



J.B. HUNT

Q2 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

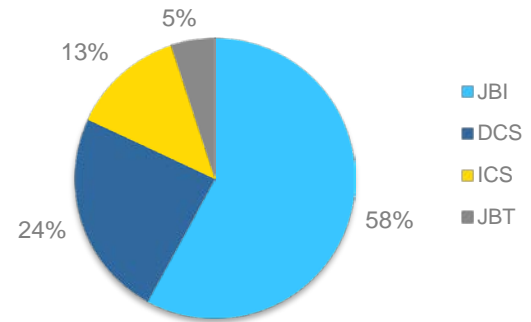
Integrated Capacity Solutions (ICS)

- 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

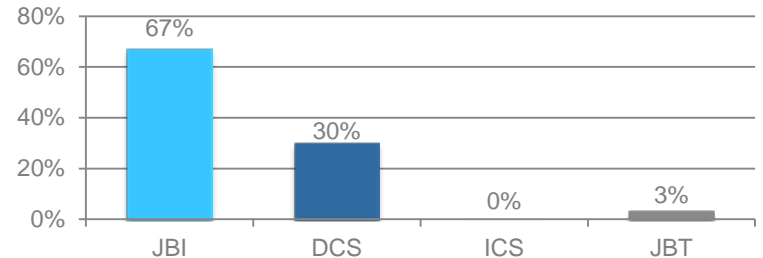
Truckload (JBT)

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

2Q 2017 Revenue Mix



Percentage of 2Q 2017 Operating Income by Business Segment



2Q 2017 RESULTS VS. 2Q 2016

OVERVIEW

2Q 2017 Revenue:

\$1.73 billion; up 7%

2Q 2017 Revenue, excl FSC:

\$1.55 billion; up 5%

2Q 2017 Operating Income:

\$164 million; down 7%

2Q 2017 EPS:

\$0.88 vs. \$0.92; down 4%

SEGMENT PERFORMANCE

Intermodal (JBI)

Revenue: \$1.0 billion; up 7%

Operating Income: \$110 million; up 4%

Dedicated Contract Services (DCS)

Revenue: \$412 million; up 8%

Operating Income: \$49 million; down 4%

Integrated Capacity Solutions (ICS)

Revenue: \$222 million; up 9%

Operating Loss: \$(0.2) million; down 102%

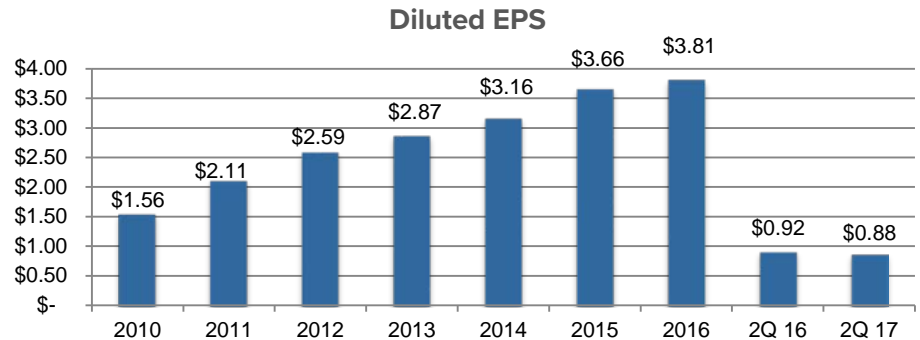
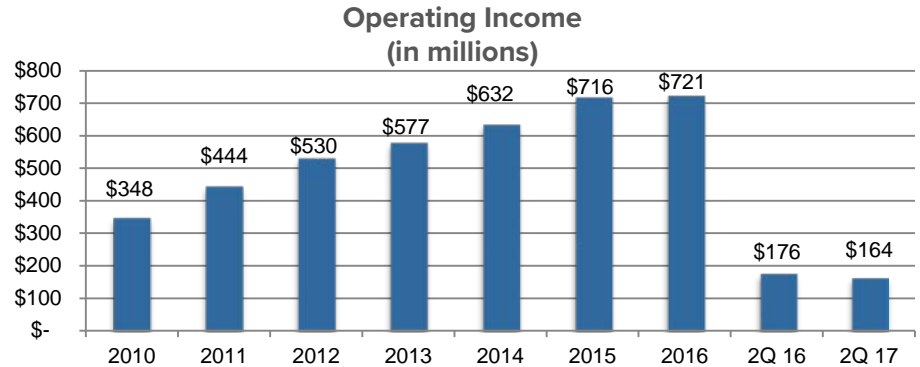
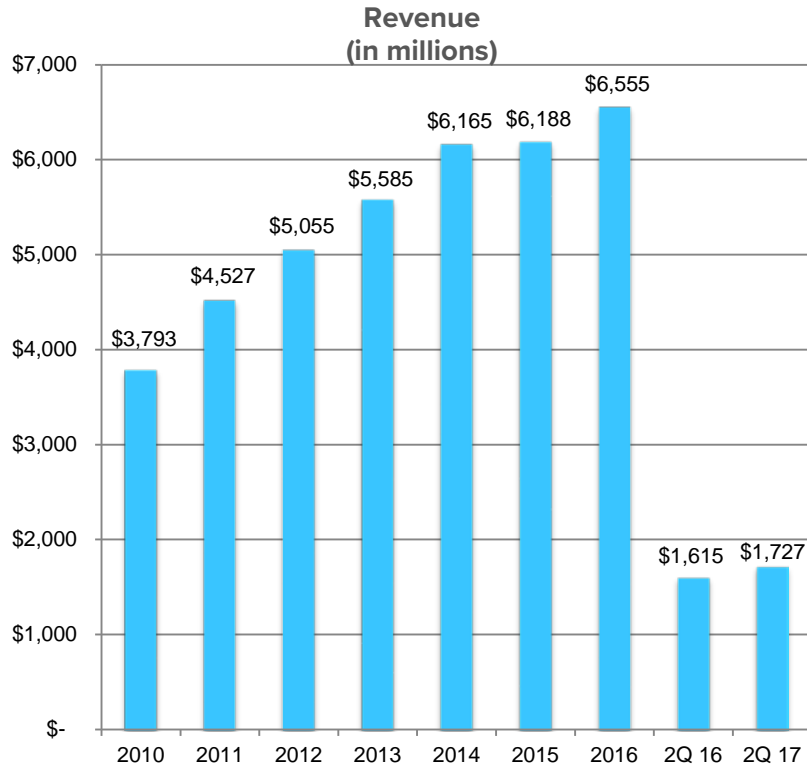
Truckload (JBT)

Revenue: \$95 million; down 4%

Operating Income: \$5.6 million; down 37%



2Q 2017 RESULTS CONSOLIDATED



KEY POINTS



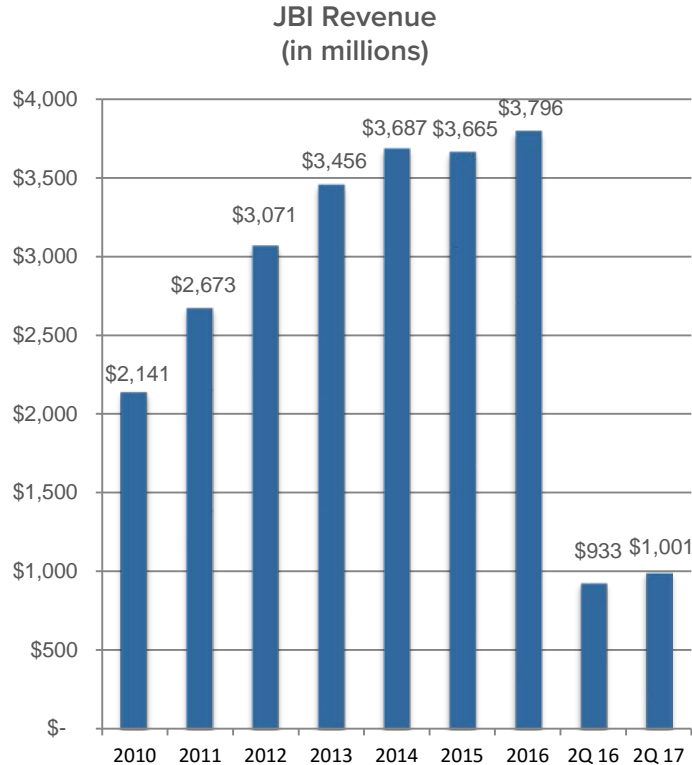
- Industry leading Intermodal franchise
- Differentiated and specialized Dedicated business
- Independent brokerage/management services
- Lighter Truckload asset model



SEGMENT DISCUSSION



INTERMODAL (JBI)



JBI load volumes grew 5% over the same period in 2016.

Transcontinental loads grew 10% while Eastern network volumes were down 2% compared to a year ago.

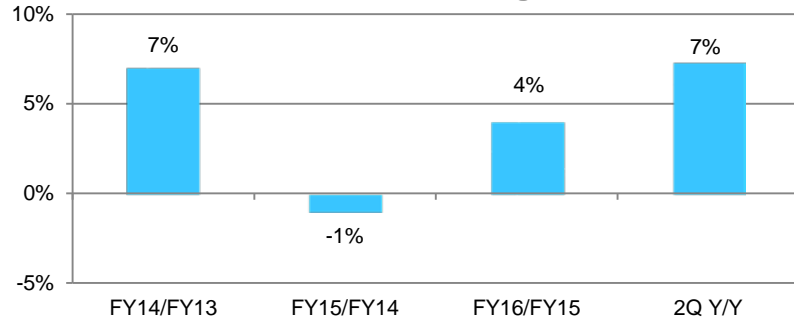
Revenue increased 7% reflecting the 5% volume growth and an approximate 2% increase in revenue per load, which is the combination of customer rate changes, fuel surcharges and freight mix.

Revenue per load, excluding fuel surcharge revenue decreased 1% from second quarter 2016.

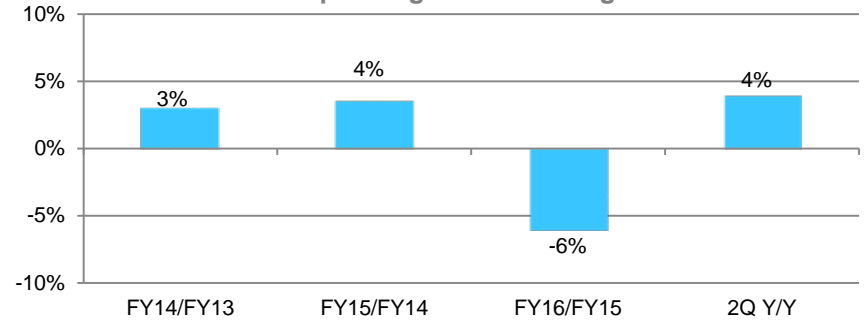
Benefits from volume growth and dray fleet productivity were offset by cost increases in rail purchased transportation, driver pay and retention costs, driver recruiting costs, technology development and modernization costs and equipment ownership costs.

INTERMODAL (JBI) PERFORMANCE

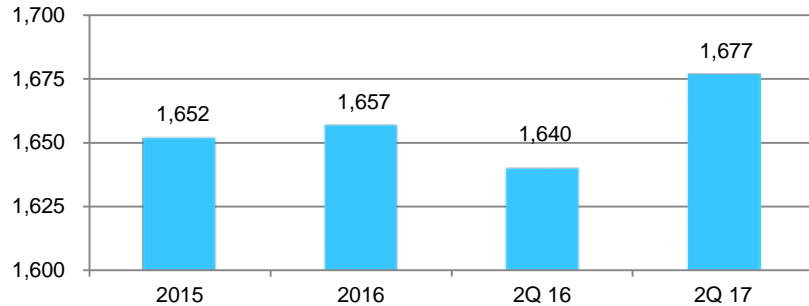
JBI Revenue Change



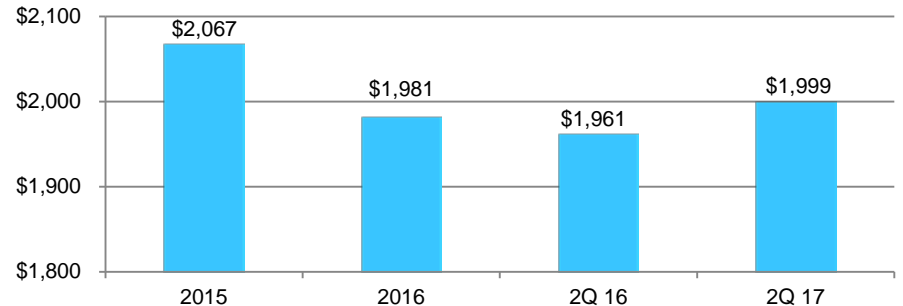
JBI Operating Income Change



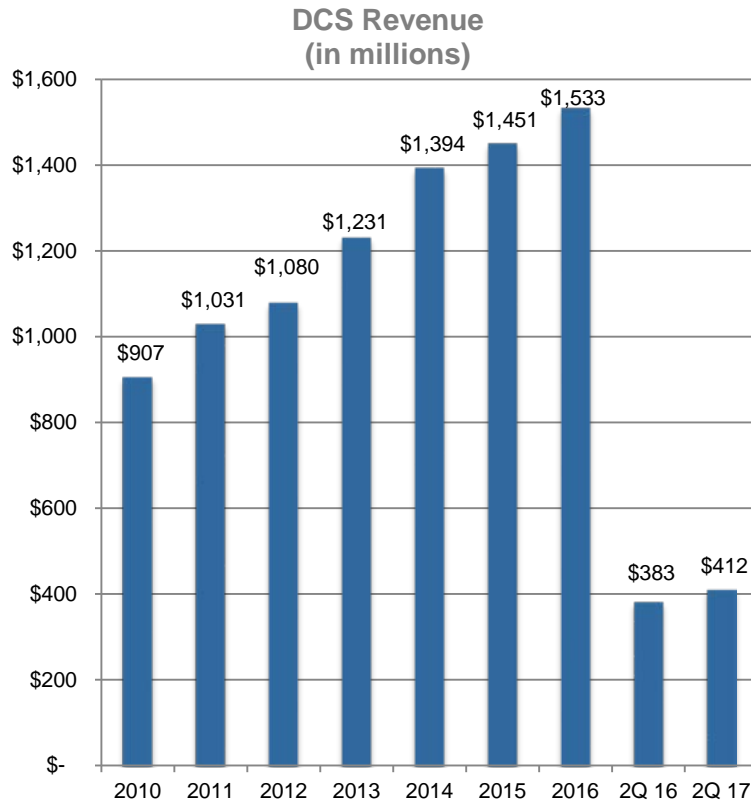
JBI Average Length of Haul



JBI Revenue per Load



DEDICATED (DCS)



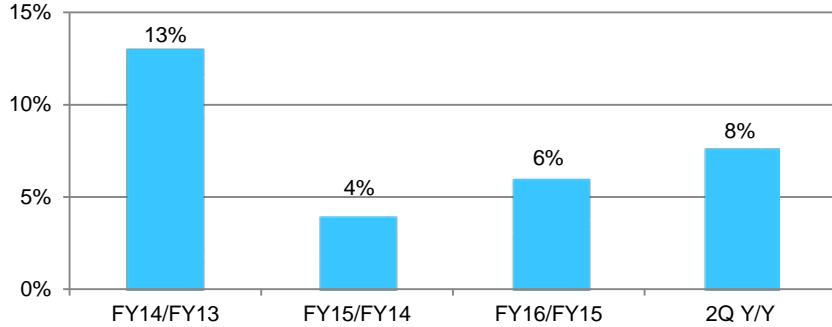
DCS revenue increased 8% during the current quarter over the same period 2016.

Productivity (revenue per truck per week) increased approximately 2% vs. 2016. Productivity excluding fuel surcharges was flat over a year ago.

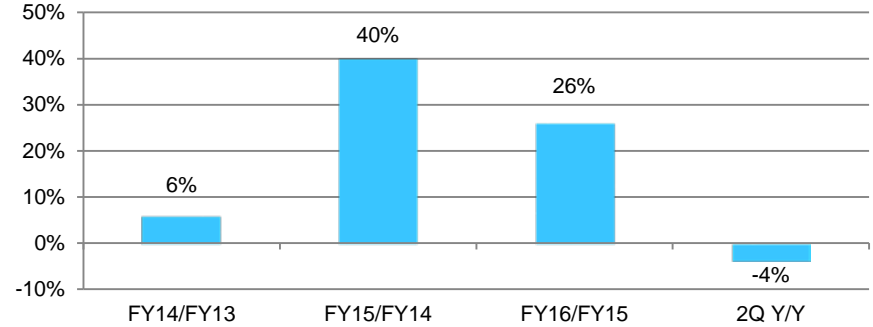
Operating income decreased 4% over the prior year quarter primarily from increases in driver wages, increased accident frequency driving higher insurance and claims costs and higher start-up expenses for new customer contracts compared to the second quarter 2016.

DEDICATED (DCS) PERFORMANCE

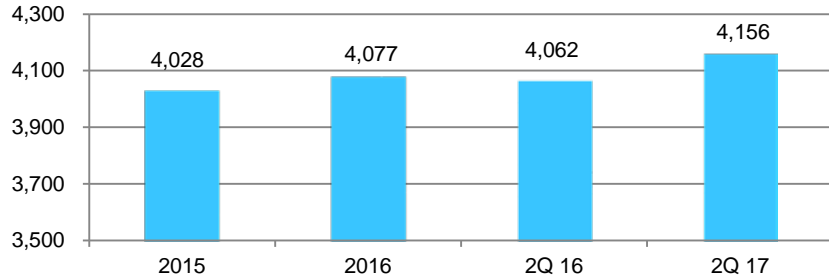
DCS Revenue Change



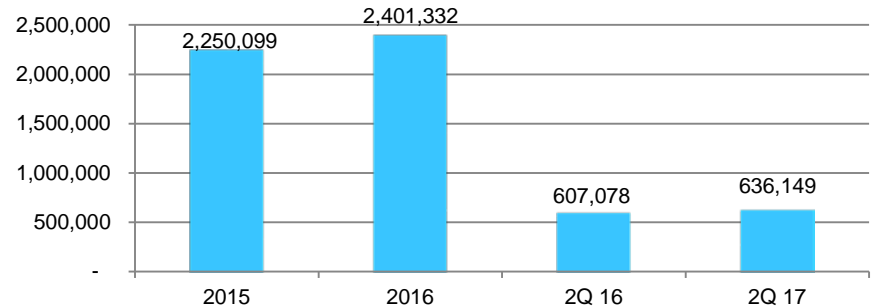
DCS Operating Income Change



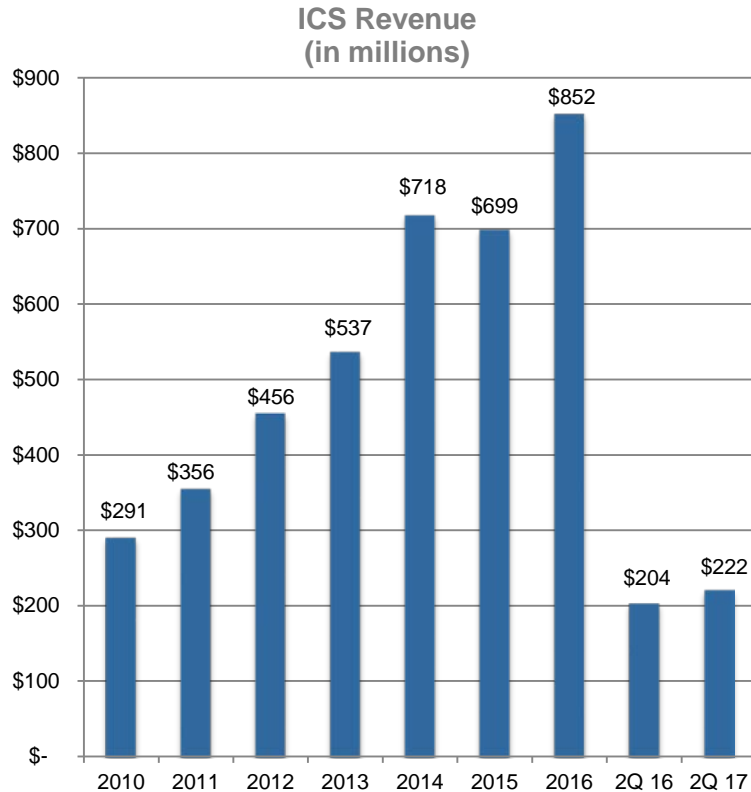
DCS Revenue Per Truck Per Week



DCS Loads



INTEGRATED (ICS) NON-ASSET BASED



ICS revenue was up 9% compared to the second quarter 2016. Volumes increased 20% while revenue per load decreased 9%, primarily due to freight mix changes driven by customer demand, compared to second quarter 2016.

Contractual volumes represented approximately 73% of total load volume and 58% of total revenue compared to 72% and 65%, respectively, in second quarter 2016.

Gross profit margins decreased to 11.6% in the current quarter versus 15.0% in the same quarter last year.

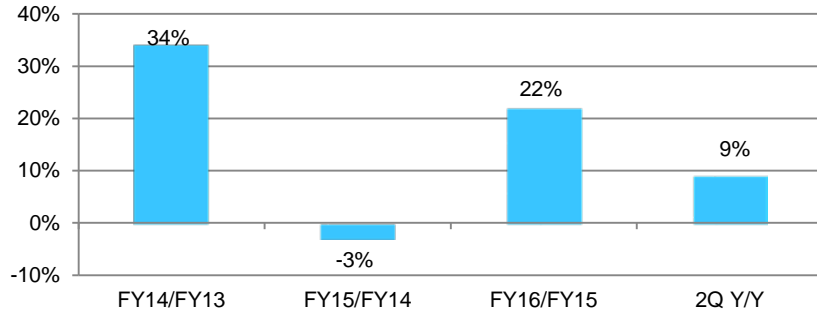
Operating income decreased 102% over the same period 2016 primarily from lower gross profit margins, increased claims cost, a higher number of branches open less than two years (16 vs. 10 in 2016), and higher technology development costs.

Total branch count increased to 42 from 35 at second quarter 2016.

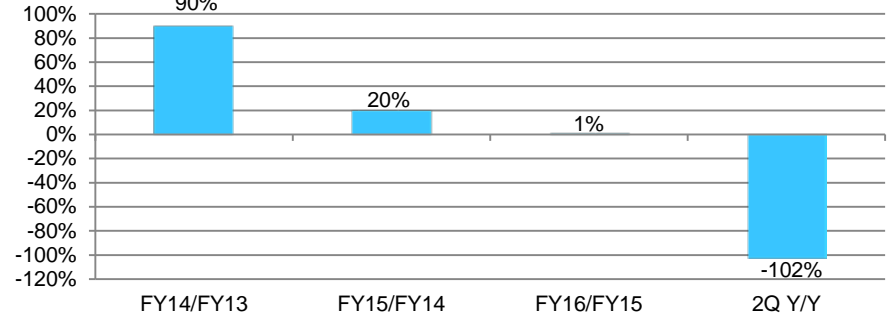
The carrier base increased 9% and the employee count increased 21% vs. second quarter 2016.

INTEGRATED (ICS) PERFORMANCE

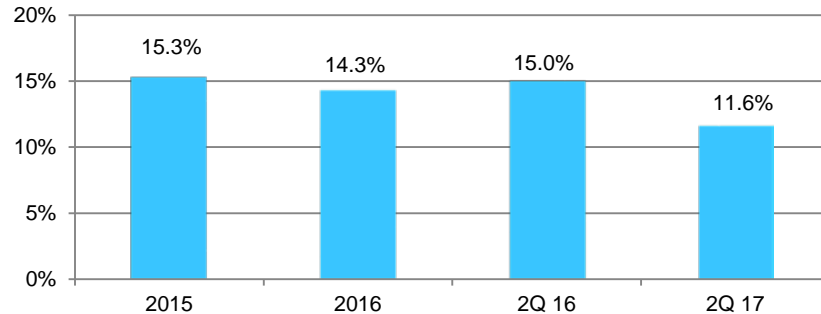
ICS Revenue Change



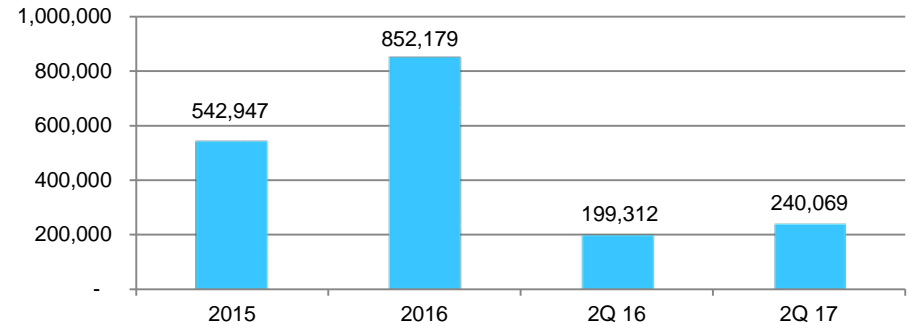
ICS Operating Income Change



ICS Gross Profit Margin



ICS Loads



TRUCKLOAD (JBT)



JBT revenue for the current quarter was down 4% compared to the same period in 2016.

Revenue excluding fuel surcharges decreased 6% from a year ago. Rate per loaded mile excluding fuel surcharges was up approximately 0.9% primarily from customer driven freight mix changes, including a 6.3% decrease in length of haul.

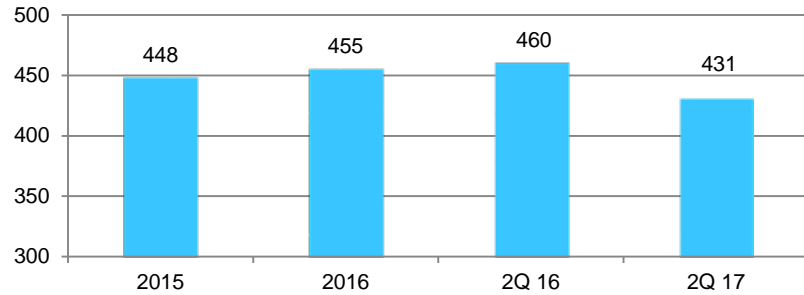
At the end of the period, JBT operated 2,072 tractors compared to 2,186 a year ago.

Operating income decreased 37% compared to the same quarter 2016.

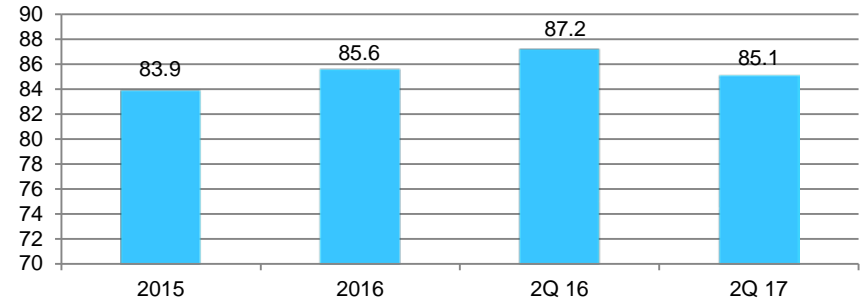
The benefit from higher customer rates per mile was more than offset by increased driver pay and hiring costs, higher independent contractor cost per mile and increased tractor maintenance costs compared to the second quarter 2016.

TRUCKLOAD (JBT) PERFORMANCE

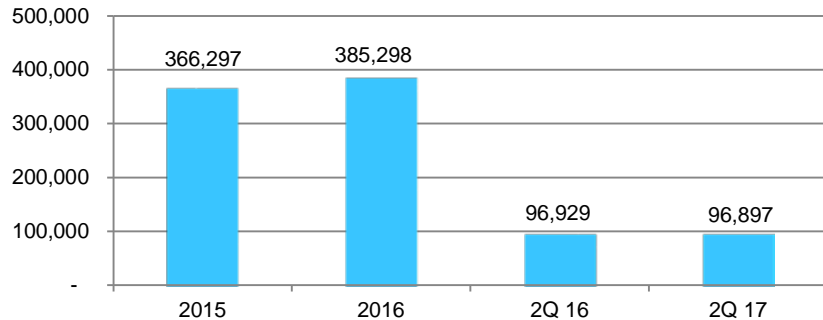
JBT Average Length of Haul



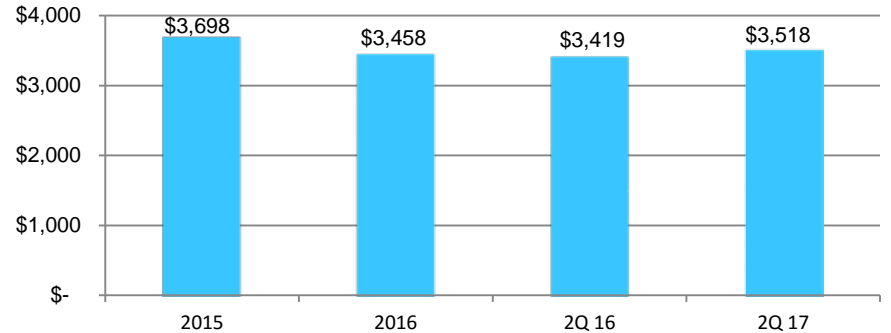
JBT Average Nonpaid Empty Miles Per Load



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

	June 30, 2017	December 31, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,274	\$ 6,377
Accounts Receivable	749,042	745,288
Prepaid expenses and other	152,035	194,016
Total current assets	908,351	945,681
Property and equipment	4,384,981	4,258,915
Less accumulated depreciation	1,564,951	1,440,124
Net property and equipment	2,820,030	2,818,791
Other assets	50,001	64,516
	\$ 3,778,382	\$ 3,828,988
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 419,306	\$ 384,308
Claims accruals	114,073	109,745
Accrued payroll	46,288	51,929
Other accrued expenses	28,425	27,152
Total current liabilities	608,092	573,134
Long-term debt	943,174	986,278
Other long-term liabilities	66,118	64,881
Deferred income taxes	753,277	790,634
Stockholders' equity	1,407,721	1,414,061
	\$ 3,778,382	\$ 3,828,988



THANK YOU

