



# J.B. Hunt Transport Services, Inc.

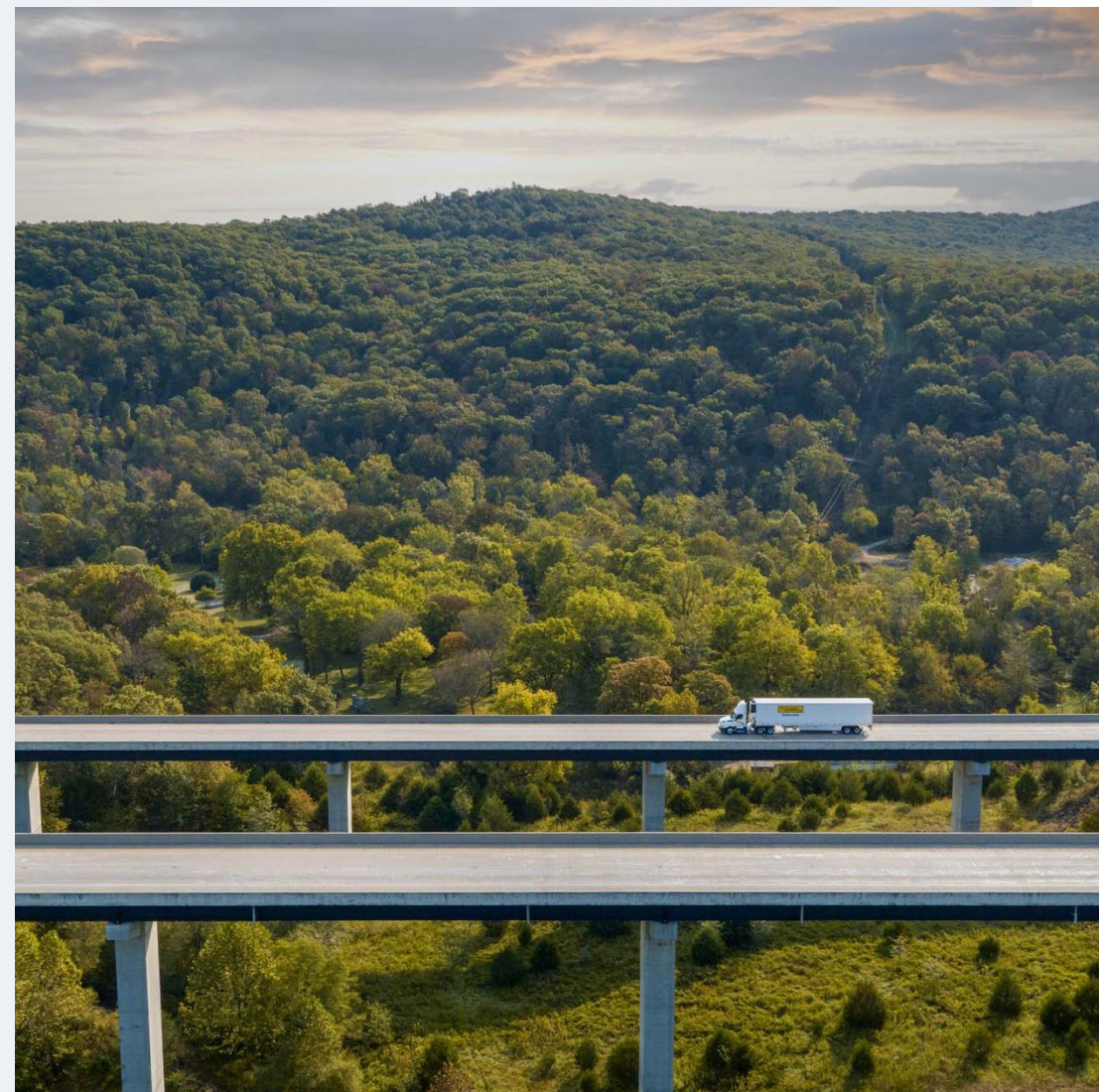
Q3 2024 Results





# 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

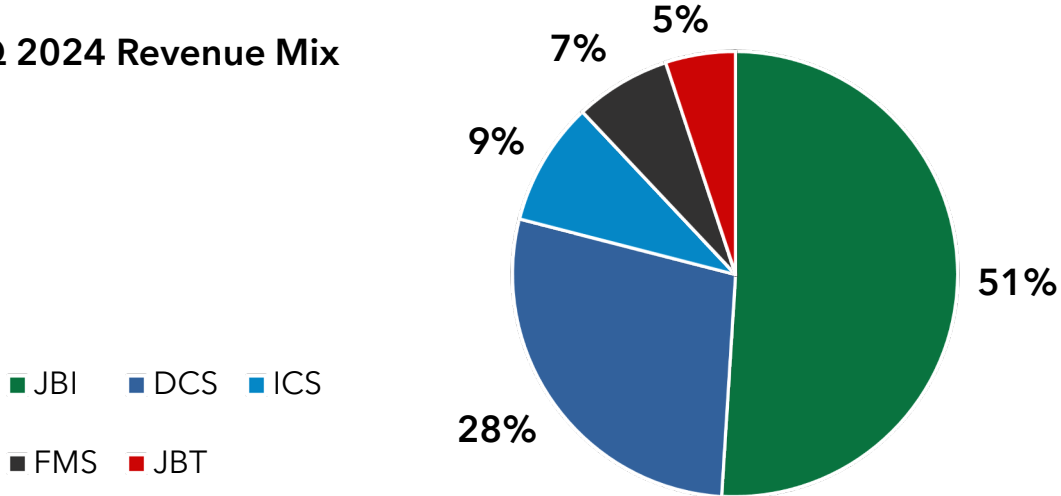
## Final Mile Services® (FMS)

- 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

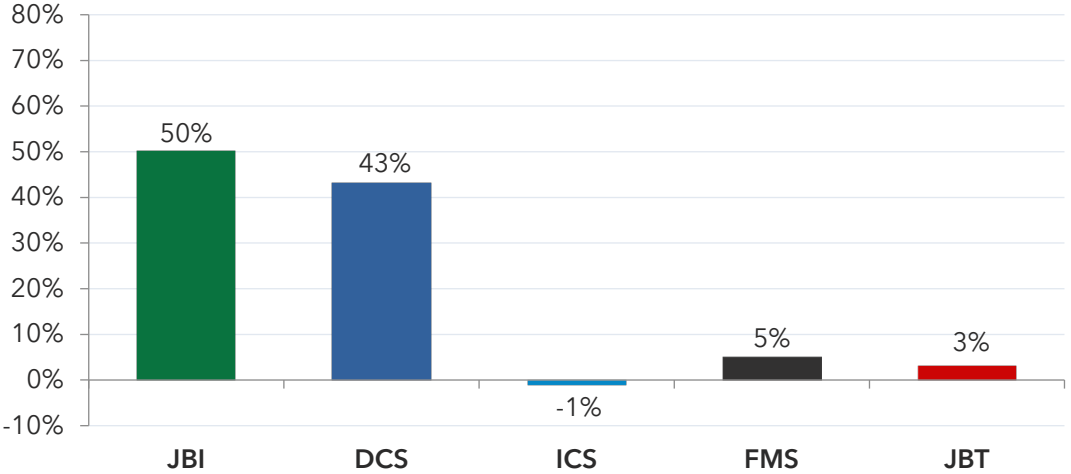
## Truckload (JBT)

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

3Q 2024 Revenue Mix



Percentage of 3Q 2024 Operating Income by Business Segment



# 3Q 2024 Results vs. 3Q 2023

## Overview

### 3Q 2024 Revenue:

\$3.07 billion; down 3%

### 3Q 2024 Revenue, excl FSC:

\$2.68 billion; down less than 1%

### 3Q 2024 Operating Income:

\$224.1 million; down 7%

### 3Q 2024 Diluted EPS:

\$1.49 vs. \$1.80; down 17%

## Segment Performance

### Intermodal (JBI)

Revenue: \$1.56 billion; flat

Operating Income: \$111.8 million; down 13%

### Dedicated Contract Services (DCS)

Revenue: \$846 million; down 5%

Operating Income: \$95.5 million; down 7%

### Integrated Capacity Solutions (ICS)

Revenue: \$278 million; down 7%

Operating Loss: \$(3.3) million; vs. \$(9.4) million in Q3'23

### Final Mile Services (FMS)

Revenue: \$218 million; down 3%

Operating Income: \$12.0 million; down 7%

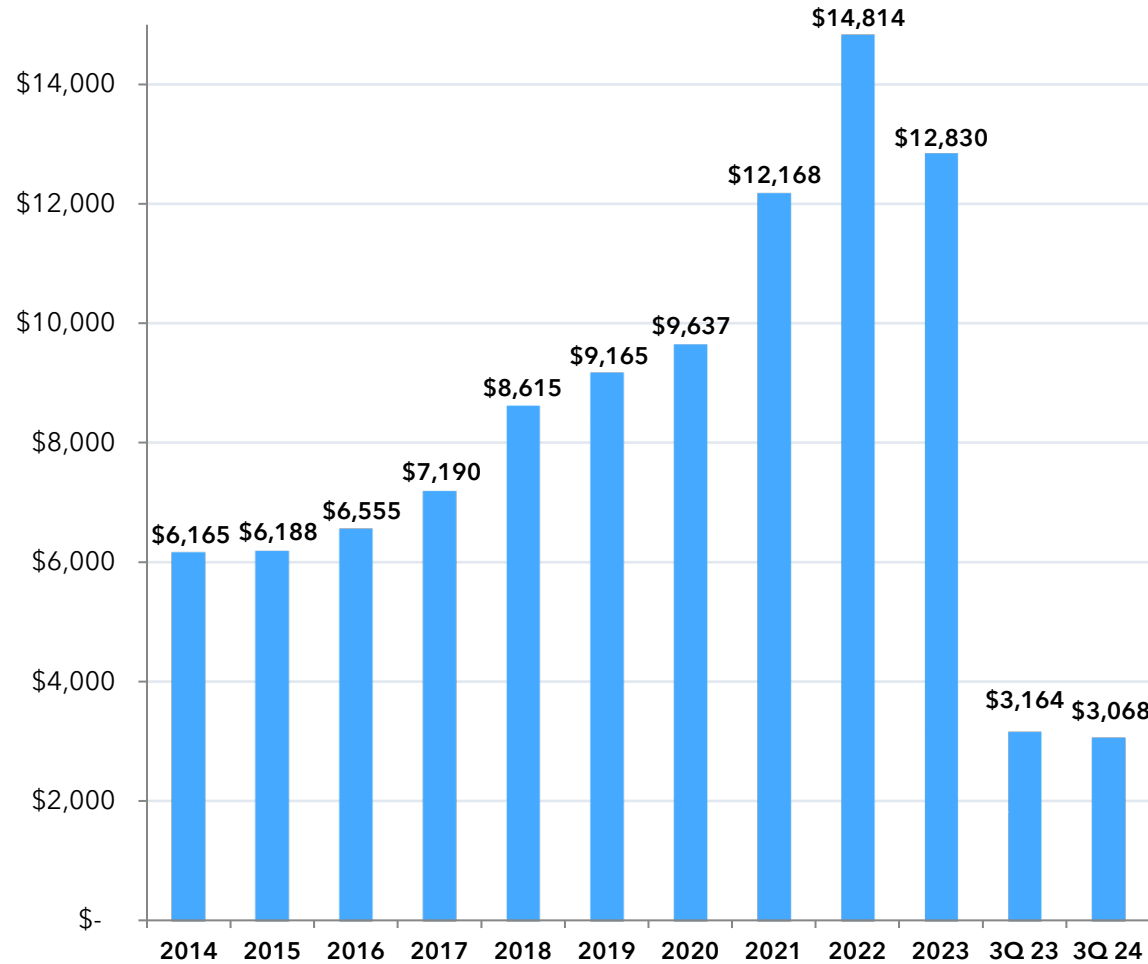
### Truckload (JBT)

Revenue: \$173 million; down 12%

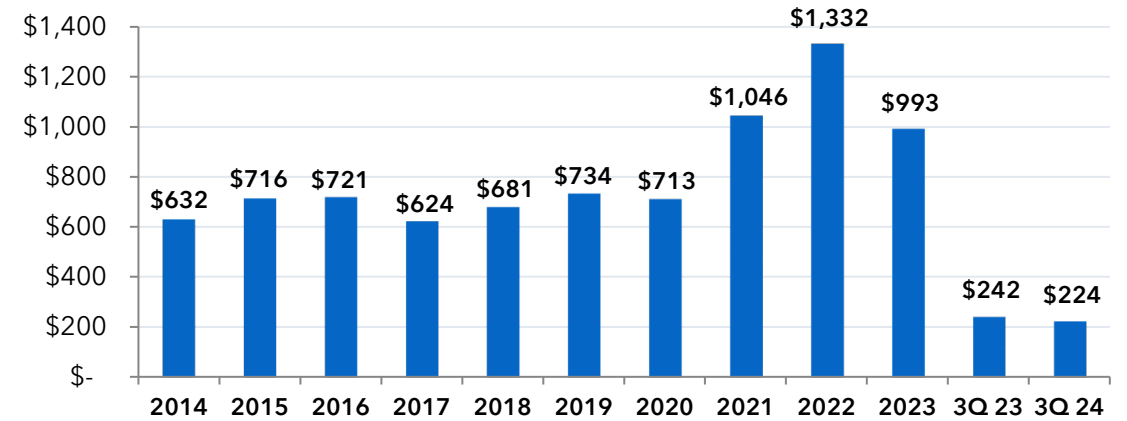
Operating Income: \$8.2 million; up 6%

# 3Q Results Consolidated

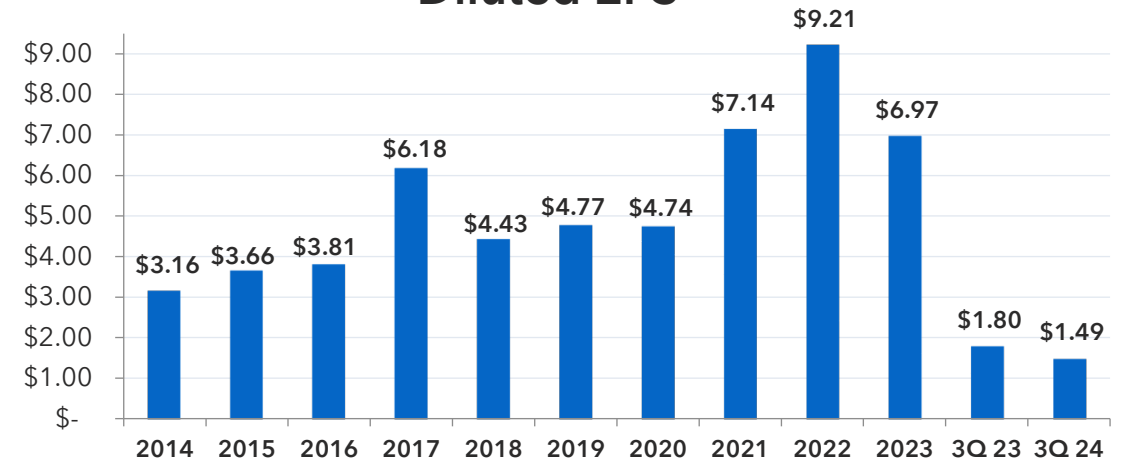
## Revenue (in millions)



## Operating Income (in millions)



## Diluted EPS

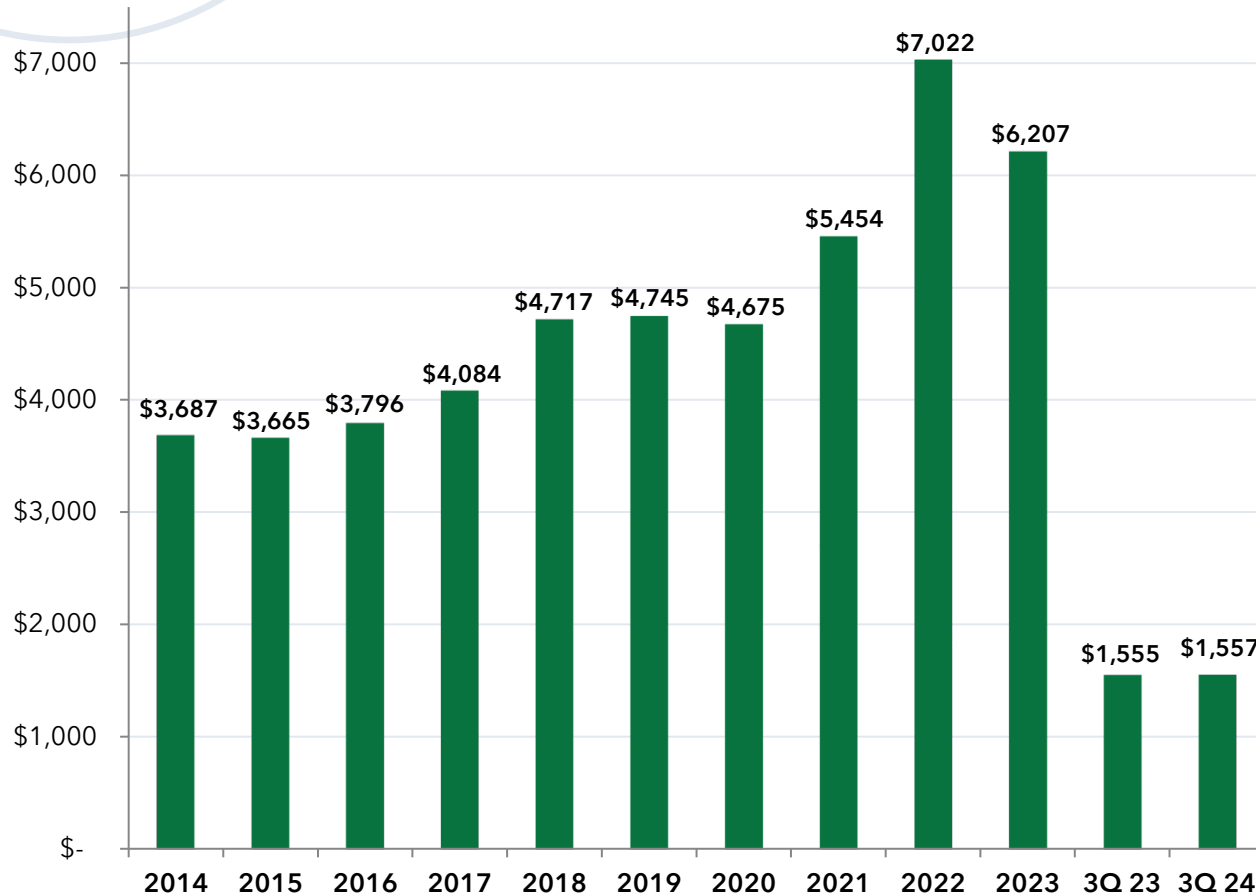




# Segment Discussion

# Intermodal (JBI)

**JBI Revenue** (in millions)

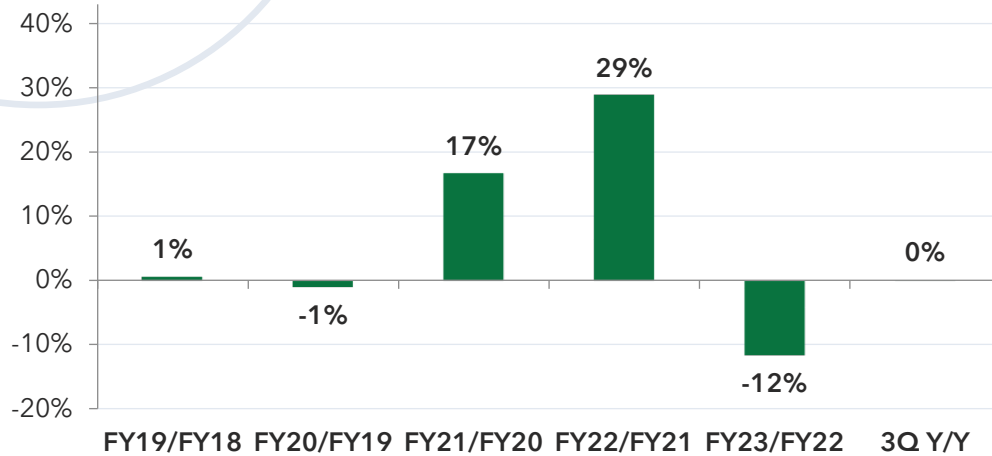


Intermodal volume increased 5% over the same period in 2023. Transcontinental network loads increased 7%, while eastern network loads increased 3% compared to the third quarter 2023. Demand for our intermodal service improved throughout the quarter across both the transcontinental and eastern networks, supported by seasonal activity and strong performance from our rail providers. Demand was particularly strong on eastbound transcontinental loads out of Southern California which increased by a double digit percentage as compared to the prior year period. Segment gross revenue was flat from the prior-year period, reflecting the 5% increase in volume and a 5% decrease in gross revenue per load, resulting from changes in customer rates, fuel surcharge revenue, and the mix of freight. Revenue per load excluding fuel surcharge revenue decreased 2% year-over-year.

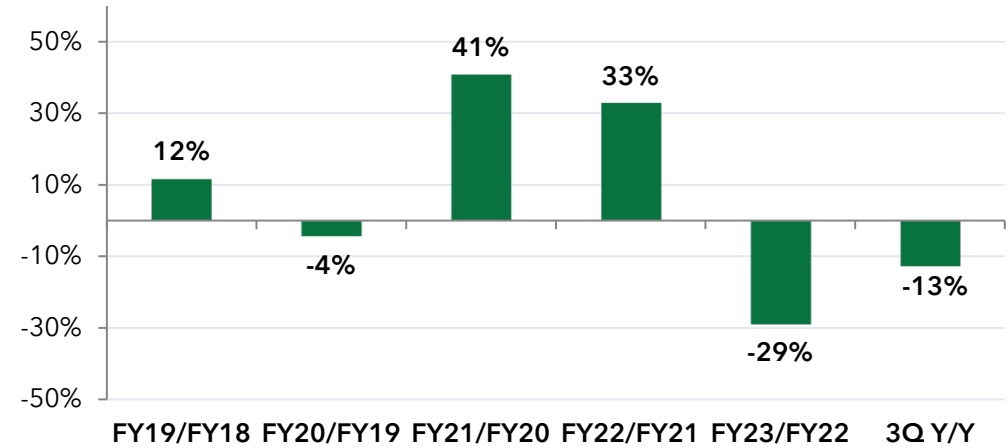
Operating income decreased 13% in the third quarter primarily from lower yields, which was only partially offset by the resulting impact of absorbing network and equipment costs with higher volume. During the quarter, network imbalance and repositioning costs were elevated, along with driver hiring costs to meet peak season demand for customers in the quarter. 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 insurance and claims cost, and higher equipment-related and maintenance expenses as a percentage of gross revenue. During the period, we onboarded 308 new pieces of trailing equipment. We ended the quarter with approximately 121,500 containers and 6,500 power units in the dray fleet.

# Intermodal (JBI) Performance

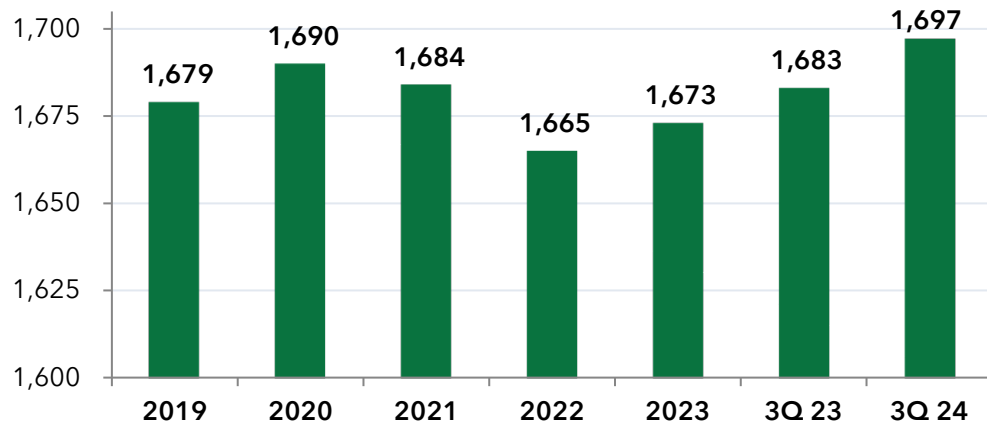
### JBI Revenue Change



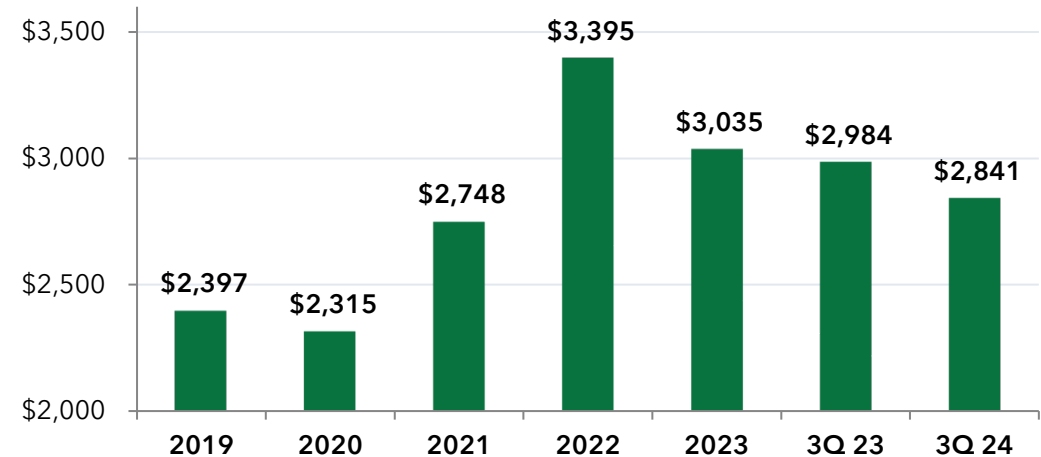
### JBI Operating Income Change



### JBI Average Length of Haul



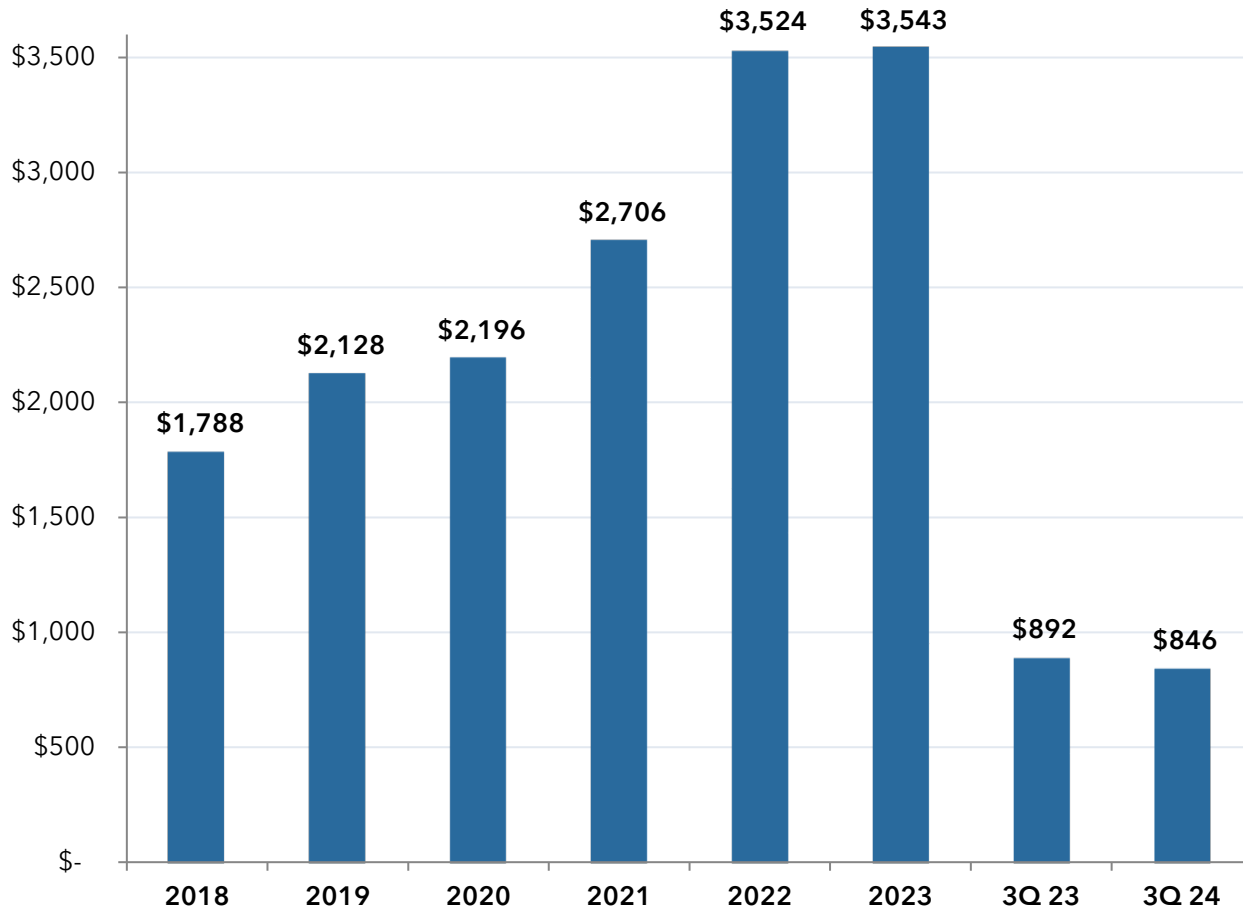
### JBI Revenue per Load





# Dedicated Contract Services (DCS)

**DCS Revenue** (in millions)

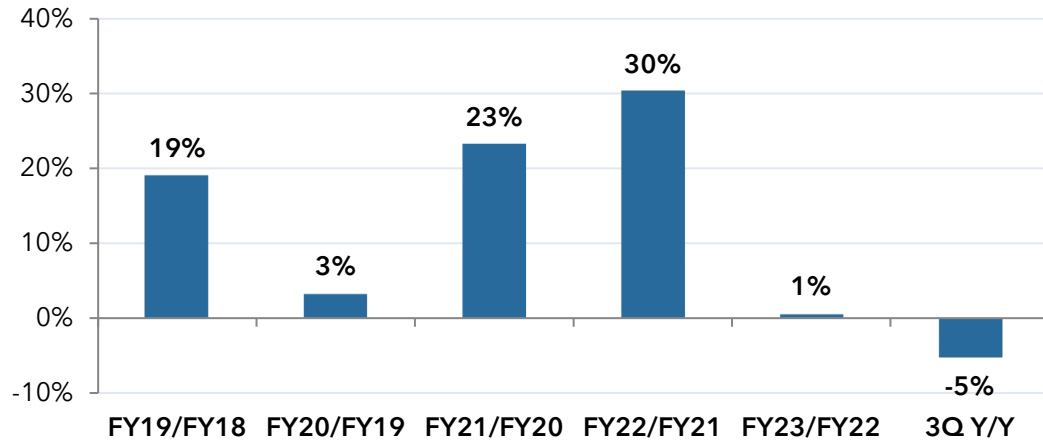


DCS revenue decreased 5% during the current quarter over the same period 2023 driven by a 3% decline in average trucks combined with a 3% decline in productivity (revenue per truck per week). Productivity excluding fuel surcharge revenue was flat from a year ago driven primarily from lower utilization and increases in idled equipment, offset by contracted indexed-based price escalators. On a net basis, there were 498 fewer revenue producing trucks in the fleet by the end of the quarter compared to the prior-year period, and 128 fewer versus the end of the second quarter 2024. Customer retention rates are approximately 87%, largely reflecting downsizing of fleets and to a lesser extent account losses.

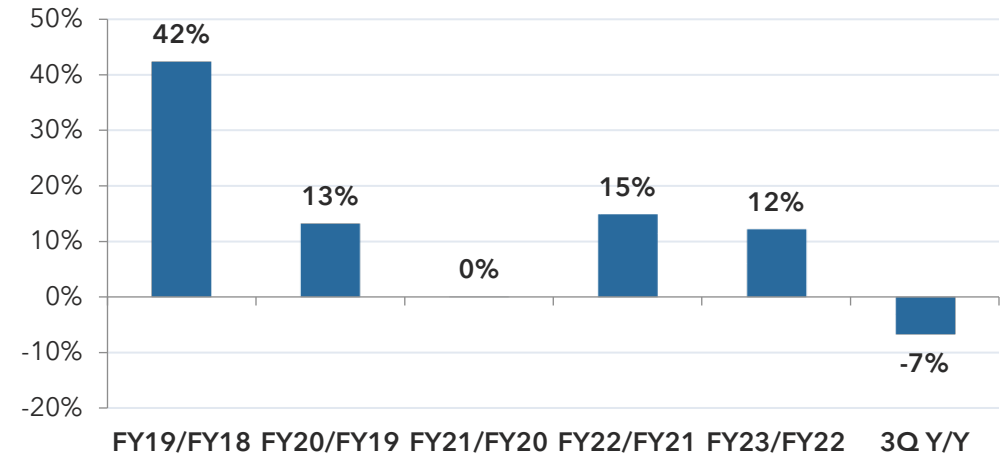
Operating income decreased 7% from the prior-year quarter primarily from lower revenue, higher insurance and claims and new-account start-up costs as compared to the prior-year period. These items were partially offset by lower personnel, bad debt and equipment-related expenses and the maturing of new business onboarded over the trailing twelve months. DCS 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, insurance and claims expense, and higher equipment and maintenance costs, as a percentage of gross revenue.

# Dedicated Contract Services (DCS)

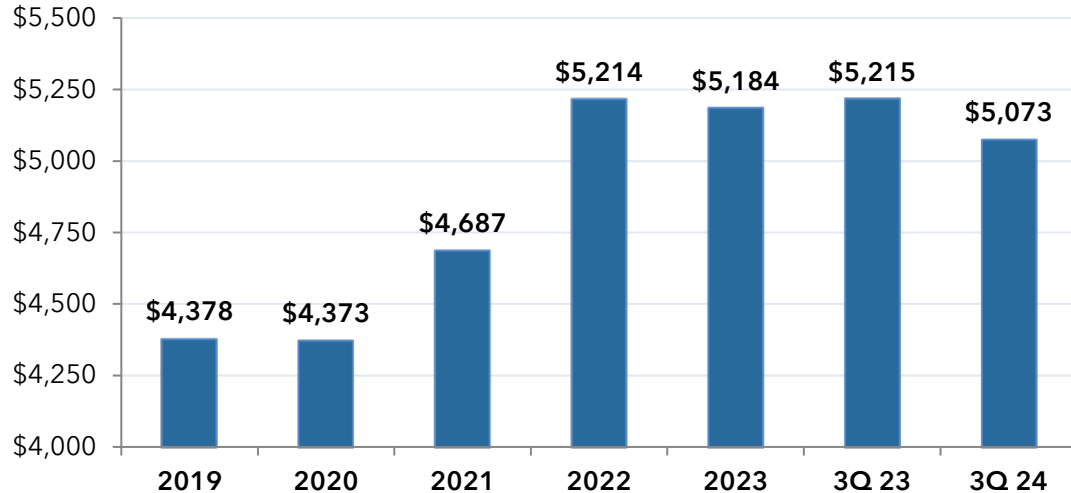
### DCS Revenue Change



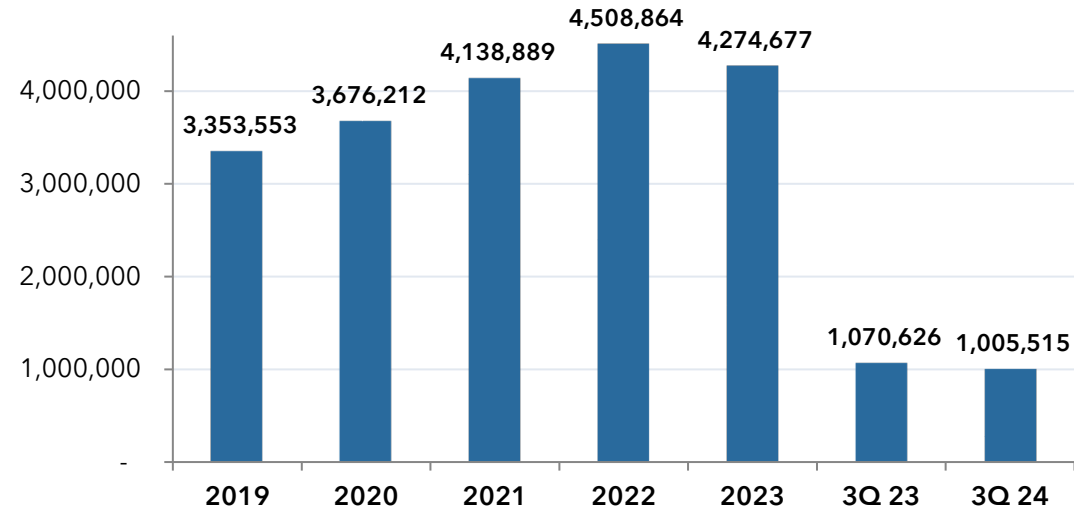
### DCS Operating Income Change



### DCS Revenue Per Truck Per Week

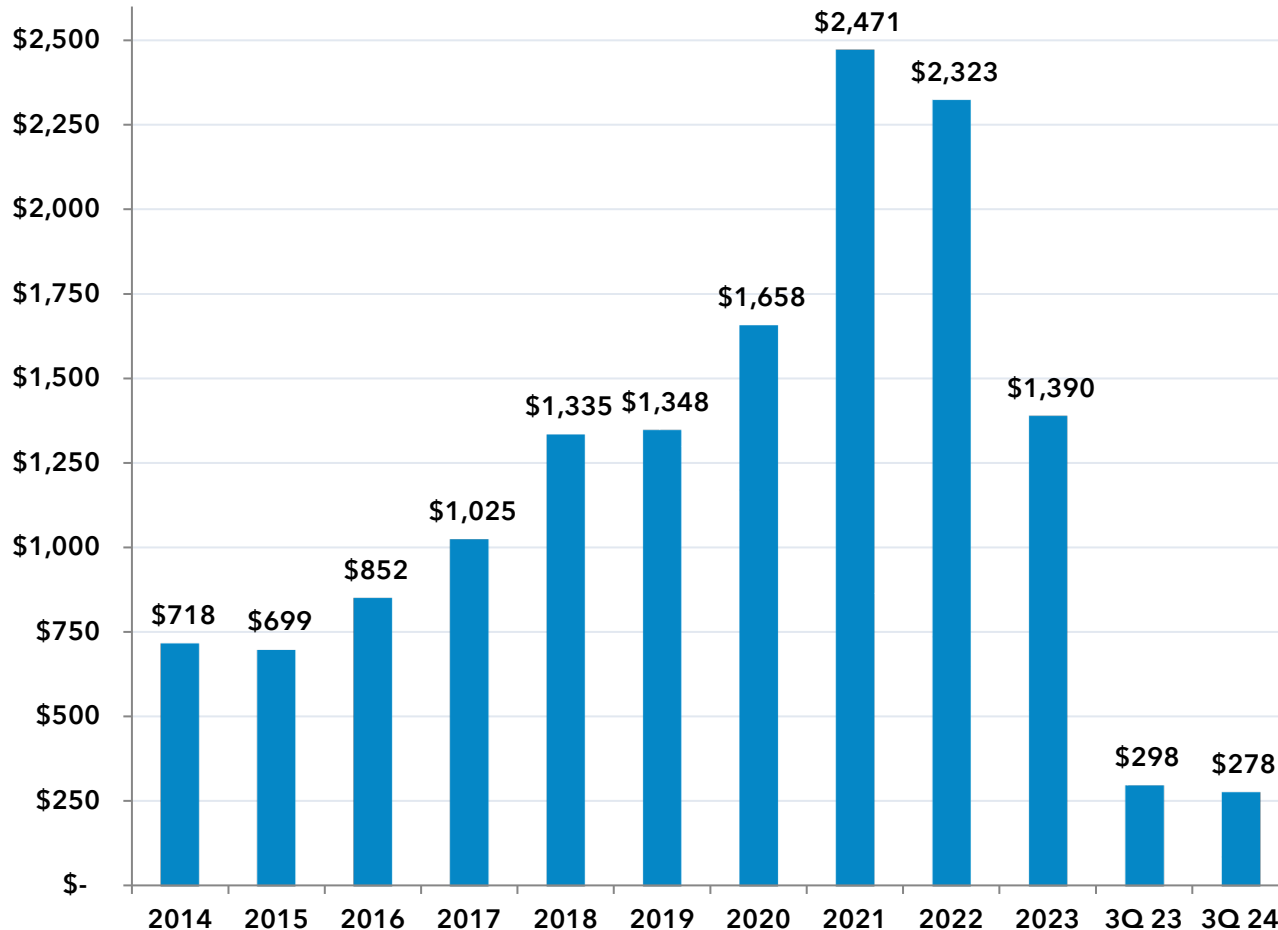


### DCS Loads



# Integrated Capacity Solutions (ICS)

ICS Revenue (in millions)

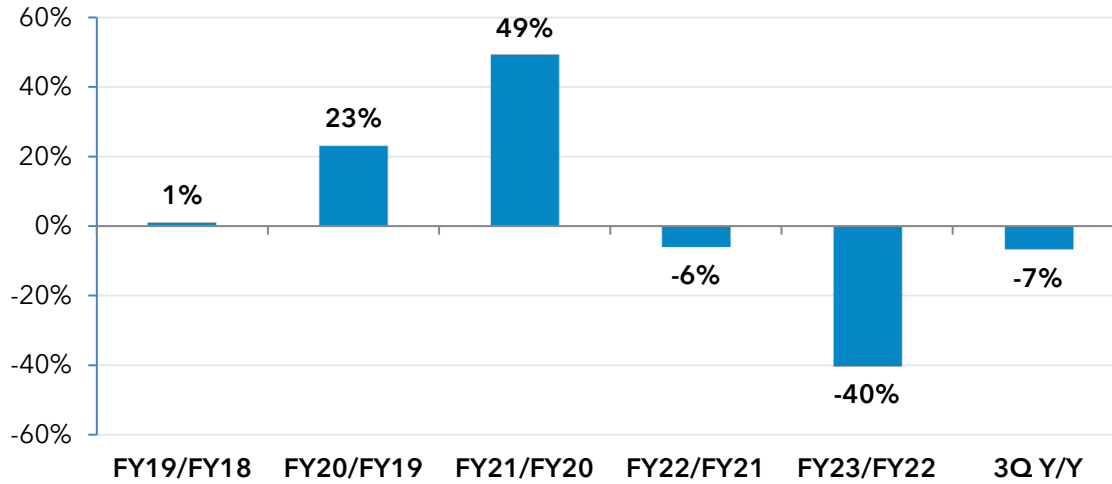


ICS revenue declined 7% during the current quarter versus the third quarter 2023. Overall segment volume decreased 10% versus the prior-year period. Revenue per load increased 3% compared to the third quarter 2023 due to increases in both contractual and transactional rates as well as changes in customer mix. Contractual volume represented approximately 62% of the total load volume and 61% of the total revenue in the current quarter compared to 68% and 67%, respectively, in third quarter 2023.

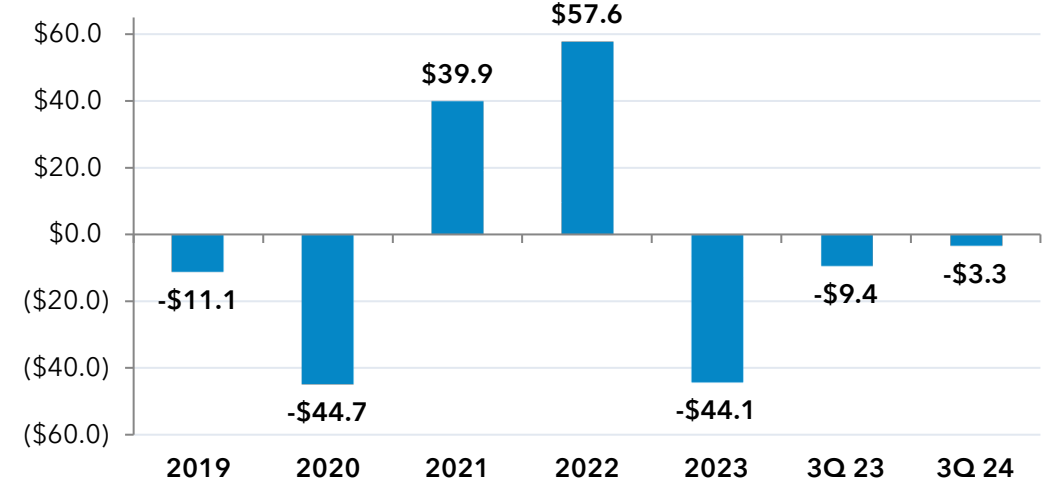
Operating loss was \$3.3 million compared to an operating loss of \$9.4 million in the third quarter 2023. The decrease in operating loss was largely driven by an \$11.7 million increase in gross profit and lower cargo claims and personnel-related expenses, partially offset by integration and transition costs related to the purchase of the brokerage assets of BNSF Logistics. Gross profit increased 31% as a result of higher gross profit margins compared to the prior-year period. Gross profit margins increased to 17.9% in the current period versus 12.8% in the prior period as a result of our disciplined bid strategy, effective sourcing of capacity and some project-related work. ICS' carrier base decreased 18% year-over-year, largely driven by changes to carrier qualification requirements to mitigate cargo theft.

# Integrated Capacity Solutions (ICS)

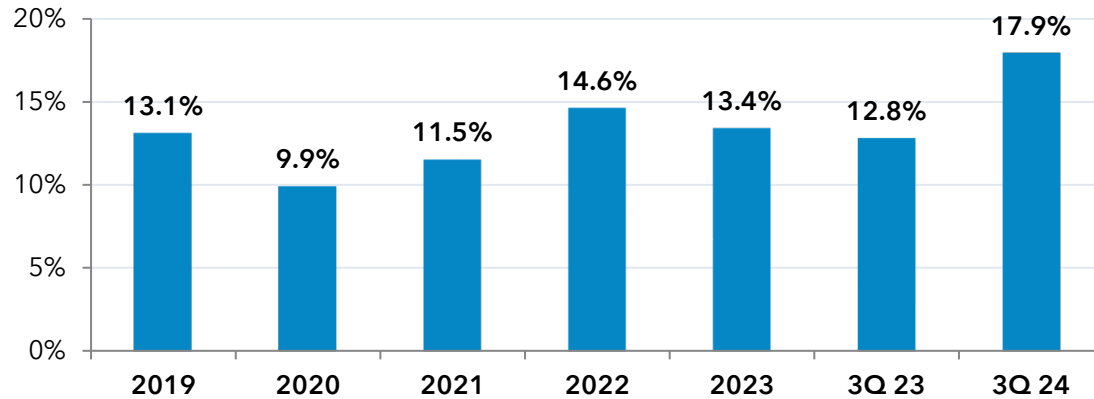
### ICS Revenue Change



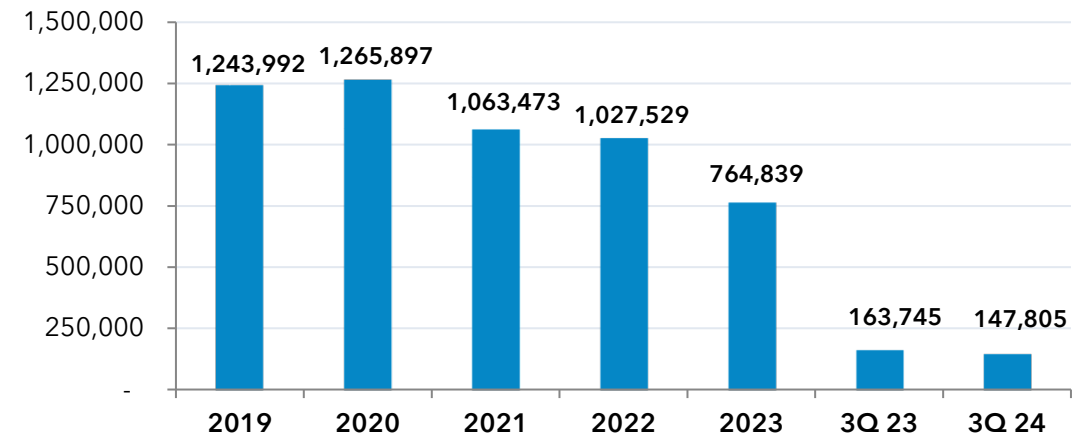
### ICS Operating Income/(Loss) (in millions)



### ICS Gross Profit Margin

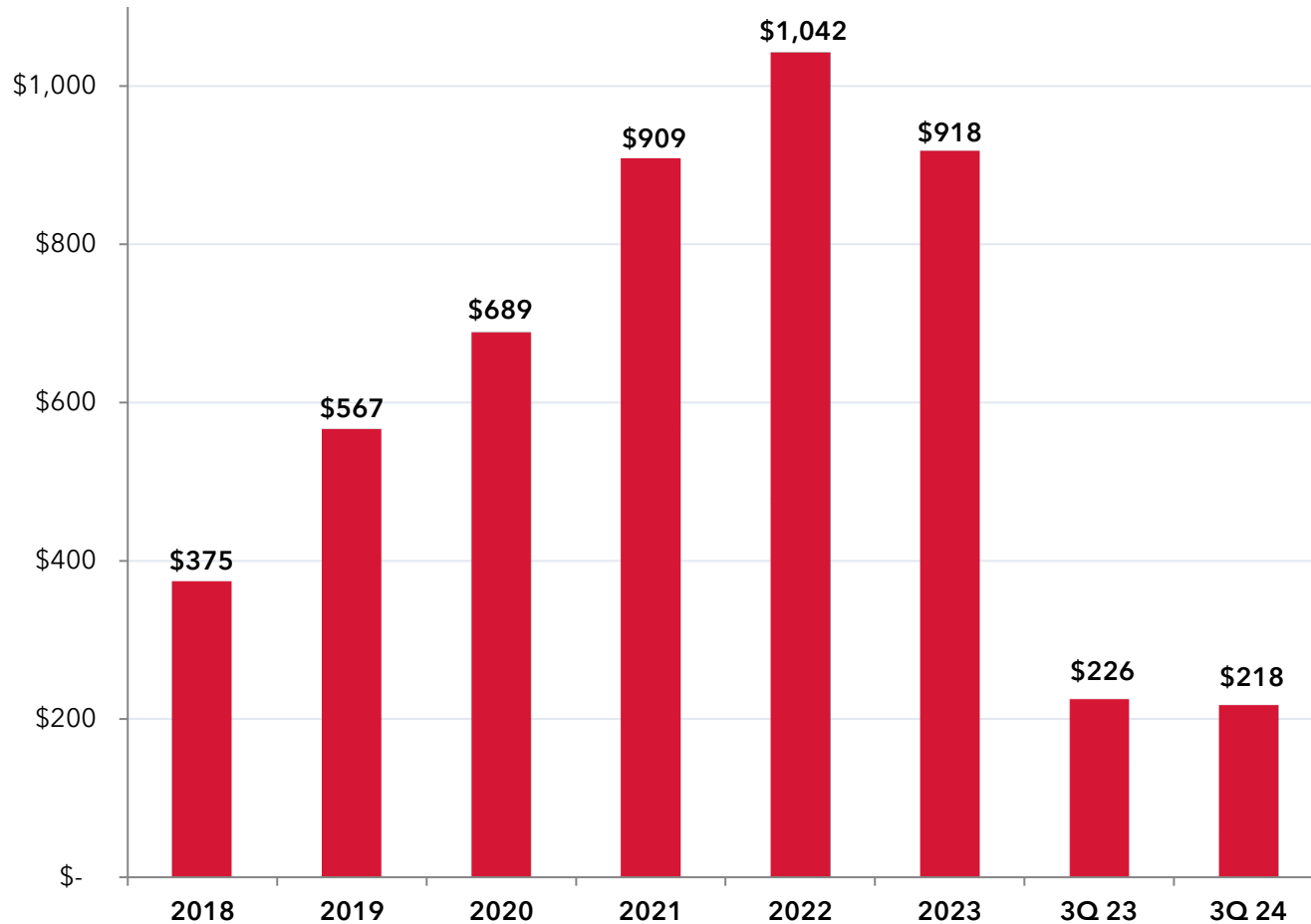


### ICS Loads



# Final Mile Services (FMS)

FMS Revenue (in millions)

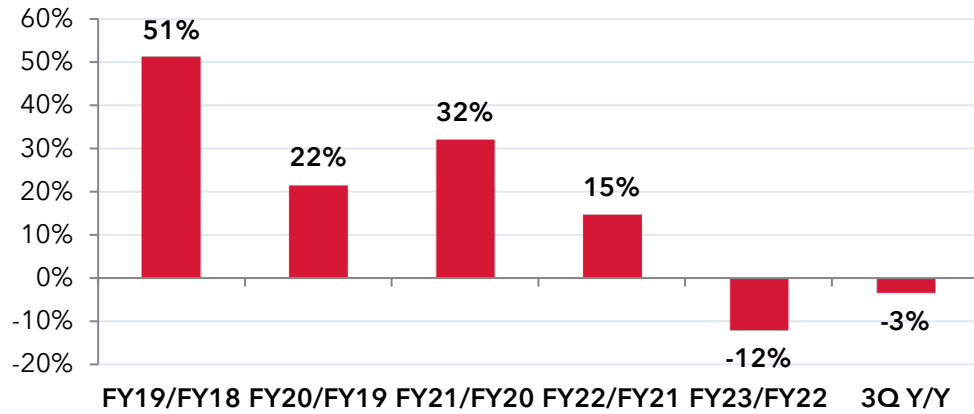


FMS revenue decreased 3% compared to the same period 2023 primarily driven by general weakness in demand across many of the end markets served. The decline in revenue was partially offset by multiple new customer contracts implemented over the trailing twelve months, as well as improved revenue quality on the overall business portfolio.

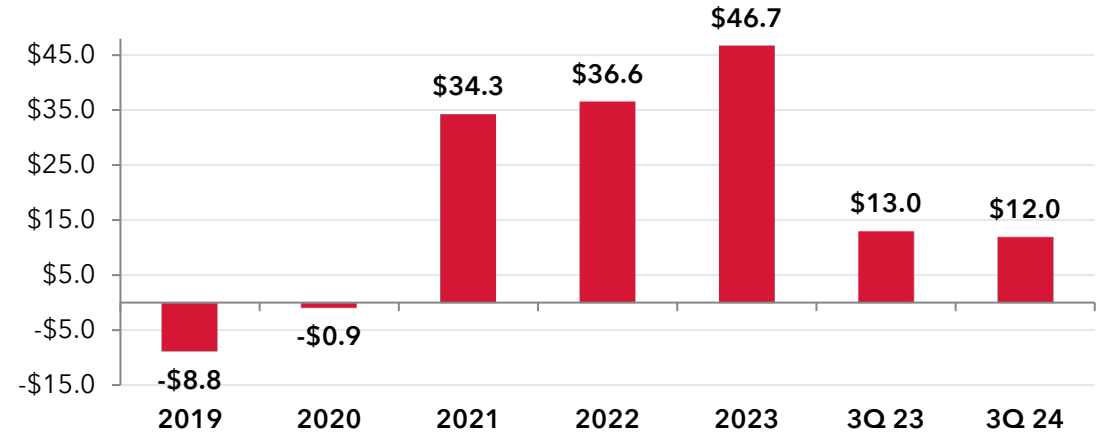
Operating income decreased 7% compared to the prior-year period primarily driven by the decline in segment revenue along with higher purchased transportation costs and insurance premiums as compared to the prior-year period. These items were partially offset by lower personnel-related expenses.

# Final Mile Services (FMS)

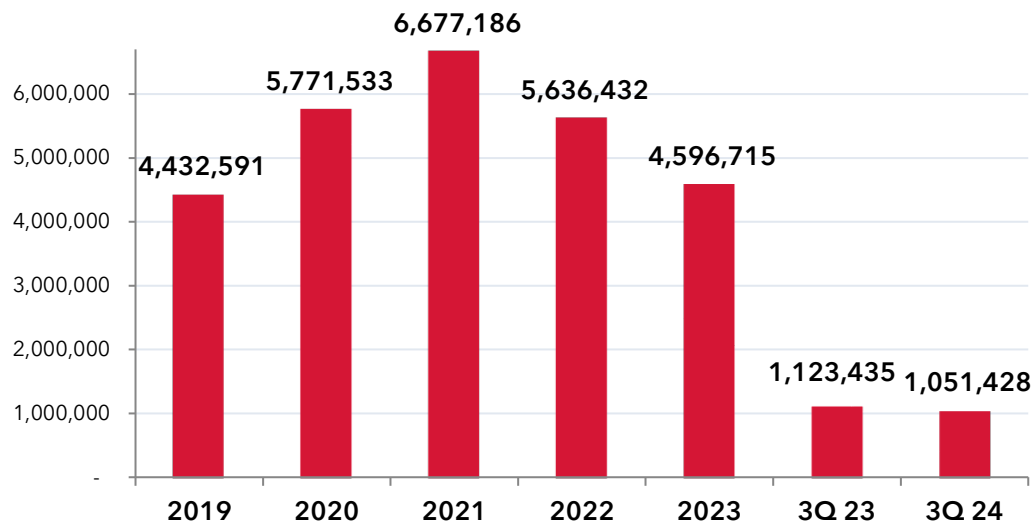
## FMS Revenue Change



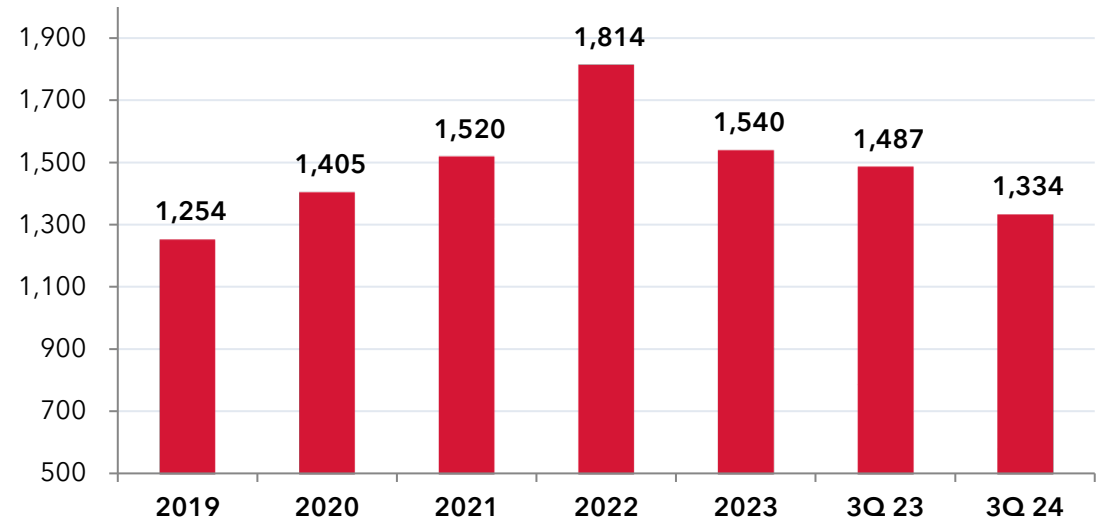
## FMS Operating Income/(Loss) (in millions)



## FMS Stops

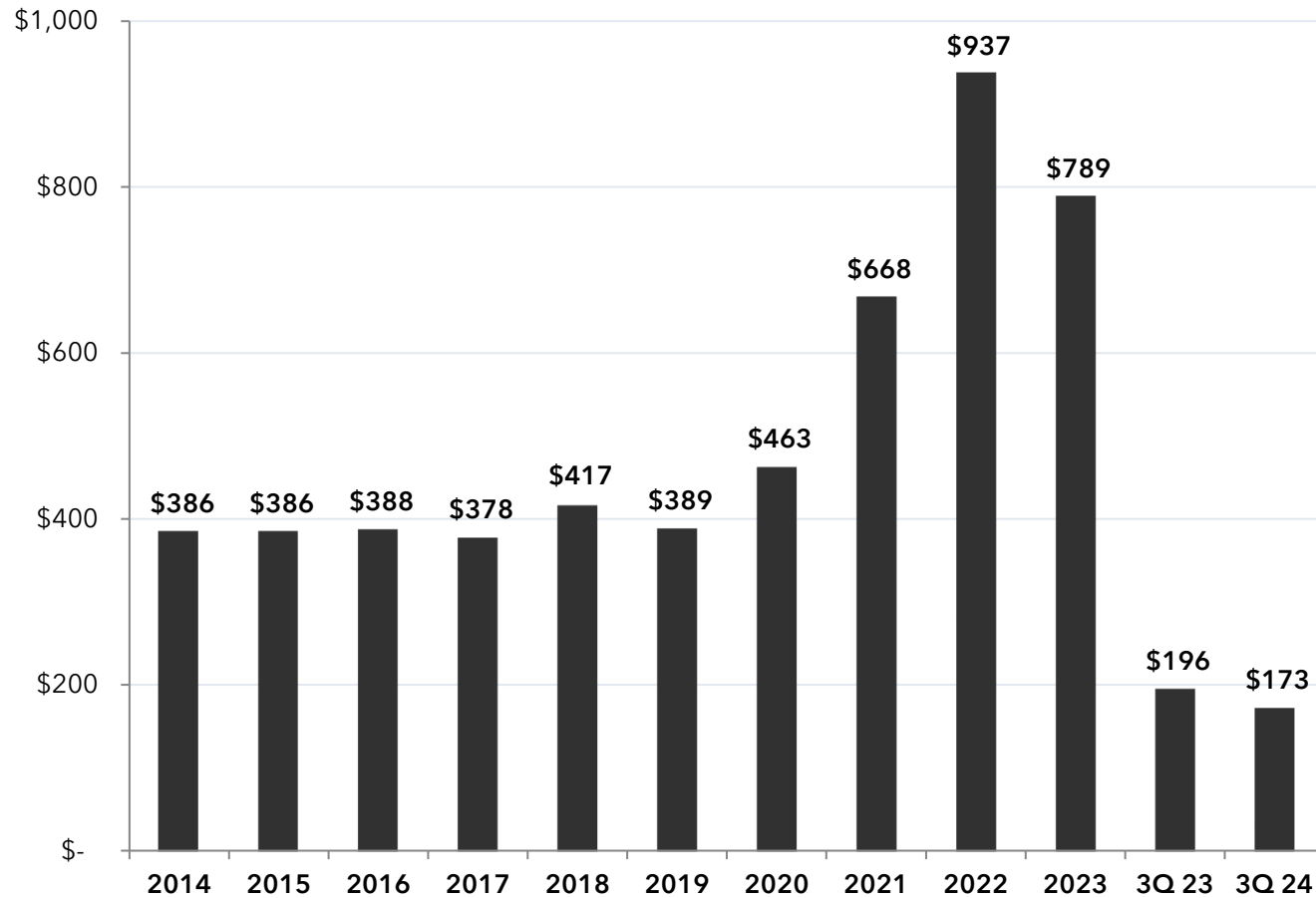


## FMS Average Trucks



# Truckload (JBT)

**JBT Revenue** (in millions)

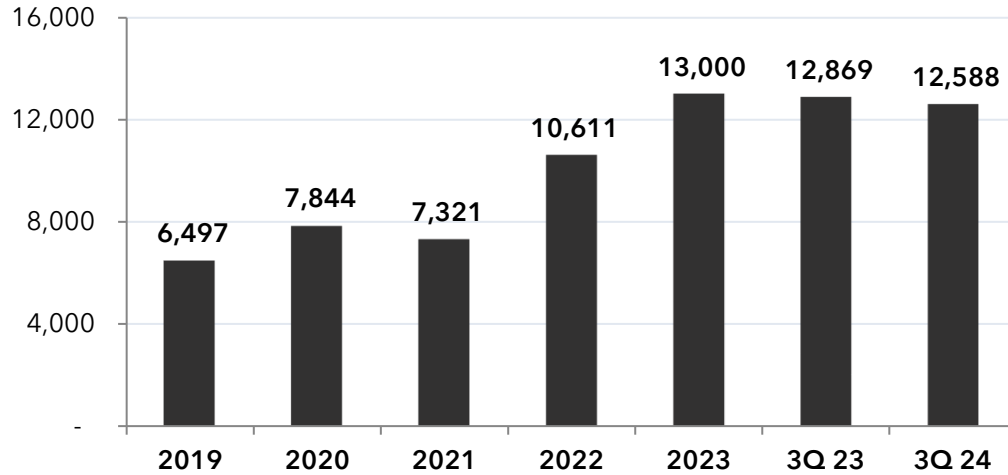


JBT segment gross revenue decreased 12% compared to the same period in the previous year. Segment gross revenue excluding fuel surcharge revenue decreased 9% due to a 6% decline in load volume and a 3% decline in gross revenue per load excluding fuel surcharge revenue. Total average effective trailer count decreased by approximately 300 units, or 2% versus the prior-year period. Trailer turns in the quarter were down 4% from the prior-year period primarily due to softer overall freight demand as compared to the third quarter 2023.

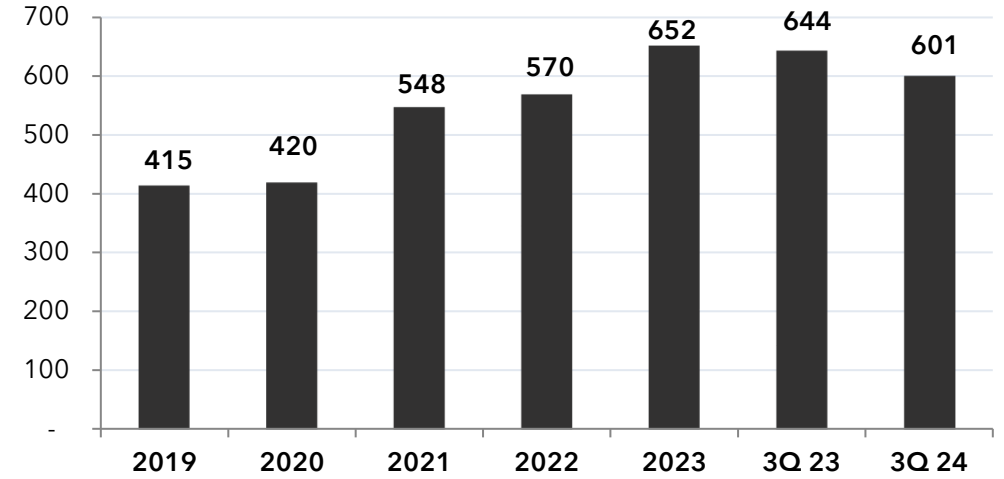
JBT segment operating income increased 6% to \$8.2 million versus the third quarter 2023. The increase in operating income was primarily driven by improved network balance and lower trailing capacity costs. JBT segment operating income as a percentage of segment gross revenue increased year-over-year due to the aforementioned items, partially offset by higher personnel-related expenses and higher insurance premiums as a percentage of revenue. JBT continues to leverage the J.B. Hunt 360°® platform to grow third-party power capacity and capability for the 360box® service offering.

# Truckload (JBT)

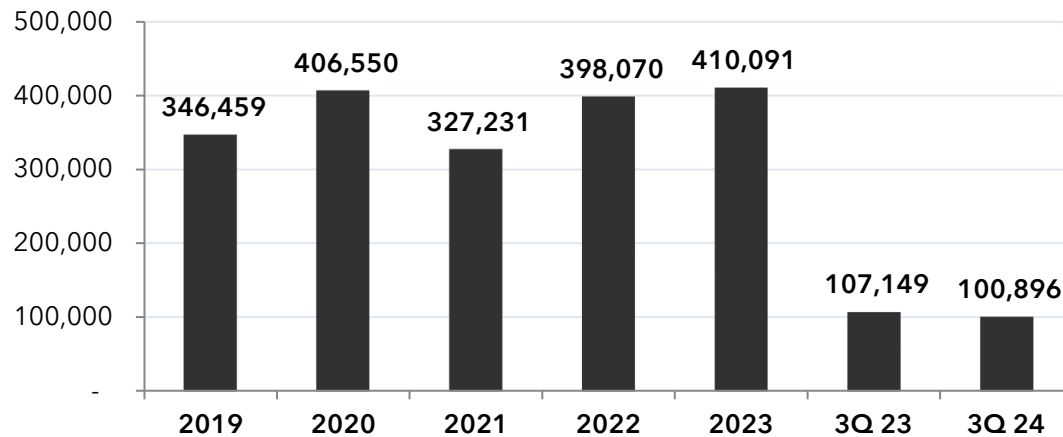
### JBT Average Effective Trailing Equipment



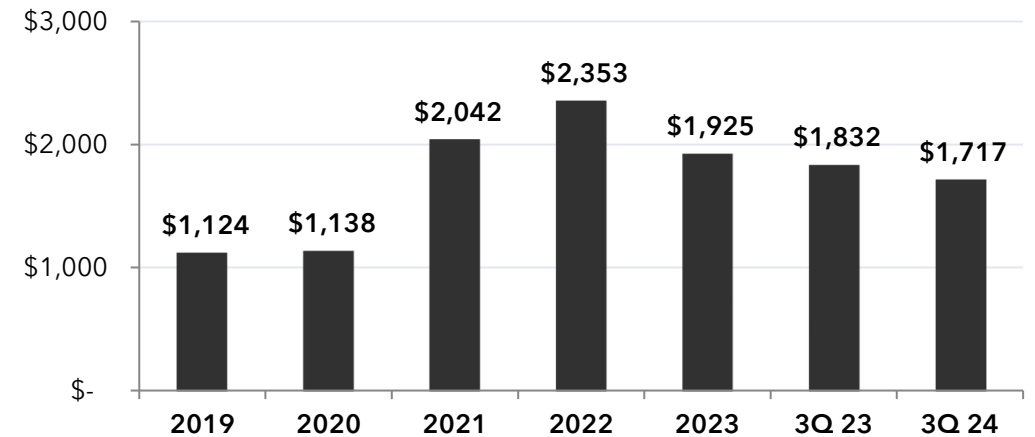
### JBT Average Length of Haul



### 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)

	September 30, 2024	December 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 120,002	\$ 53,344
Accounts Receivable, net	1,262,921	1,334,912
Prepaid expenses and other	543,477	696,656
Total current assets	1,926,400	2,084,912
Property and equipment	9,053,779	8,767,872
Less accumulated depreciation	3,302,505	2,993,959
Net property and equipment	5,751,274	5,773,913
Other assets, net	648,276	679,435
	\$ 8,325,950	\$ 8,538,260
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current debt	\$ 500,000	\$ 249,961
Trade accounts payable	673,452	737,364
Claims accruals	613,311	547,277
Accrued payroll	108,428	94,563
Other accrued expenses	146,254	150,256
Total current liabilities	2,041,445	1,779,421
Long-term debt	1,032,303	1,326,107
Other long-term liabilities	390,156	392,766
Deferred income taxes	861,828	936,208
Stockholders' equity	4,000,218	4,103,758
	\$ 8,325,950	\$ 8,538,260



Thank You



**People.**  
**Technology.**  
**Capacity.**<sup>TM</sup>