



J.B. HUNT

Q3 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

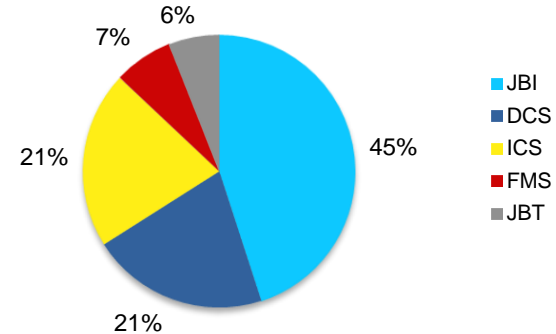
Final Mile Services (FMS)

- 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

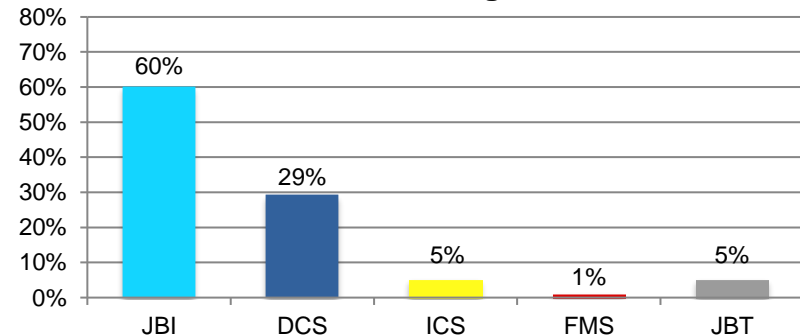
Truckload (JBT)

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

3Q 2021 Revenue Mix



Percentage of 3Q 2021 Operating Income by Business Segment



3Q 2021 RESULTS VS. 3Q 2020



OVERVIEW

3Q 2021 Revenue:

\$3.14 billion; up 27%

3Q 2021 Revenue, excl FSC:

\$2.81 billion; up 23%

3Q 2021 Operating Income:

\$273.8 million; up 56%

3Q 2021 EPS:

\$1.88 vs. \$1.18; up 60%

SEGMENT PERFORMANCE

Intermodal (JBI)

Revenue: \$1.41 billion; up 17%

Operating Income: \$165.1 million; up 52%

Dedicated Contract Services (DCS)

Revenue: \$665 million; up 20%

Operating Income: \$78.1 million; down 3%

Integrated Capacity Solutions (ICS)

Revenue: \$666 million; up 55%

Operating Income: \$14.7 million; vs. \$(18.3) million loss in Q3 '20

Final Mile Services (FMS)

Revenue: \$206 million; up 13%

Operating Income: \$1.3 million; down 39%

Truckload (JBT)

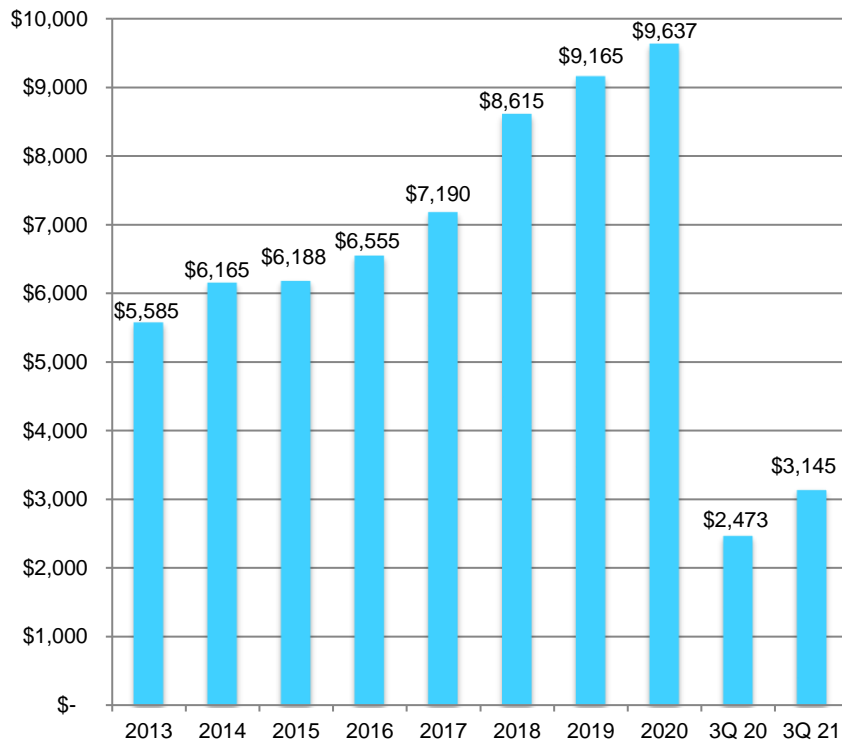
Revenue: \$204 million; up 87%

Operating Income: \$14.7 million; up 397%

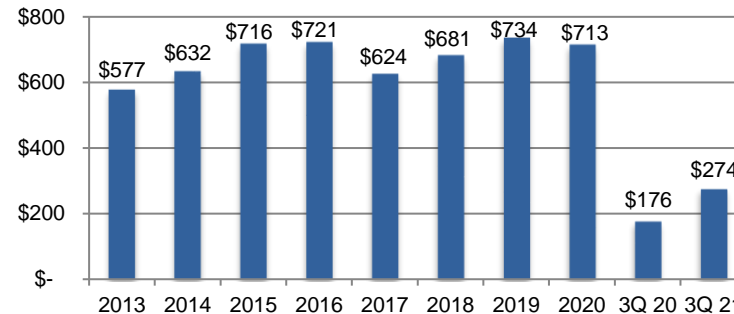
3Q RESULTS CONSOLIDATED



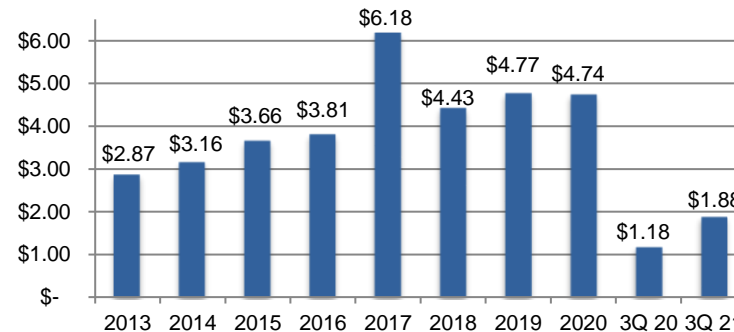
Revenue
(in millions)



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

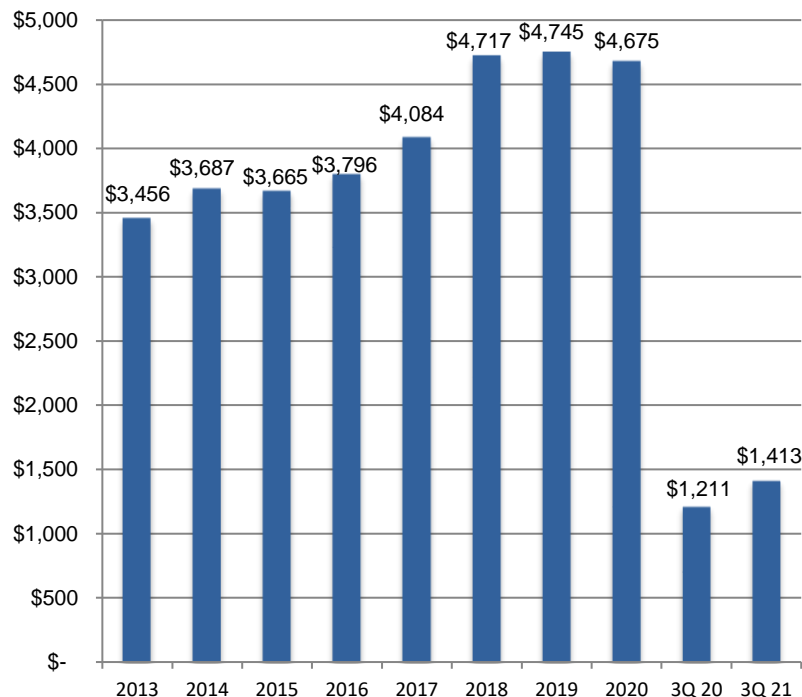
SEGMENT DISCUSSION



INTERMODAL (JBI)



**JBH Revenue
(in millions)**



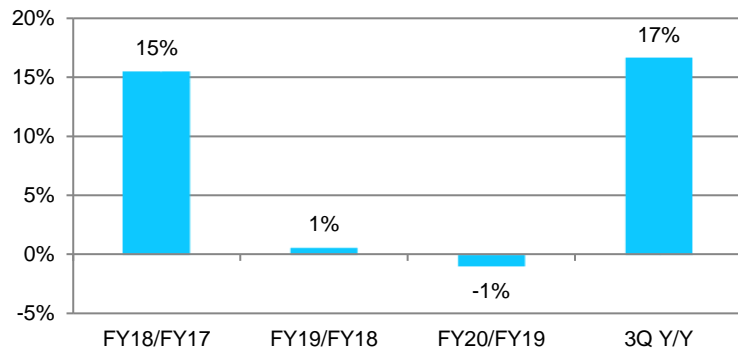
Overall intermodal volumes declined 6% versus the same period in 2020. Eastern network loads declined 2%, while transcontinental loads declined 9% compared to the third quarter 2020. Demand for intermodal capacity remains strong, however, volumes in the quarter were negatively impacted by a continuation of rail restrictions across the network and elevated detention of trailing equipment at customer facilities. We believe labor shortages across the industry in both rail and truck networks and at customer warehouses are at the core of the supply-chain fluidity challenges limiting our asset utilization and capacity. Despite these volume-related challenges, revenue increased by 17%, driven by a 24% increase in revenue per load resulting from a combination of mix, customer rates, and fuel surcharge revenue, partially offset by the volume decline. Revenue per load, excluding fuel surcharge revenue, increased 18% year over year.

Operating income increased by 52% year over year primarily from higher customer rate and cost recovery efforts compared to the prior year period. Rate and cost recovery efforts were partially offset by higher rail and third-party dray purchased transportation costs, increases in driver wages, benefits and recruiting costs, and activity-based costs to accommodate network inefficiencies. Higher non-driver personnel, group medical and equipment costs also offset higher revenue per load. The current period ended with 102,230 units of trailing capacity and 6,017 power units in the dray fleet.

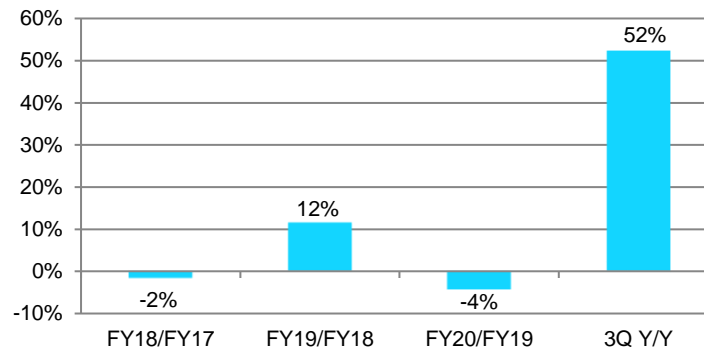
INTERMODAL (JBI) PERFORMANCE



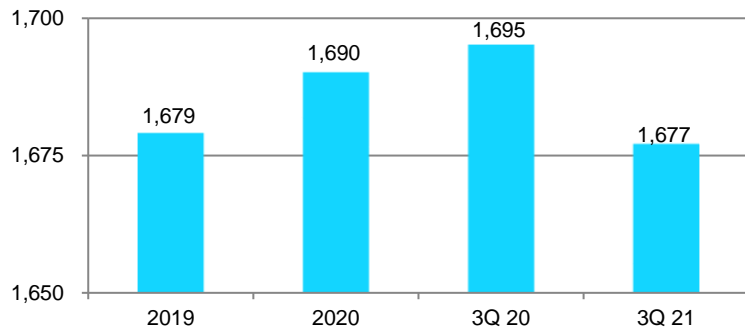
JBI Revenue Change



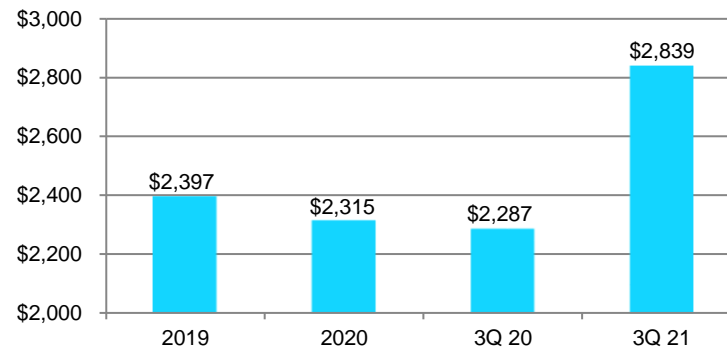
JBI Operating Income Change



JBI Average Length of Haul



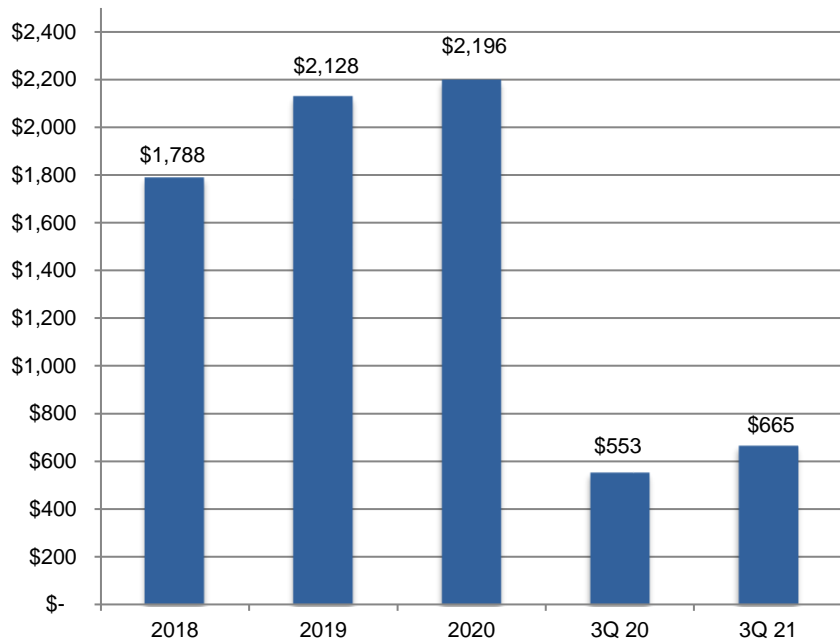
JBI Revenue per Load



DEDICATED (DCS)



**DCS Revenue
(in millions)**



DCS revenue increased 20% during the current quarter over the same period in 2020. Productivity, defined as revenue per truck per week, was up 7% versus the prior period. Productivity, excluding fuel surcharge revenue, increased 3% versus the prior period. A net additional 1,527 revenue producing trucks were in the fleet by the end of the quarter compared to the prior year period, and a net additional 744 versus the end of the second quarter 2021. Customer retention rates remain above 98%.

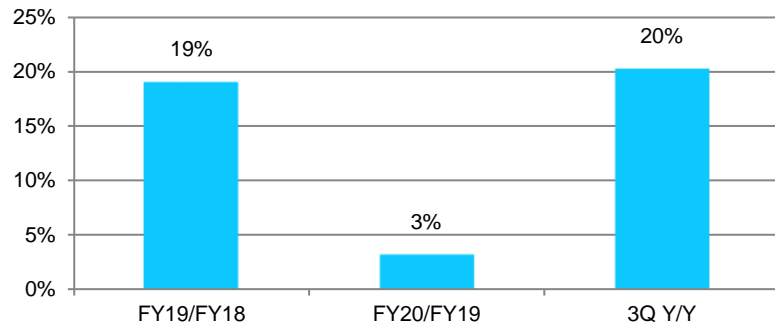
Operating income decreased 3% from the prior year quarter. Benefits from higher revenue and increased productivity of assets were more than offset by increases in driver wage and recruiting costs, non-driver personnel salary, wages and incentive compensation, and other costs related to the implementation of new, long-term contractual business.

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

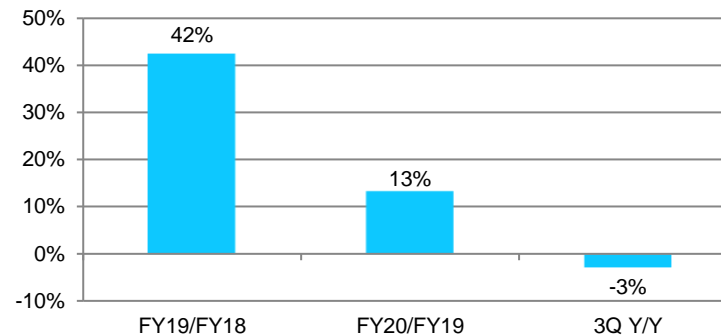
DEDICATED (DCS) PERFORMANCE



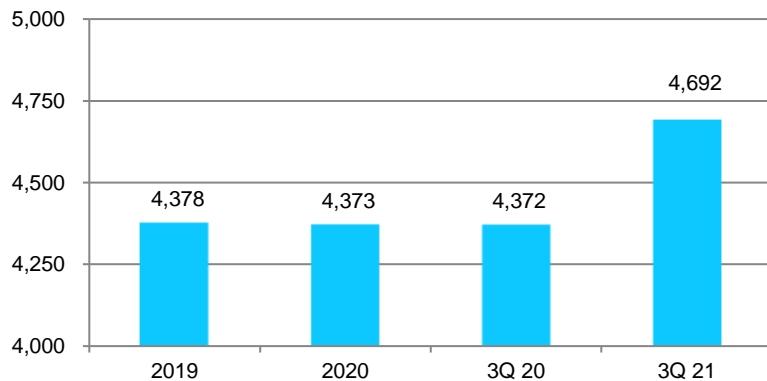
DCS Revenue Change



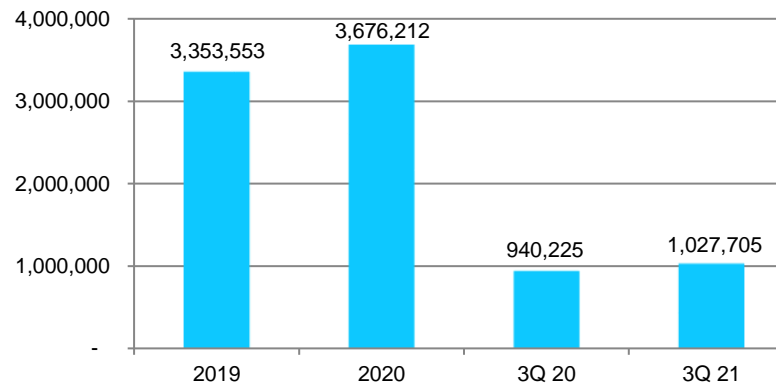
DCS Operating Income Change



DCS Revenue Per Truck Per Week



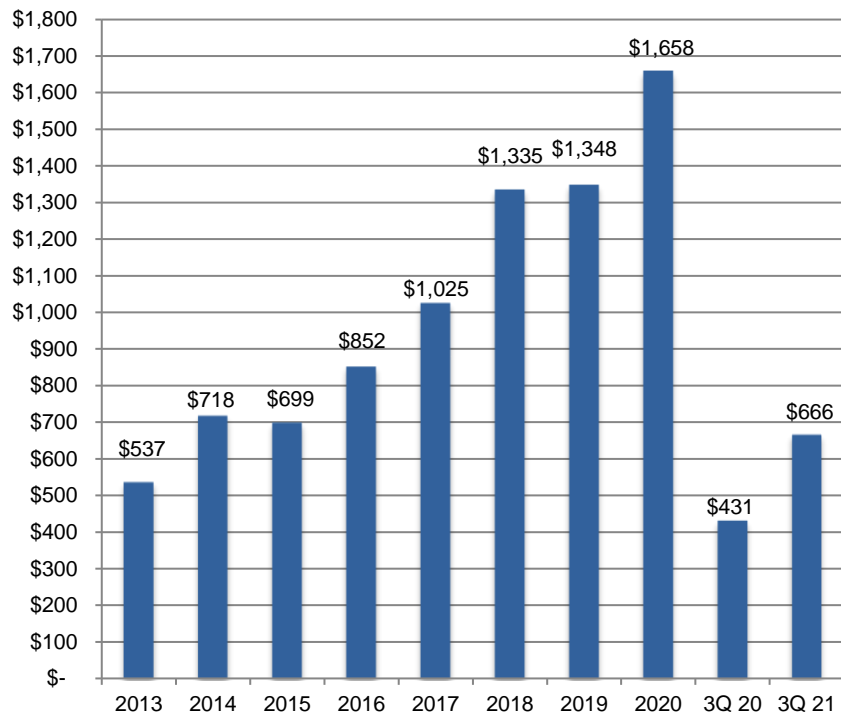
DCS Loads



INTEGRATED (ICS)



**ICS Revenue
(in millions)**



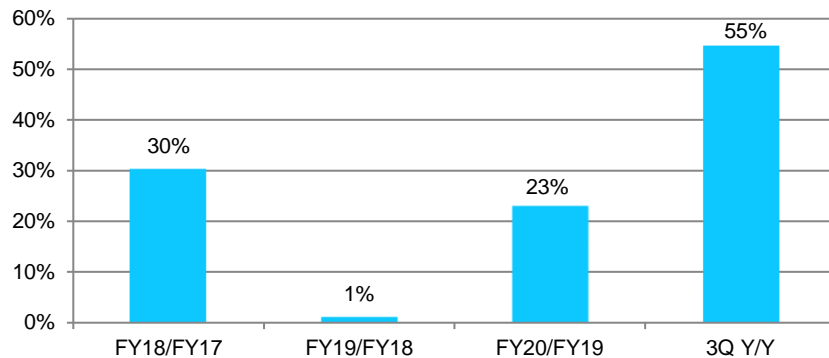
ICS revenue increased 55% in the current quarter versus the third quarter 2020. Segment volumes increased 4% in the quarter while truckload volumes increased 14% from the prior year period. Revenue per load increased 48%. In addition to customer freight mix, revenue per load was favorably impacted by higher contractual and spot rates in our truckload business as compared to the third quarter 2020. Contractual volumes represented approximately 54% of the total load volume and 41% of the total revenue in the current quarter compared to 58% and 38%, respectively, in third quarter 2020. Of the total reported ICS revenue, approximately \$397 million was executed through the Marketplace for J.B. Hunt 360 compared to \$291 million in third quarter 2020.

Operating income increased to \$14.7 million compared to an operating loss of \$18.3 million in the third quarter 2020. Gross profit margins increased to 12.0% in the current period versus 7.6% in the prior period. Benefits from higher gross margin were partially offset by higher personnel and technology costs compared to the same period 2020. ICS carrier base increased 35% versus the third quarter 2020.

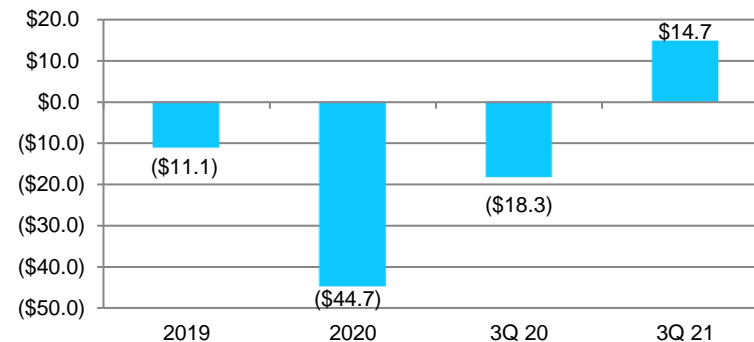
INTEGRATED (ICS) PERFORMANCE



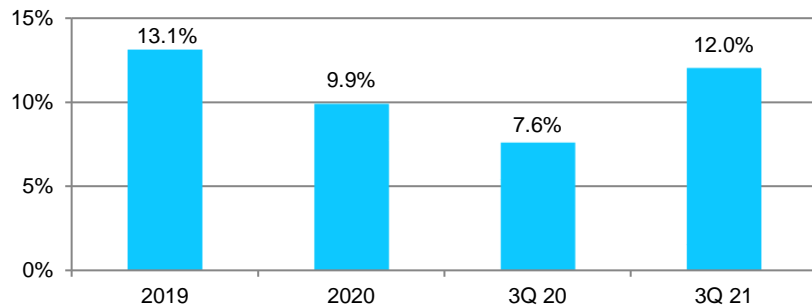
ICS Revenue Change



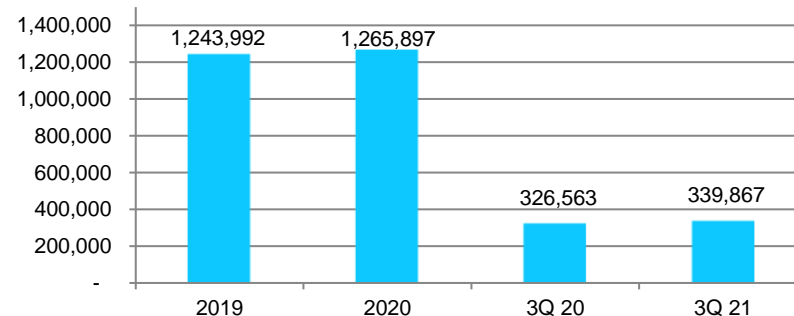
ICS Operating Income/(Loss) (in millions)



ICS Gross Profit Margin



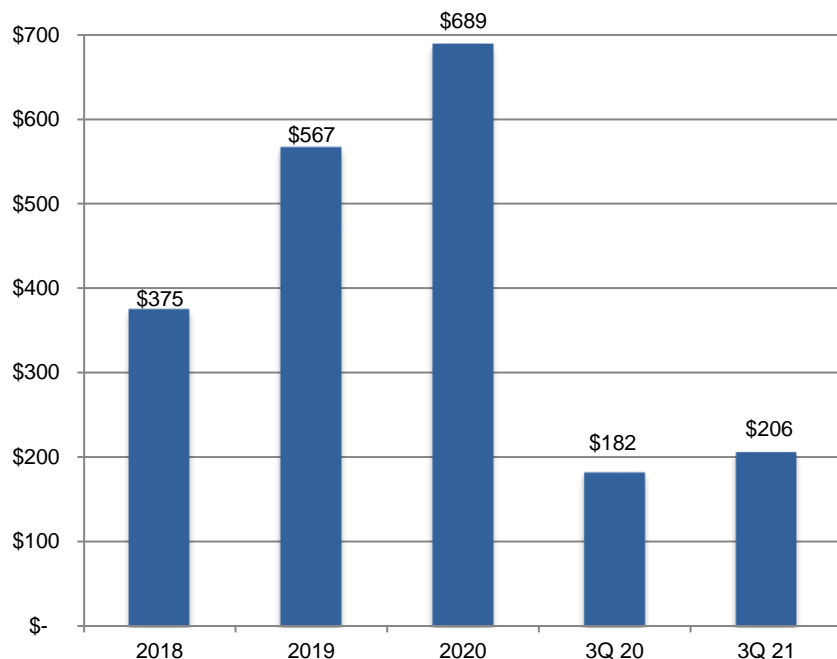
ICS Loads



FINAL MILE SERVICES (FMS)*



**FMS Revenue
(in millions)**



FMS revenue increased 13% compared to the same period 2020. Stop count within FMS decreased 3% during the current quarter versus a year ago. The addition of multiple new customer contracts implemented over the last year were more than offset by the reduction in stops for several customers related to labor and supply-chain constraints. Productivity, defined as revenue per stop, increased approximately 17% compared to the prior year period primarily from a shift in customer mix of business, in addition to the implementation of higher rates.

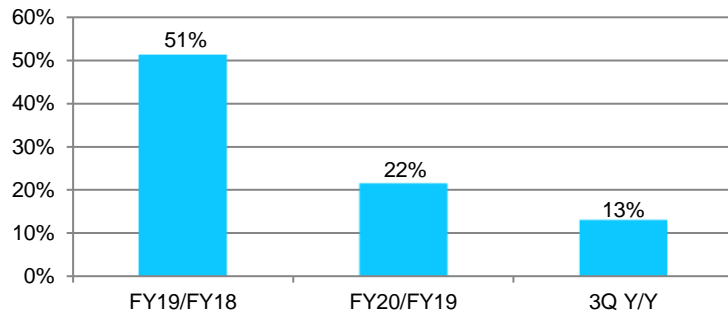
Operating income decreased 39% over the prior year quarter primarily from implementation costs related to new long-term contractual business, higher third-party contract carrier costs, and lower volumes with certain customers related to product availability as a result of supply-chain disruptions. Higher personnel expense related to salary, wages and incentive compensation and group medical costs also contributed to the decline in operating income.

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

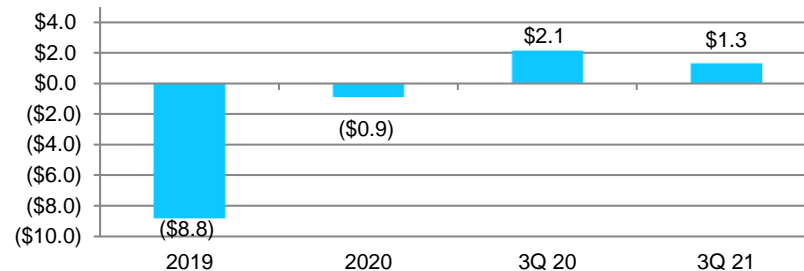
FINAL MILE SERVICES (FMS)



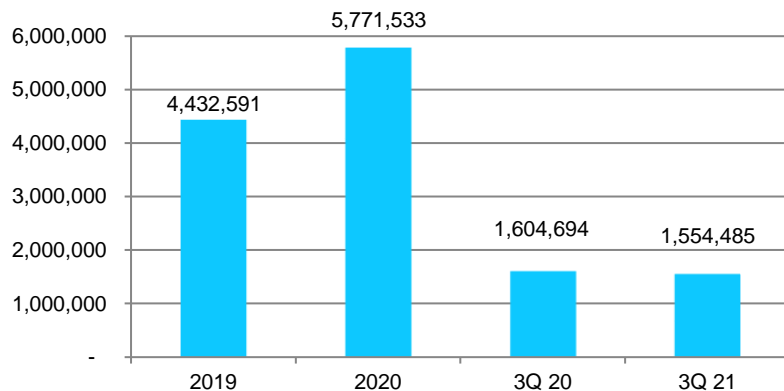
FMS Revenue Change



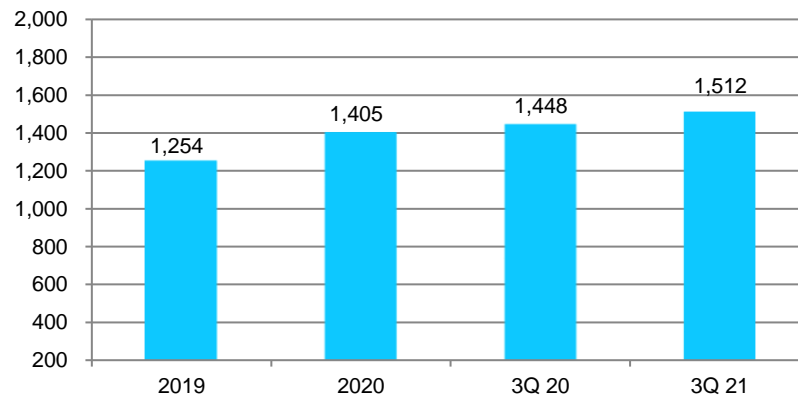
FMS Operating Income/(Loss) (in millions)



FMS Stops



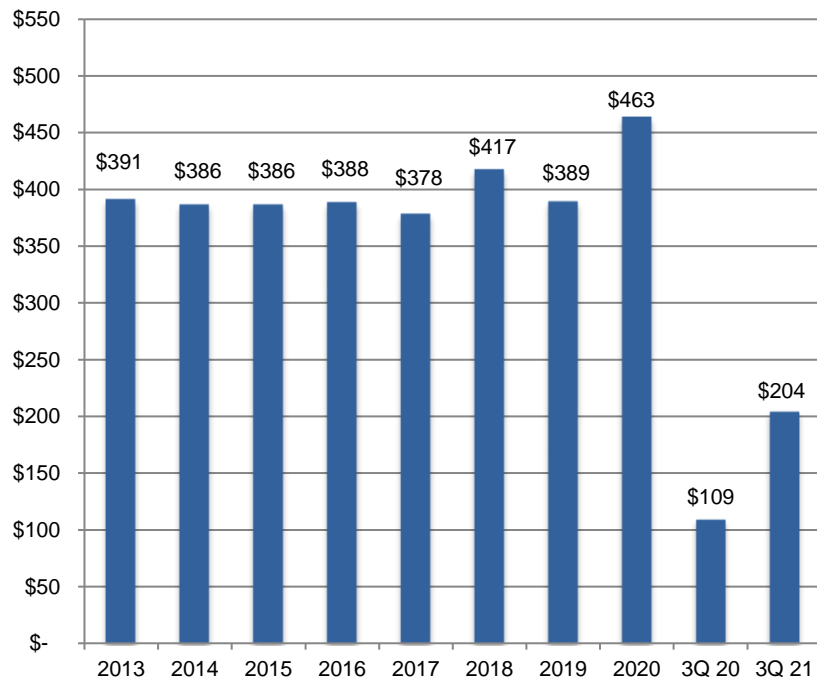
FMS Average Trucks



TRUCKLOAD (JBT)



**JBT Revenue
(in millions)**



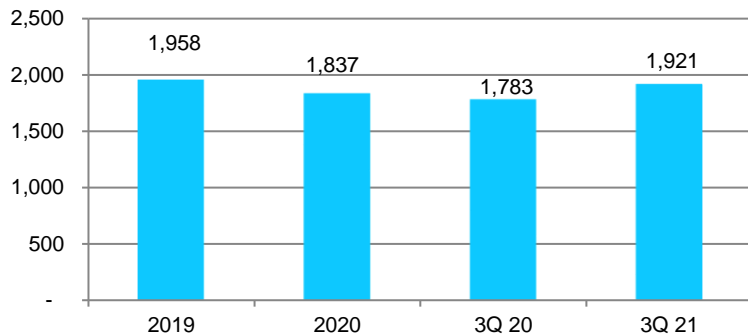
JBT revenue increased 87% from the same period in 2020. Revenue excluding fuel surcharge revenue increased 85%, primarily from a 65% increase in revenue per load excluding fuel surcharge revenue and a 12% increase in load count compared to a year ago. The increase in revenue per load excluding fuel surcharge revenue was driven by a 36% increase in revenue per loaded mile excluding fuel surcharge revenue and a 20% 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 29% compared to the same period 2020. The current period ended with 9,906 trailers and 1,965 tractors, compared to 8,245 and 1,713 respectively for the prior year period.

Operating income increased to \$14.7 million compared \$2.9 million in the third quarter 2020. Benefits from increased load counts and revenue per load were partially offset by increases in purchased transportation expense, higher driver wages and recruiting costs, higher non-driver personnel expense related to salary, wages and incentive compensation, and increases in group medical costs. Further investments in both personnel and technology related to the continued expansion of 360box also partially offset higher revenue.

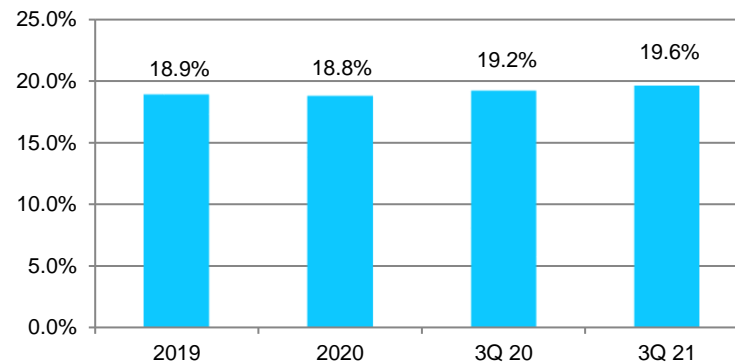
TRUCKLOAD (JBT) PERFORMANCE



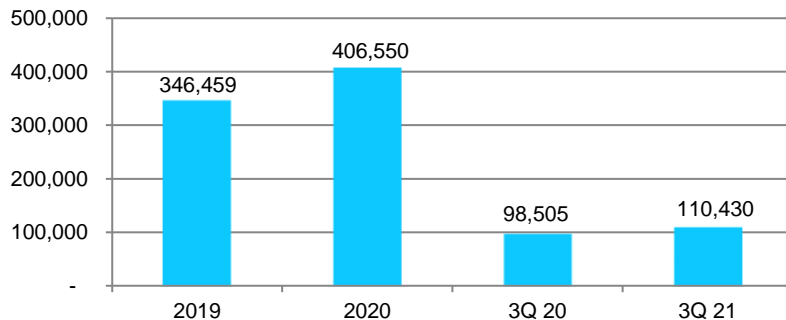
JBT Average Tractors



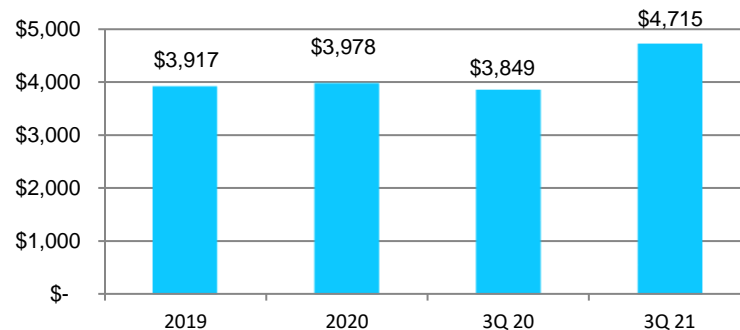
JBT Average Nonpaid Empty Mile Percentage



JBT Loads



JBT Revenue per Tractor per Week



SUMMARY



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



September 30, 2021

December 31, 2020

ASSETS

Current assets:

Cash and cash equivalents	\$	529,595	\$	313,302
Accounts Receivable, net		1,442,948		1,124,403
Prepaid expenses and other		292,604		404,412

Total current assets		2,265,147		1,842,117
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Property and equipment		6,350,141		5,908,710
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Less accumulated depreciation		2,495,557		2,219,816
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Net property and equipment		3,854,584		3,688,894
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Other assets, net		393,459		397,337
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	\$	6,513,190	\$	5,928,348
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LIABILITIES & STOCKHOLDERS' EQUITY

Current liabilities:

Current debt	\$	354,755	\$	-
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Trade accounts payable		749,071		587,510
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Claims accruals		288,137		276,056
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Accrued payroll		163,940		130,943
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Other accrued expenses		88,724		90,294
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Total current liabilities		1,644,627		1,084,803
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Long-term debt		944,887		1,305,424
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Other long-term liabilities		270,860		245,961
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Deferred income taxes		730,588		692,022
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Stockholders' equity		2,922,228		2,600,138
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	\$	6,513,190	\$	5,928,348
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THANK YOU

