



J.B. HUNT

Q3 2017 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 AND 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

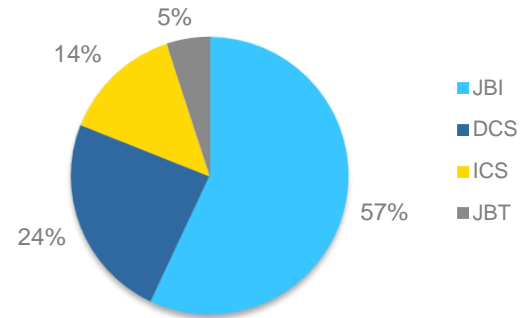
Integrated Capacity Solutions (ICS)

- 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

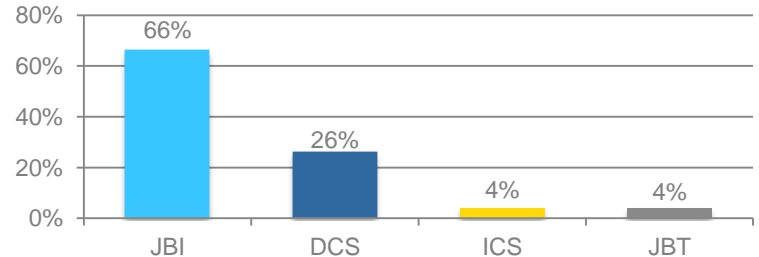
Truckload (JBT)

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

3Q 2017 Revenue Mix



Percentage of 3Q 2017 Operating Income by Business Segment



3Q 2017 RESULTS VS. 3Q 2016

OVERVIEW

3Q 2017 Revenue:

\$1.84 billion; up 9%

3Q 2017 Revenue, excl FSC:

\$1.66 billion; up 8%

3Q 2017 Operating Income:

\$165 million; down 10%

3Q 2017 EPS:

\$0.91 vs. \$0.97; down 6%

SEGMENT PERFORMANCE

Intermodal (JBI)

Revenue: \$1.05 billion; up 8%

Operating Income: \$109.1 million; down 7%

Dedicated Contract Services (DCS)

Revenue: \$438 million; up 11%

Operating Income: \$42.9 million; down 18%

Integrated Capacity Solutions (ICS)

Revenue: \$269 million; up 16%

Operating Income: \$7.3 million; down 14%

Truckload (JBT)

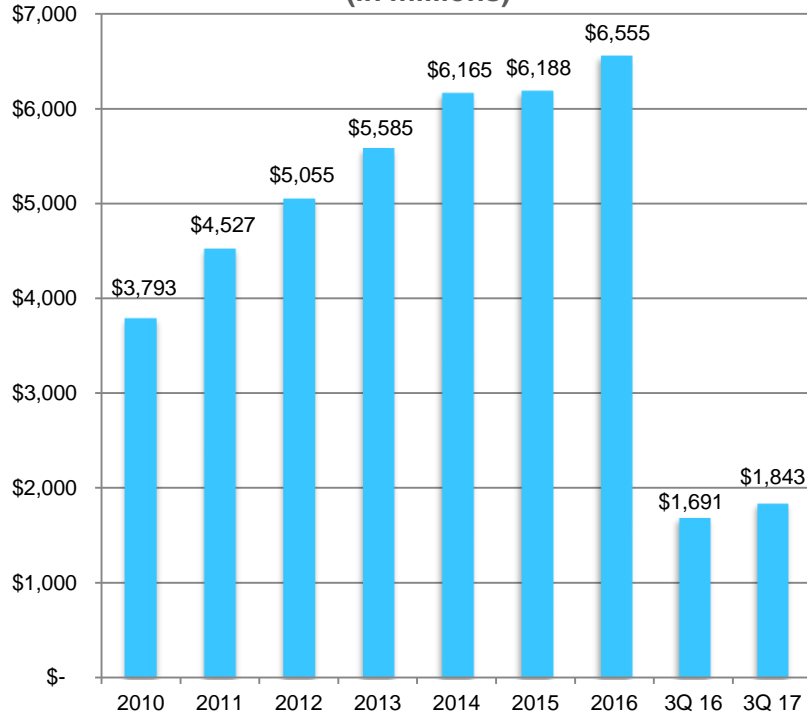
Revenue: \$93 million; down 5%

Operating Income: \$5.7 million; up 12%

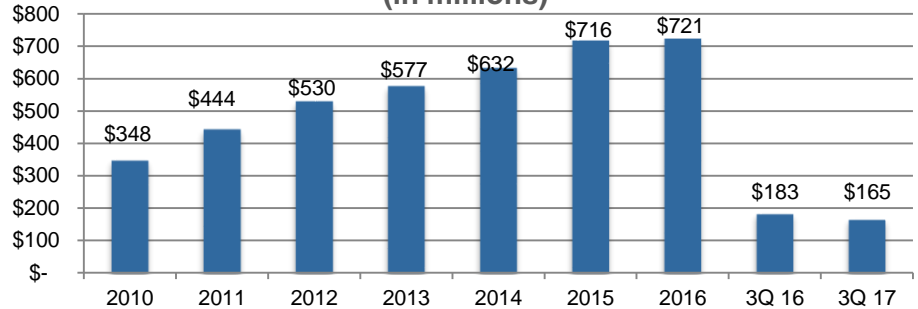


3Q 2017 RESULTS CONSOLIDATED

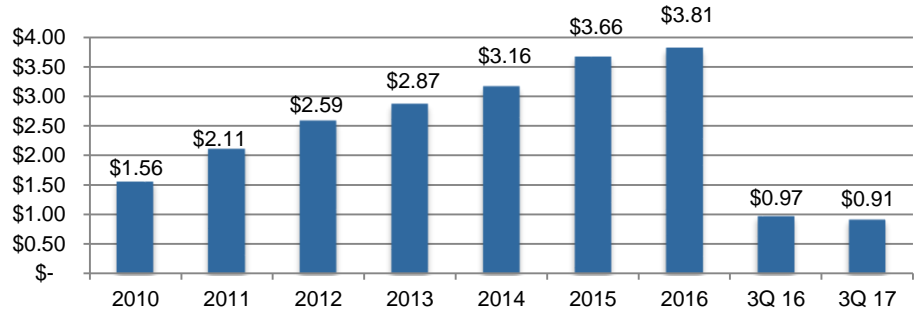
Revenue
(in millions)



Operating Income
(in millions)



Diluted EPS



KEY POINTS



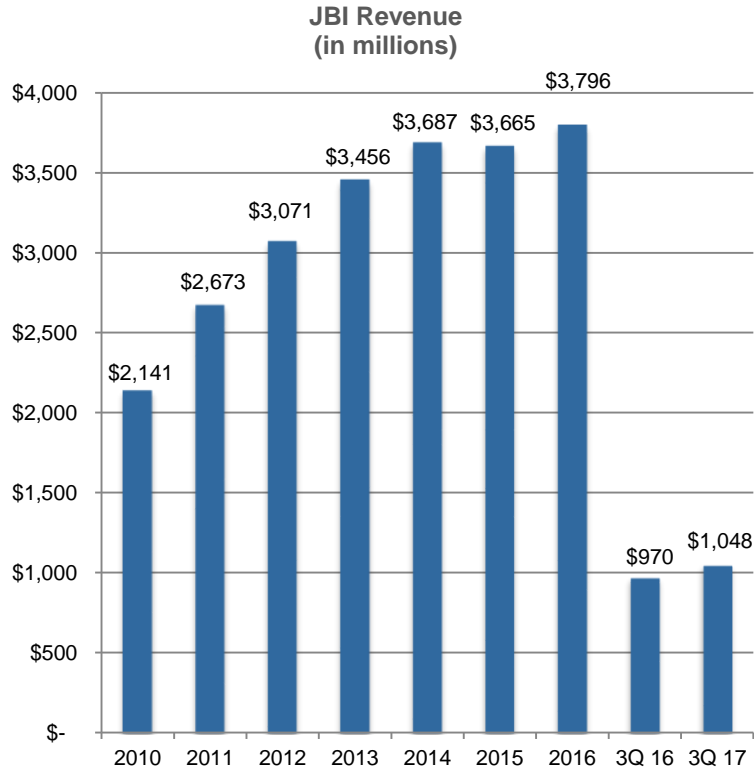
- Industry leading Intermodal franchise
- Differentiated and specialized Dedicated business
- Independent brokerage/management services
- Lighter Truckload asset model



SEGMENT DISCUSSION



INTERMODAL (JBI)



Overall volumes increased 6% over the same period in 2016.

The Eastern network realized load growth of 2% and Transcontinental loads grew 8% over the third quarter 2016.

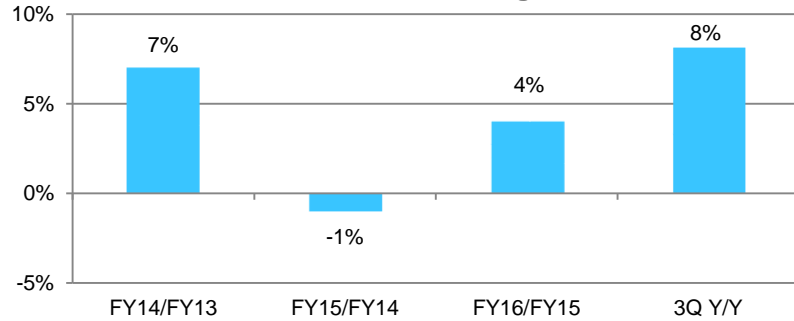
Revenue increased 8% reflecting the 6% volume growth and an approximate 2% increase in revenue per load, which is the combination of changes in customer rate, freight mix and fuel surcharges.

Revenue per load excluding fuel surcharges was flat compared to third quarter 2016.

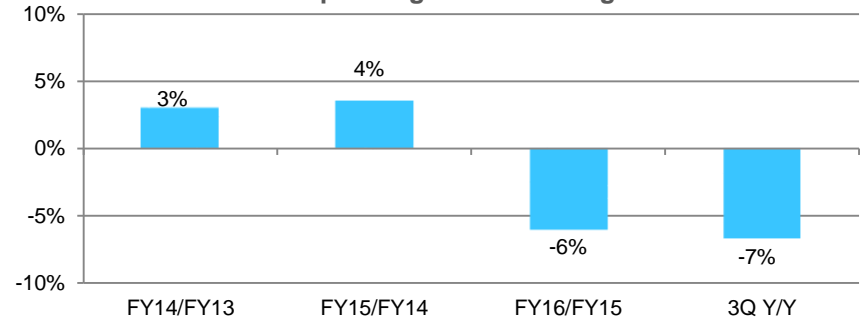
Benefits from improved volumes were offset by increased costs to attract, place and retain drivers; higher insurance and claims costs; increases in rail purchased transportation rates; increases in costs from inefficiencies due to rail congestion, rationalization and maintenance; and approximately \$1.8 million in additional costs and inefficiencies in the dray and rail networks in areas directly affected by natural disasters.

INTERMODAL (JBI) PERFORMANCE

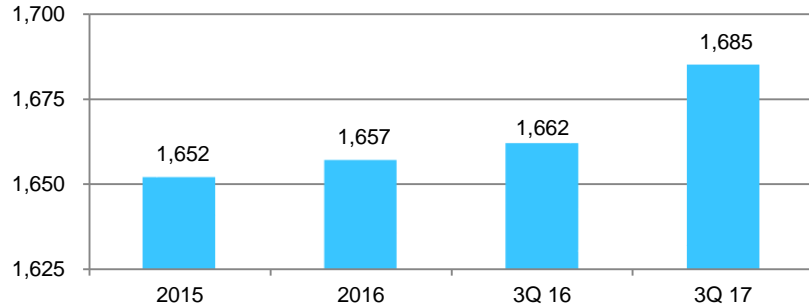
JBI Revenue Change



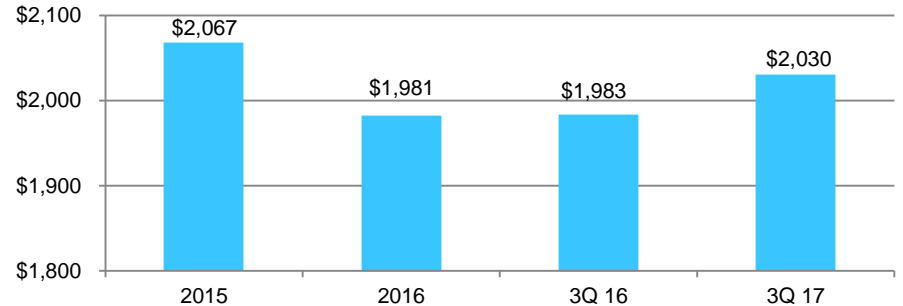
JBI Operating Income Change



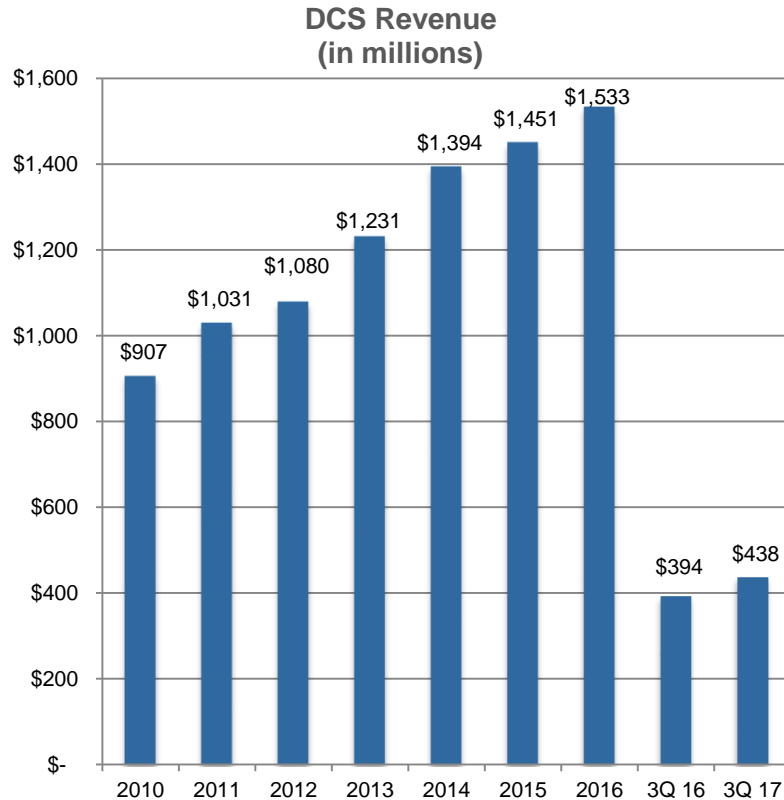
JBI Average Length of Haul



JBI Revenue per Load



DEDICATED (DCS)



DCS revenue increased 11% during the current quarter over the same period in 2016.

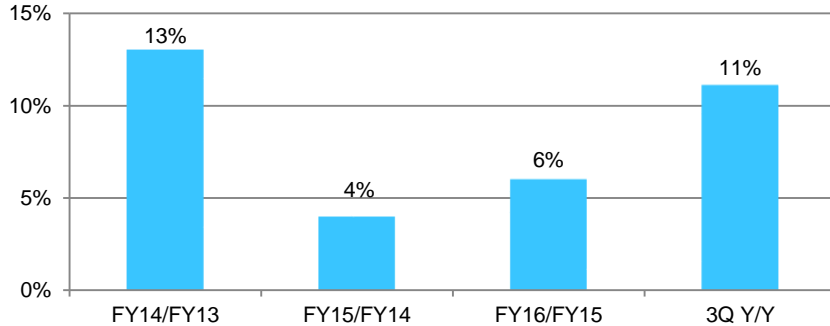
Productivity (revenue per truck per week) increased by approximately 2% vs. 2016.

A net additional 1,024 revenue producing trucks, 621 net additions sequentially from second quarter 2017 including 328 acquired in the SLD purchase, were in the fleet by the end of the quarter.

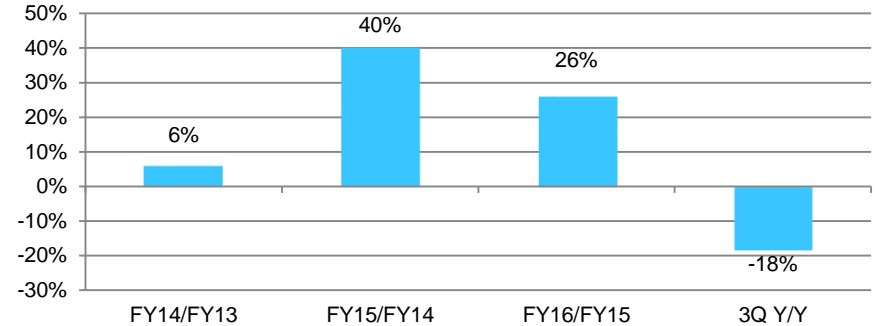
Operating income decreased by 18% from a year ago primarily from the timing between increasing driver wages and recovery through customer contracts, increased driver recruiting costs including the length of time to fill open trucks, increased insurance and claims costs, increased salaries and benefits costs, higher equipment ownership costs and approximately \$1 million of excess costs associated with operations in the hurricane affected regions compared to the same period in 2016.

DEDICATED (DCS) PERFORMANCE

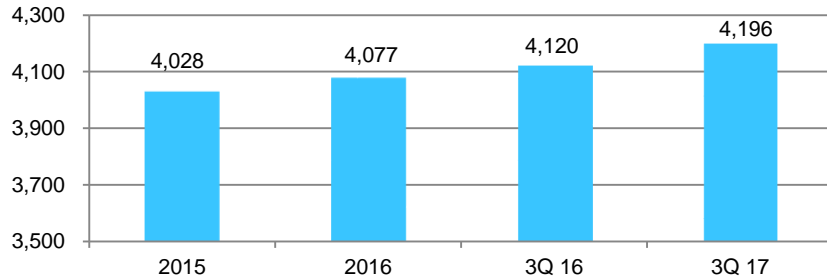
DCS Revenue Change



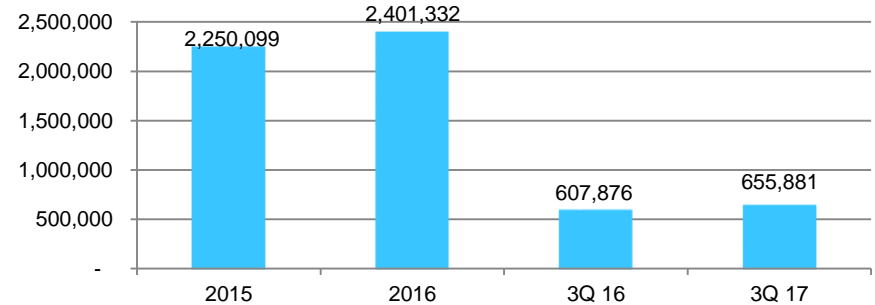
DCS Operating Income Change



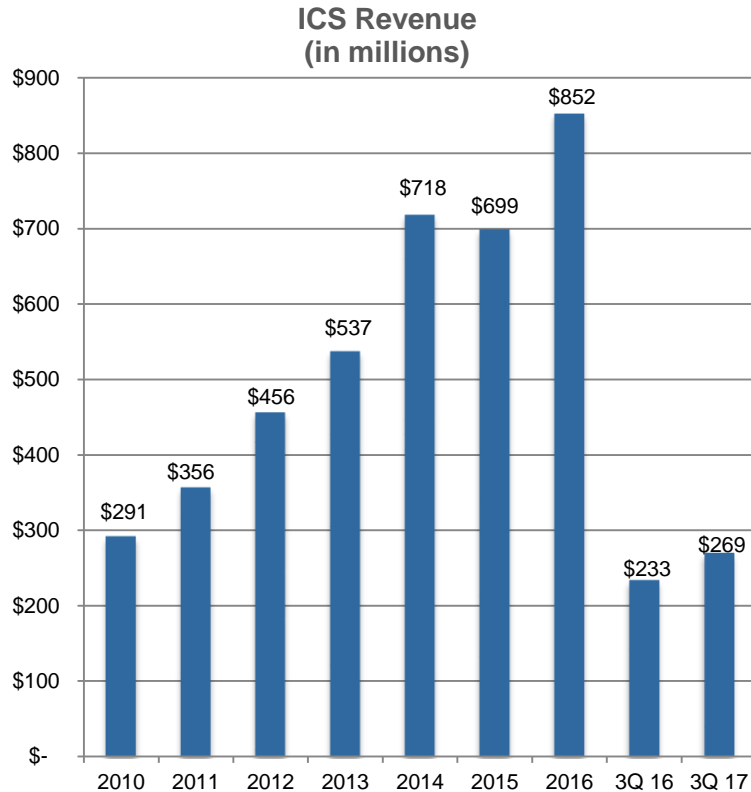
DCS Revenue Per Truck Per Week



DCS Loads



INTEGRATED (ICS) NON-ASSET BASED



ICS revenue increased 16% in the current quarter vs. the third quarter 2016. Revenue per load increased 17% from increased spot market activity while load volumes decreased 1% vs third quarter 2016.

Contractual volumes represented approximately 65% of total load volume and 48% of total revenue in the current quarter compared to 75% and 64%, respectively, in third quarter 2016.

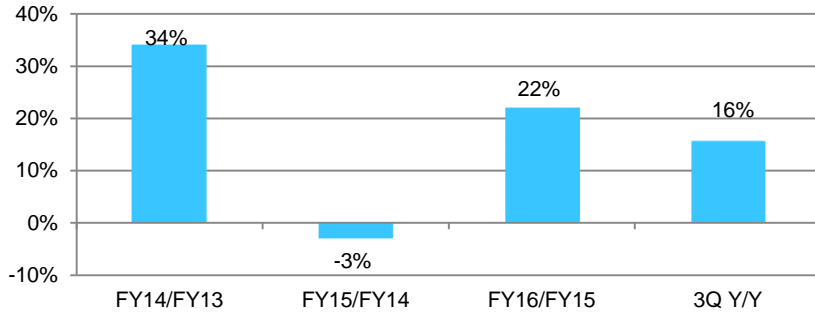
Gross profit margin was flat at 12.8% compared to the prior year as continued compression of gross margins in contractual business offset improvements in spot market gross margins.

Total location count grew to 44 compared to 40 at the end of third quarter last year.

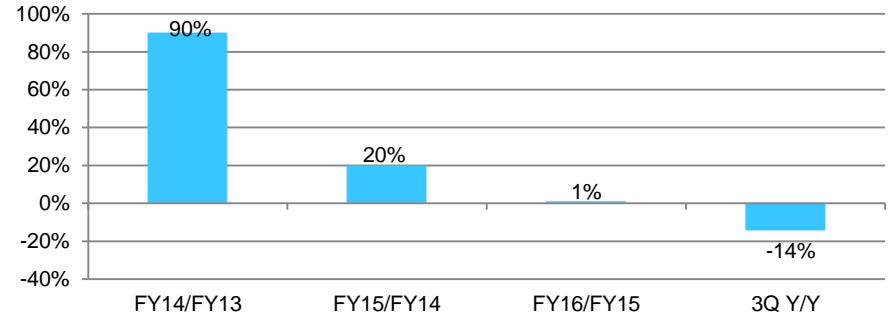
ICS's carrier base increased 10% and the employee count increased 17% vs. third quarter 2016.

INTEGRATED (ICS) PERFORMANCE

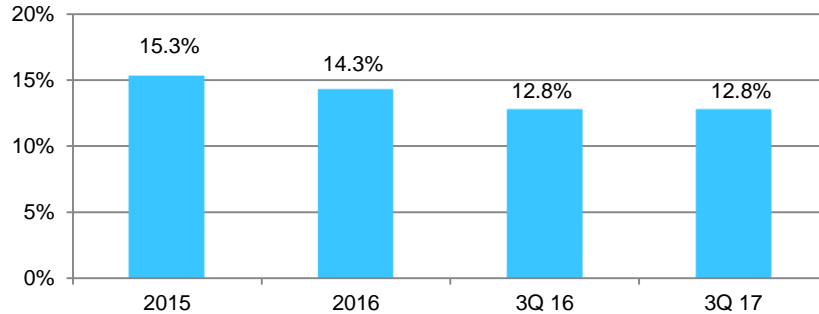
ICS Revenue Change



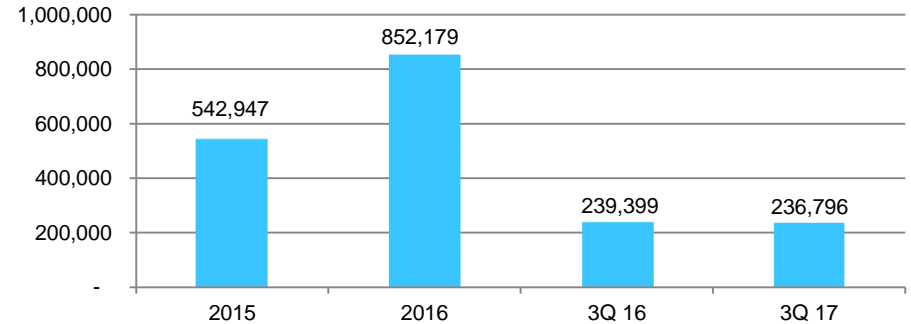
ICS Operating Income Change



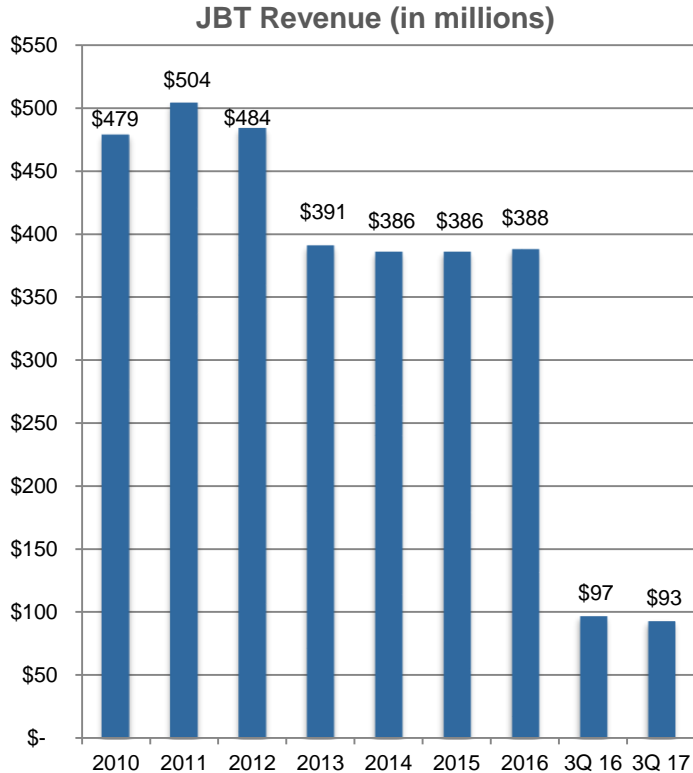
ICS Gross Profit Margin



ICS Loads



TRUCKLOAD (JBT)



JBT revenue was down 5% from the same period in 2016.

Revenue excluding fuel surcharge decreased 6%, primarily from a 7% decrease in load count from third quarter 2016. Revenue per load increased approximately 1% due to a 4% increase in rates per loaded mile offset by a 3% decrease in length of haul compared to a year ago.

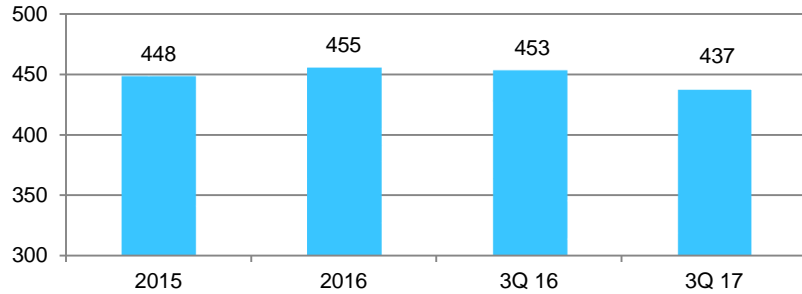
At the end of the period, JBT operated 2,040 tractors compared to 2,183 a year ago.

Operating income increased 12% compared to third quarter 2016.

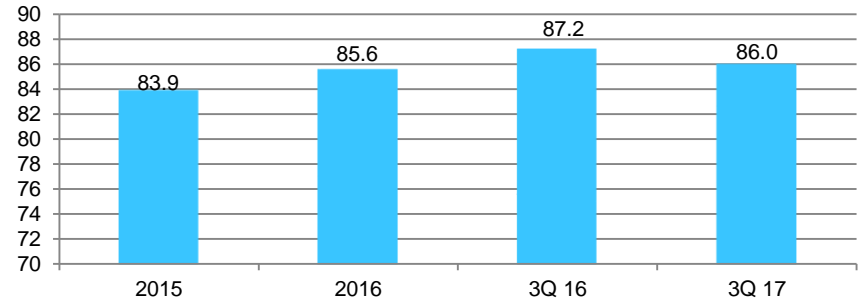
Favorable changes from higher rates per loaded mile and lower insurance and claims costs were partially offset by increased driver wages and independent contractor costs per mile, a decrease in fleet size, lower tractor utilization from an increase in unseated trucks and higher equipment maintenance costs compared to third quarter 2016.

TRUCKLOAD (JBT) PERFORMANCE

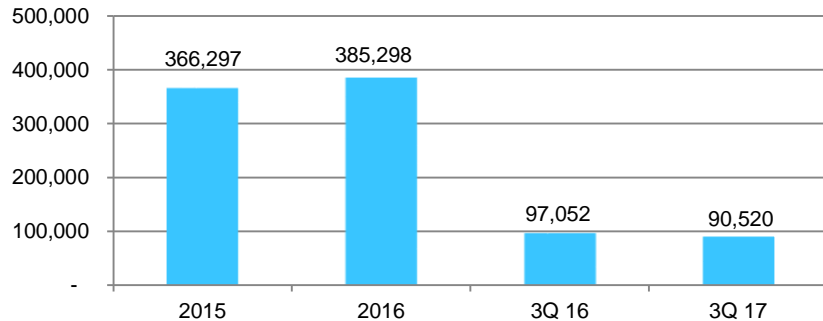
JBT Average Length of Haul



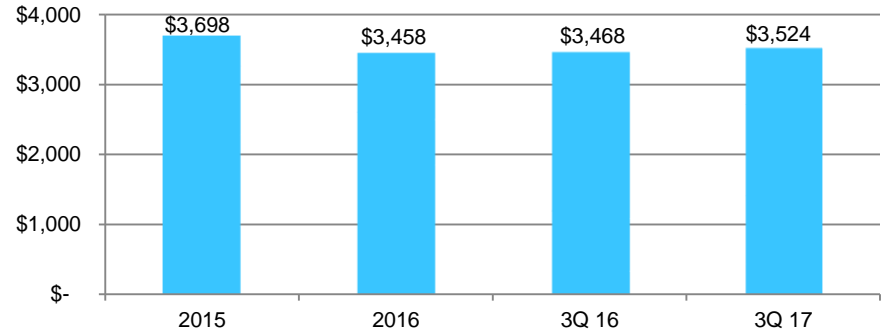
JBT Average Nonpaid Empty Miles Per Load



JBT Loads



JBT Revenue per Tractor per Week



SUMMARY



Intermodal



Dedicated
Contract Services®



Integrated
Capacity Solutions



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

September 30, 2017 December 31, 2016

ASSETS			
Current assets:			
Cash and cash equivalents	\$	7,707	\$ 6,377
Accounts receivable		858,720	745,288
Prepaid expenses and other		140,164	194,016
Total current assets		1,006,591	945,681
Property and equipment		4,507,917	4,258,915
Less accumulated depreciation		1,632,108	1,440,124
Net property and equipment		2,875,809	2,818,791
Other assets		171,523	64,516
	\$	4,053,923	\$ 3,828,988

LIABILITIES & STOCKHOLDERS' EQUITY

Current liabilities:			
Trade accounts payable	\$	493,585	\$ 384,308
Claims accruals		117,645	109,745
Accrued payroll		47,514	51,929
Other accrued expenses		23,011	27,152
Total current liabilities		681,755	573,134
Long-term debt		1,084,801	986,278
Other long-term liabilities		68,564	64,881
Deferred income taxes		746,833	790,634
Stockholders' equity		1,471,970	1,414,061
	\$	4,053,923	\$ 3,828,988



THANK YOU

