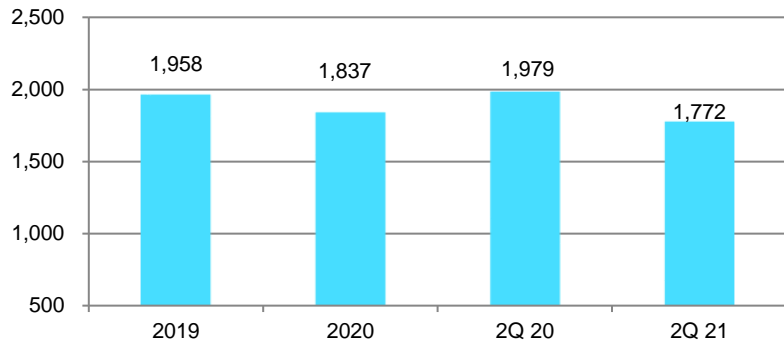
JBT revenue increased 70% from the same period in 2020. Revenue excluding fuel surcharge revenue increased 66% primarily from a 58% increase in revenue per load excluding fuel surcharge revenue and a 5% increase in load count compared to a year ago. The increase in revenue per load excluding fuel surcharge revenue was driven by a 40% increase in revenue per loaded mile excluding fuel surcharge revenue and a 13% increase in average length of haul. Load count growth and the length of haul increase were primarily related to the continued expansion of J.B. Hunt 360box™ which leverages the J.B. Hunt 360 platform to access drop-trailer capacity for customers across our transportation network. Comparable contractual customer rates were up approximately 25% compared to the same period 2020. The current period ended with 8,958 trailers and 1,770 tractors, compared to 7,985 and 1,897 respectively.

Operating income increased to \$14.2 million compared to \$3.5 million in the second quarter 2020. Benefits from increased load counts and revenue per load were partially offset by increases in purchased transportation expense and higher salary and wage expenses for non-driving personnel related to the continued expansion of 360box and increased usage of non-asset power.

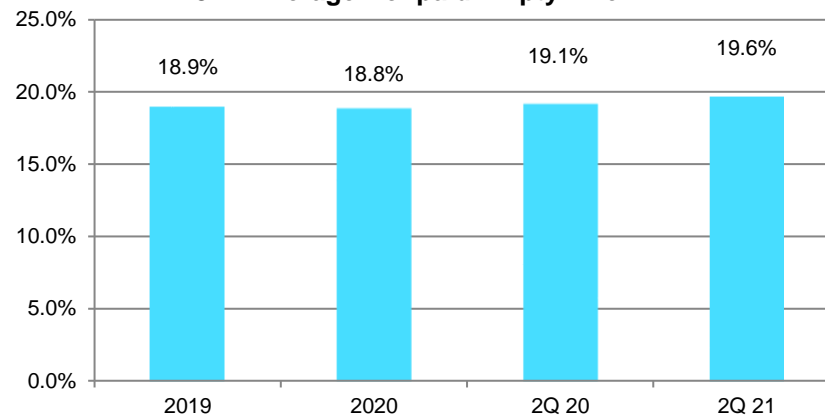
TRUCKLOAD (JBT) PERFORMANCE



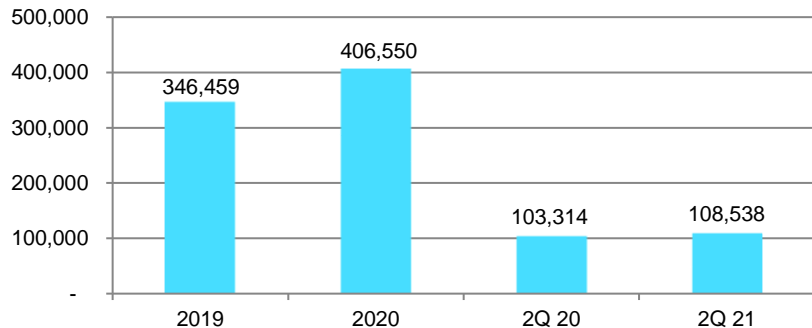
JBT Average Tractors



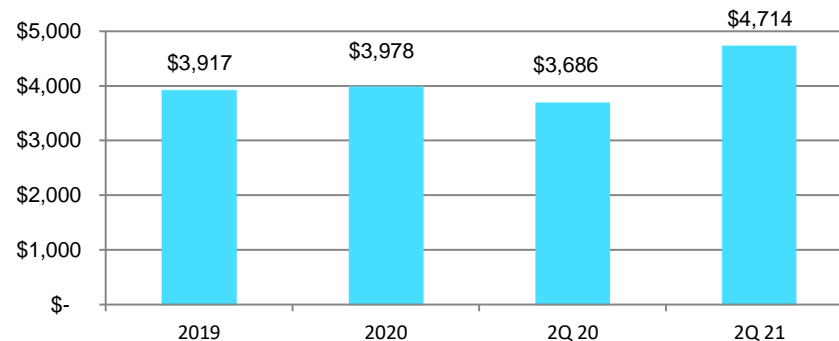
JBT Average Nonpaid Empty Mile



JBT Loads



JBT Revenue per Tractor per Week





Intermodal



Dedicated
Contract Services



Integrated
Capacity Solutions



Final Mile



Truckload

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



	June 30, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 570,918	\$ 313,302
Accounts Receivable, net	1,293,924	1,124,403
Prepaid expenses and other	344,457	404,412
Total current assets	2,209,299	1,842,117
Property and equipment	6,108,195	5,908,710
Less accumulated depreciation	2,390,467	2,219,816
Net property and equipment	3,717,728	3,688,894
Other assets, net	396,367	397,337
	\$ 6,323,394	\$ 5,928,348
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 674,856	\$ 587,510
Claims accruals	282,331	276,056
Accrued payroll	174,718	130,943
Other accrued expenses	96,450	90,294
Total current liabilities	1,228,355	1,084,803
Long-term debt	1,303,467	1,305,424
Other long-term liabilities	263,576	245,961
Deferred income taxes	728,968	692,022
Stockholders' equity	2,799,028	2,600,138
	\$ 6,323,394	\$ 5,928,348

THANK YOU

