

UNPARALLELED EXPERTISE.



J.B. Hunt Transport Services, Inc.
Q2 2016 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 and implementation of value-driven supply chain solutions
- On-site management

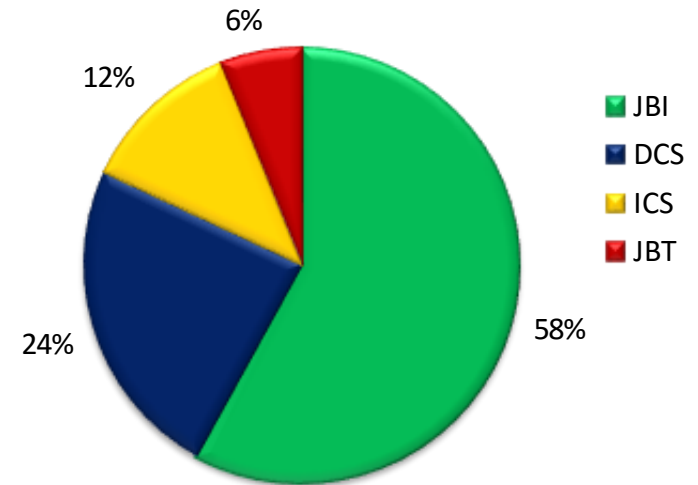
• Integrated Capacity Solutions (ICS)

- 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

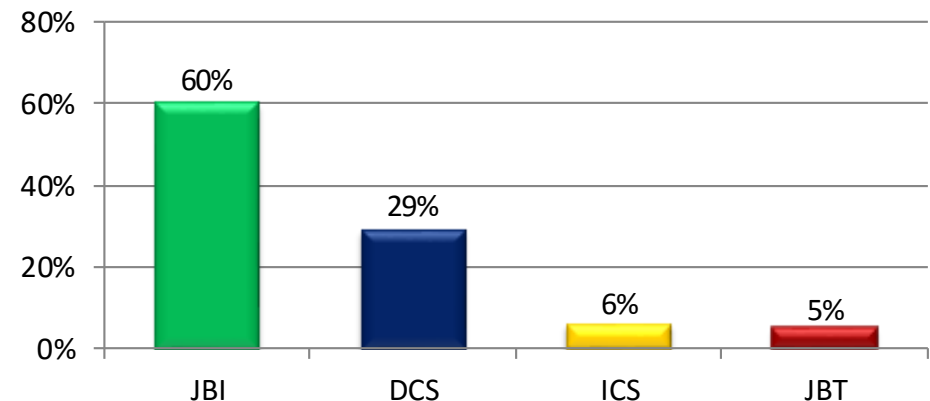
• Truckload (JBT)

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

2Q 2016 Revenue Mix



Percentage of 2Q 2016 Operating Income by Business Segment

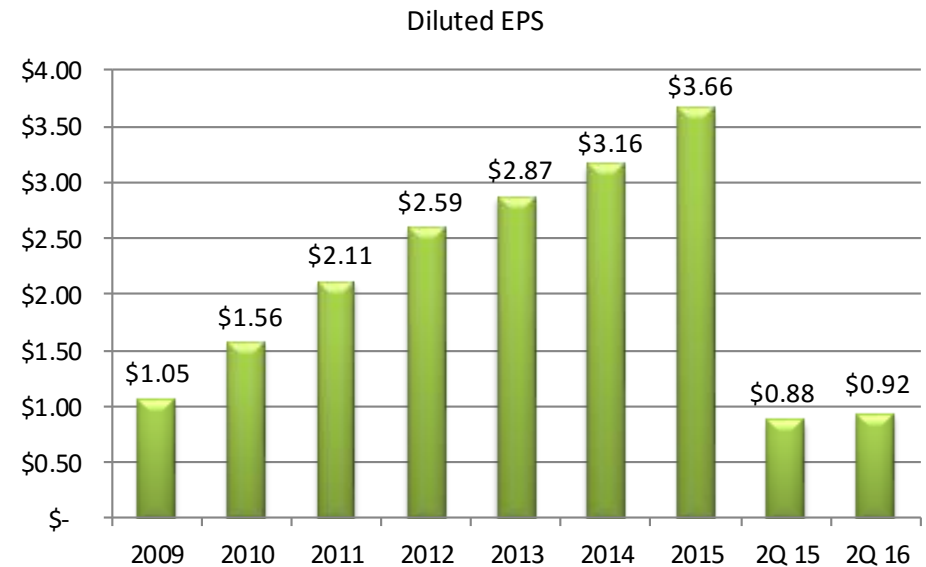
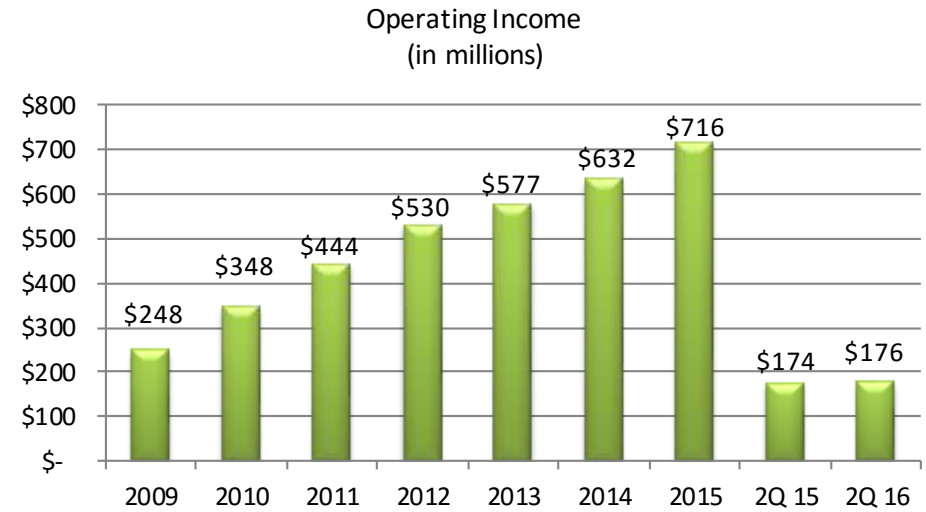


2Q 2016 Results vs. 2Q 2015

- 2Q 2016 Revenue: \$1.62 billion; up 5%
- 2Q 2016 Revenue, excl FSC: \$1.48 billion; up 9%
- 2Q 2016 Operating Income: \$176 million; up 1%
- 2Q 2016 EPS: \$0.92 vs. \$0.88; up 5%
- Segment Performance
 - Intermodal (JBI)
 - Revenue: \$933 million; up 3%
 - Operating Income: \$105.6 million; down 11%
 - Dedicated Contract Services (DCS)
 - Revenue: \$383 million; up 4%
 - Operating Income: \$50.5 million; up 24%
 - Integrated Capacity Solutions (ICS)
 - Revenue: \$204 million; up 17%
 - Operating Income: \$10.9 million; up 122%
 - Truck (JBT)
 - Revenue: \$98 million; up 1%
 - Operating Income: \$8.9 million; down 9%



2Q 2016 Results - Consolidated



Key Points

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

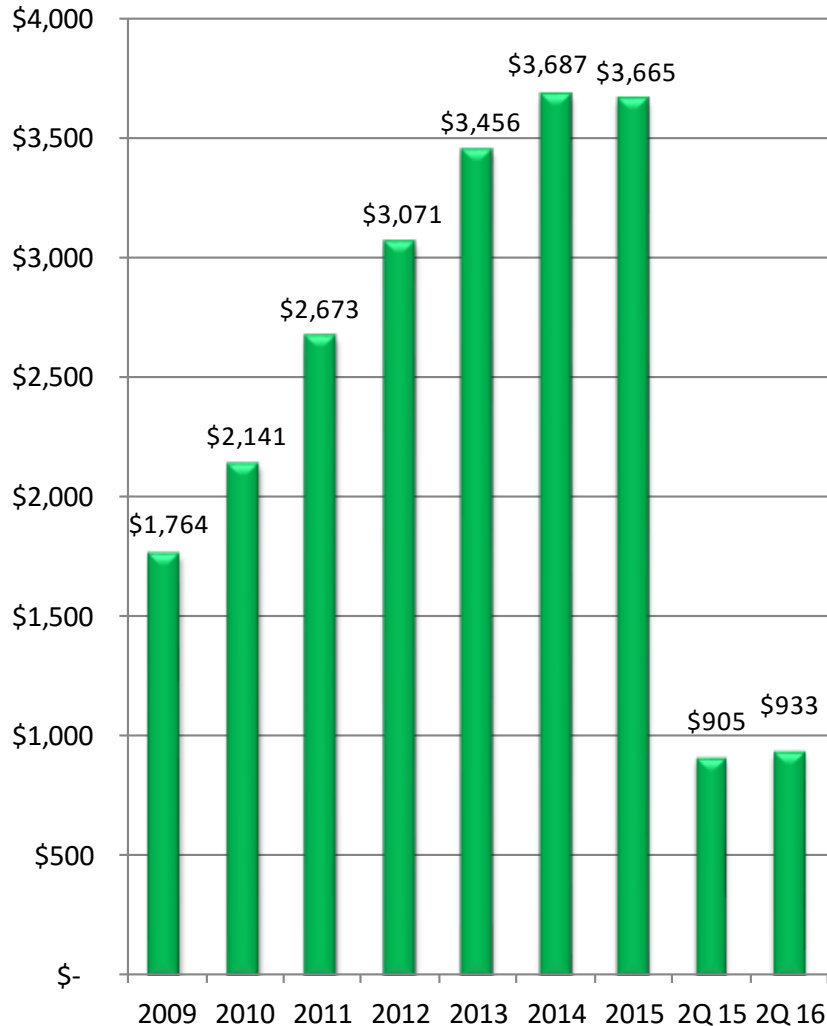
UNMATCHED CAPACITY.



Segment Discussion

JBI - Intermodal

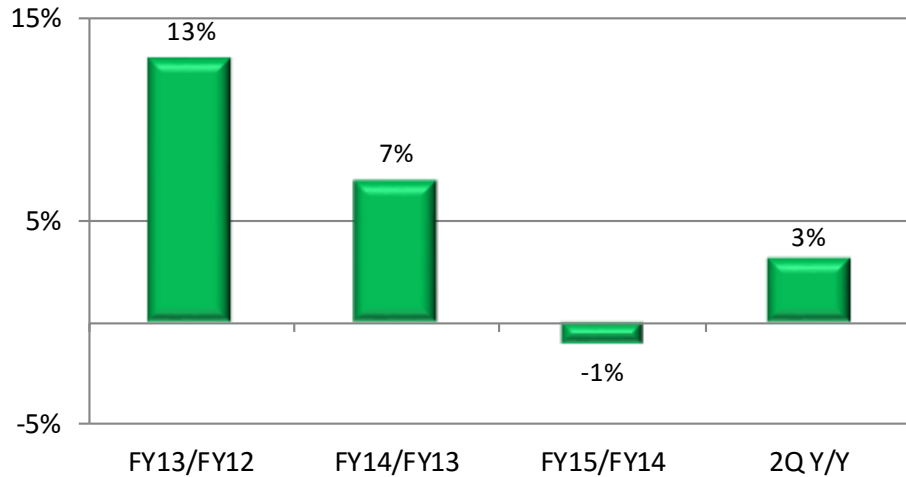
JBI Revenue
(in millions)



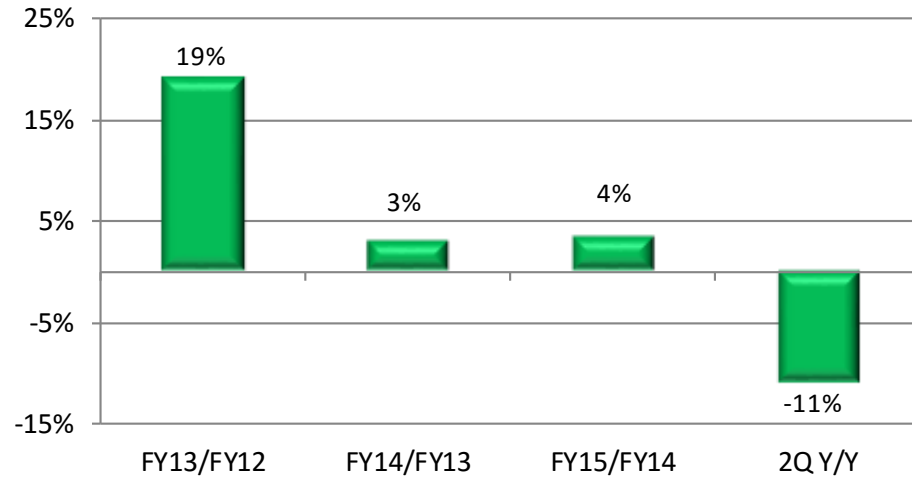
- Load volumes grew 9% over the same period in 2015.
- Eastern network realized load growth of 10% and Transcontinental loads grew 8% as west coast port volumes continued a more normal velocity and rail service continued a year over year improvement trend.
- Revenue increased 3% reflecting the 9% volume growth, offset by a 5% decrease in revenue per load, which is the combination of customer rate changes, fuel surcharges and freight mix.
- Benefits from volume growth, improved box utilization, lower outsourced carrier costs and reduced maintenance costs were not enough to overcome the cost increases in rail purchased transportation, equipment ownership, insurance and claims, and driver recruiting and retention.

JBI Performance

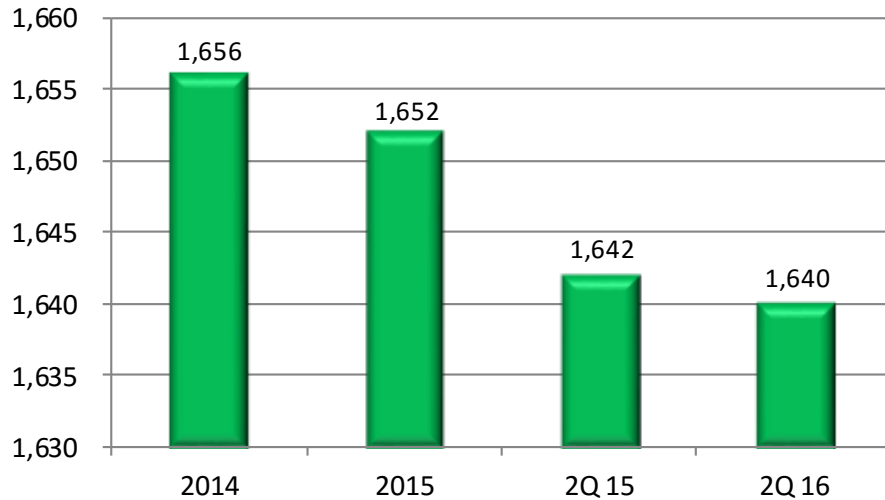
JBI Revenue Change



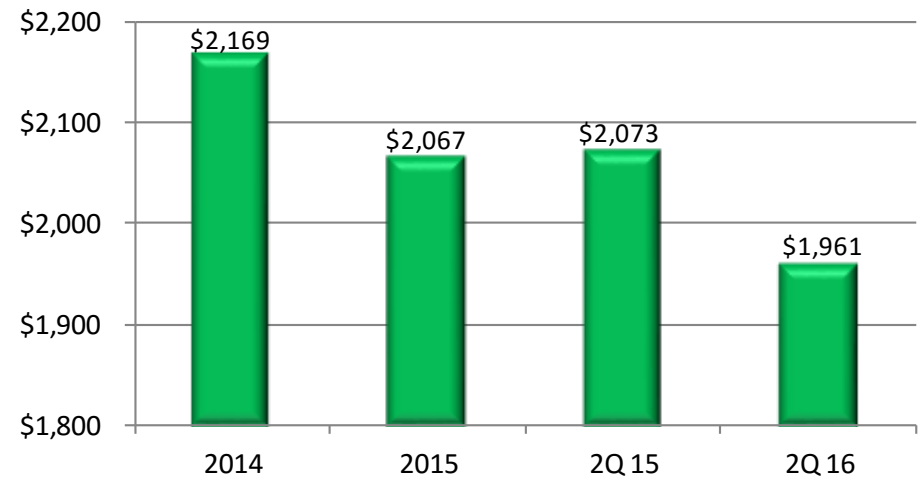
JBI Operating Income Change



JBI Average Length of Haul

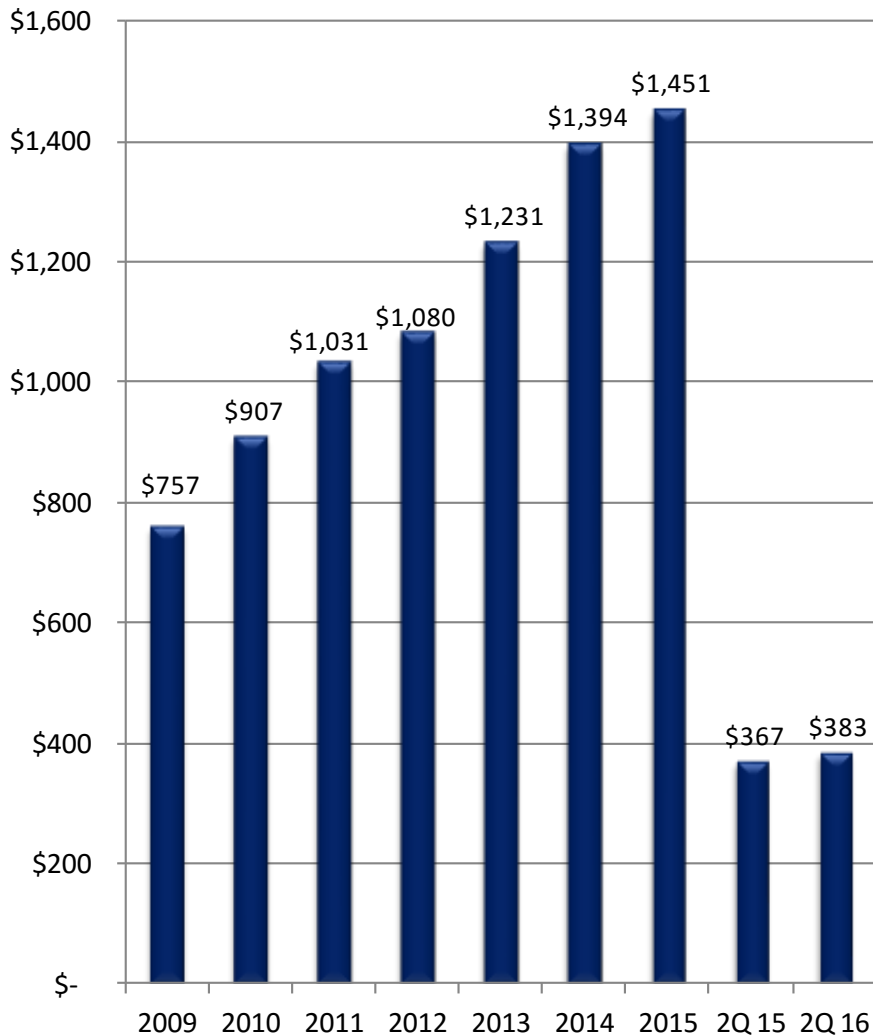


JBI Revenue per Load



DCS - Dedicated

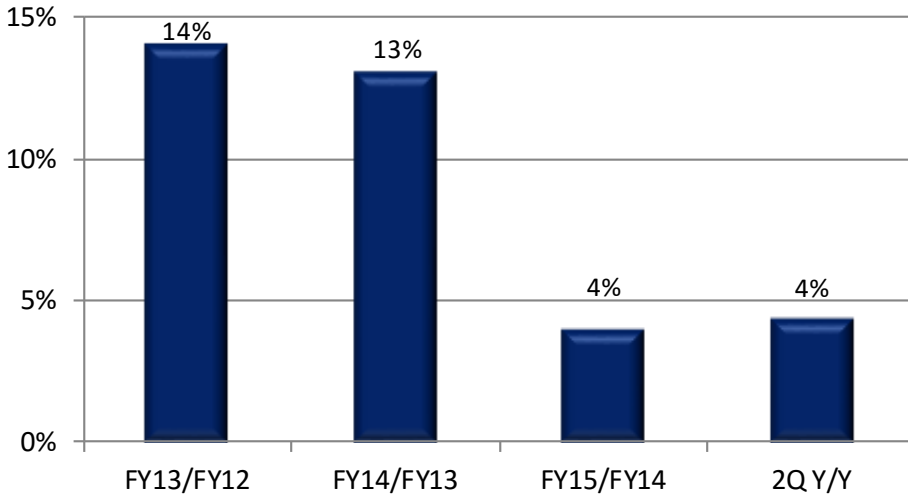
DCS Revenue
(in millions)



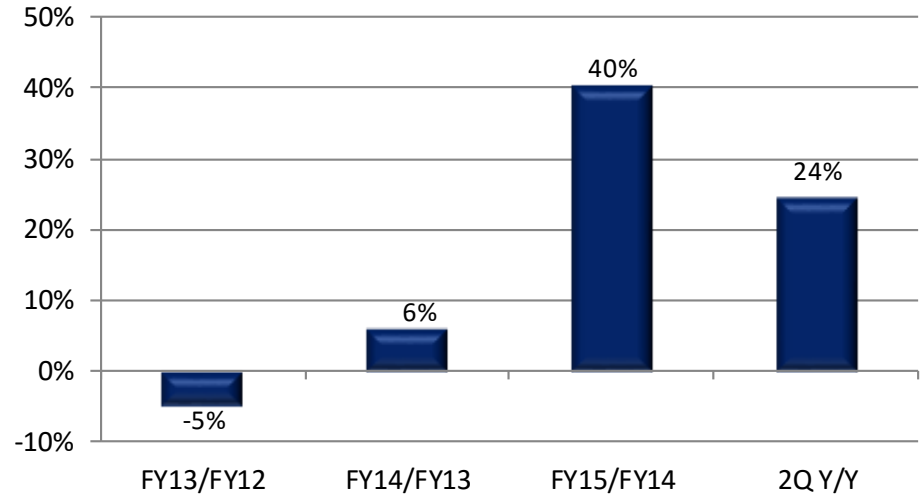
- Revenue increased 4% during the current quarter over the same period in 2015.
- Productivity excluding fuel surcharges increased 1% over a year ago primarily from better integration of assets between customer accounts, fewer unseated trucks, increased customer supply chain fluidity and customer rate increases.
- The operating income increase of 24% over the prior year quarter is primarily due to increased revenue, improved asset utilization, and a reduction in overall safety costs, partially offset by higher driver wage and recruiting costs, increased salaries and benefits costs as well as higher equipment ownership costs.

DCS Performance

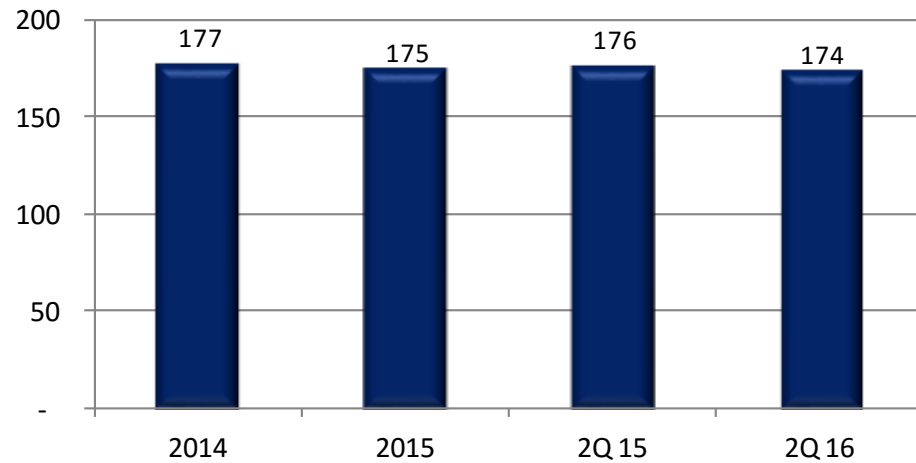
DCS Revenue Change



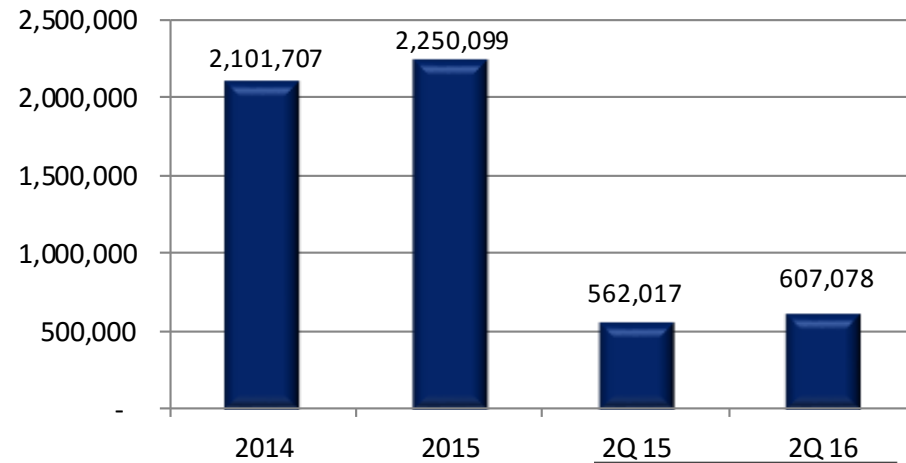
DCS Operating Income Change



DCS Average Length of Haul

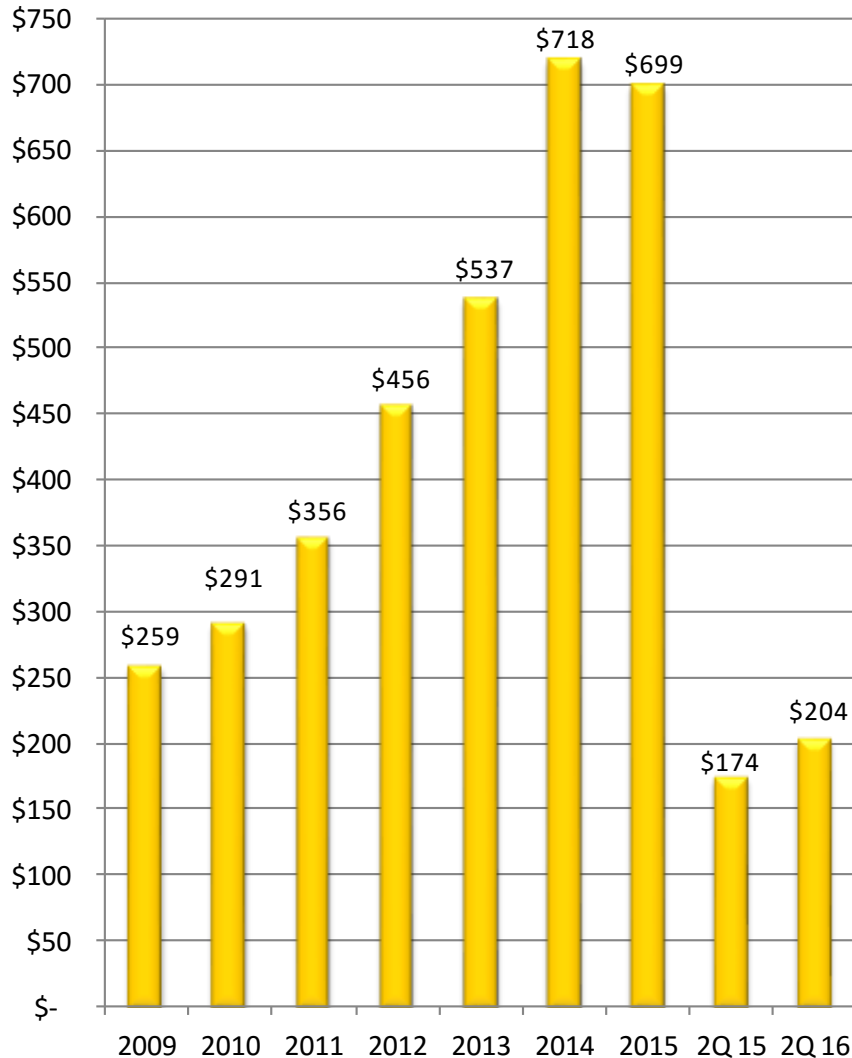


DCS Loads



ICS - Non-Asset Based

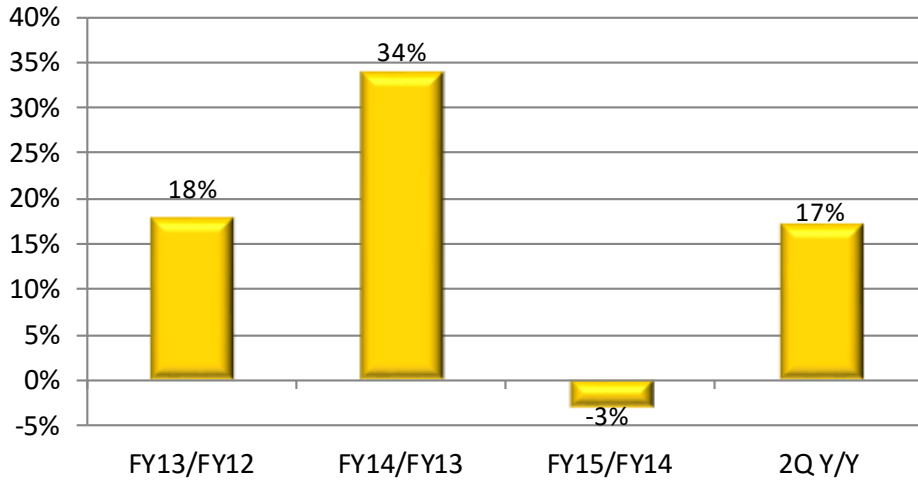
ICS Revenue
(in millions)



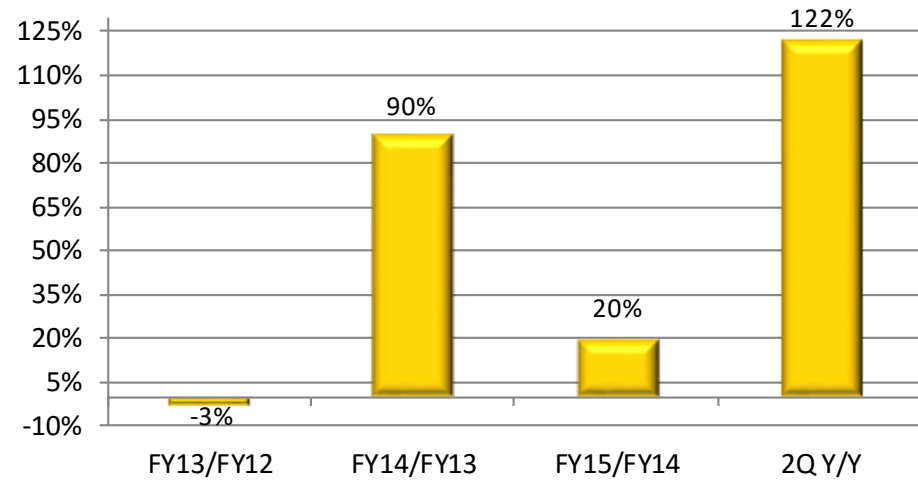
- Revenue was up 17% compared to the second quarter 2015.
- Volumes increased 62% while revenue per load decreased 28%, primarily due to freight mix changes driven by customer demand and lower fuel prices compared to second quarter 2015.
- Operating income increased 122% over the same period 2015 primarily from increased volume and related revenue.
- The increase in operating income was partly offset by higher personnel costs as the total branch count increased to 35 from 31 at second quarter 2015.
- The carrier base increased 16% and the employee count increased 13% vs. second quarter 2015.

ICS Performance

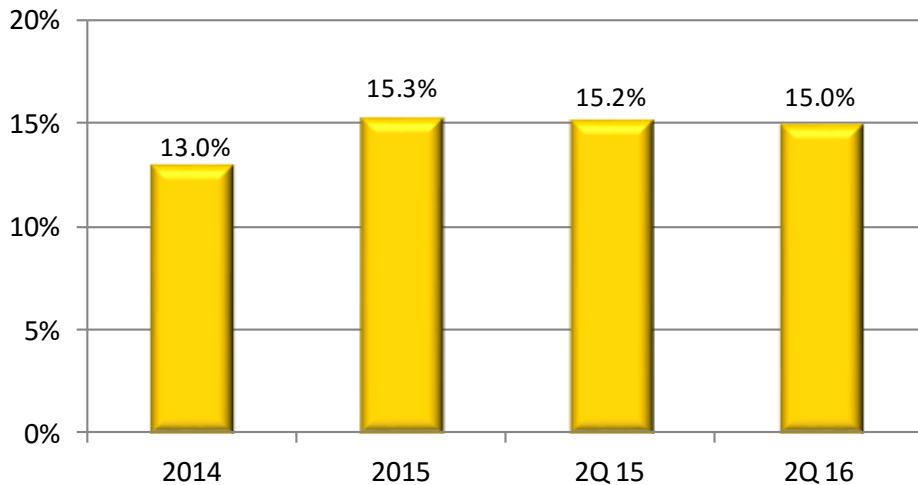
ICS Revenue Change



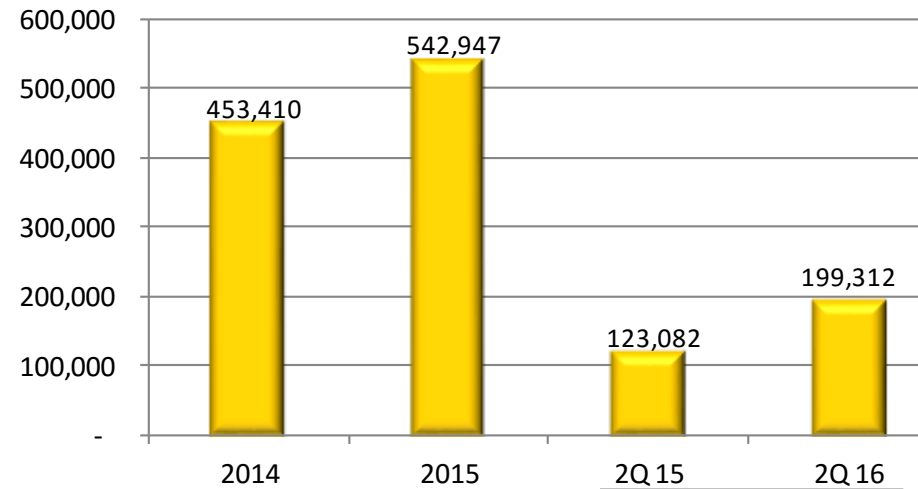
ICS Operating Income Change



ICS Gross Profit Margin

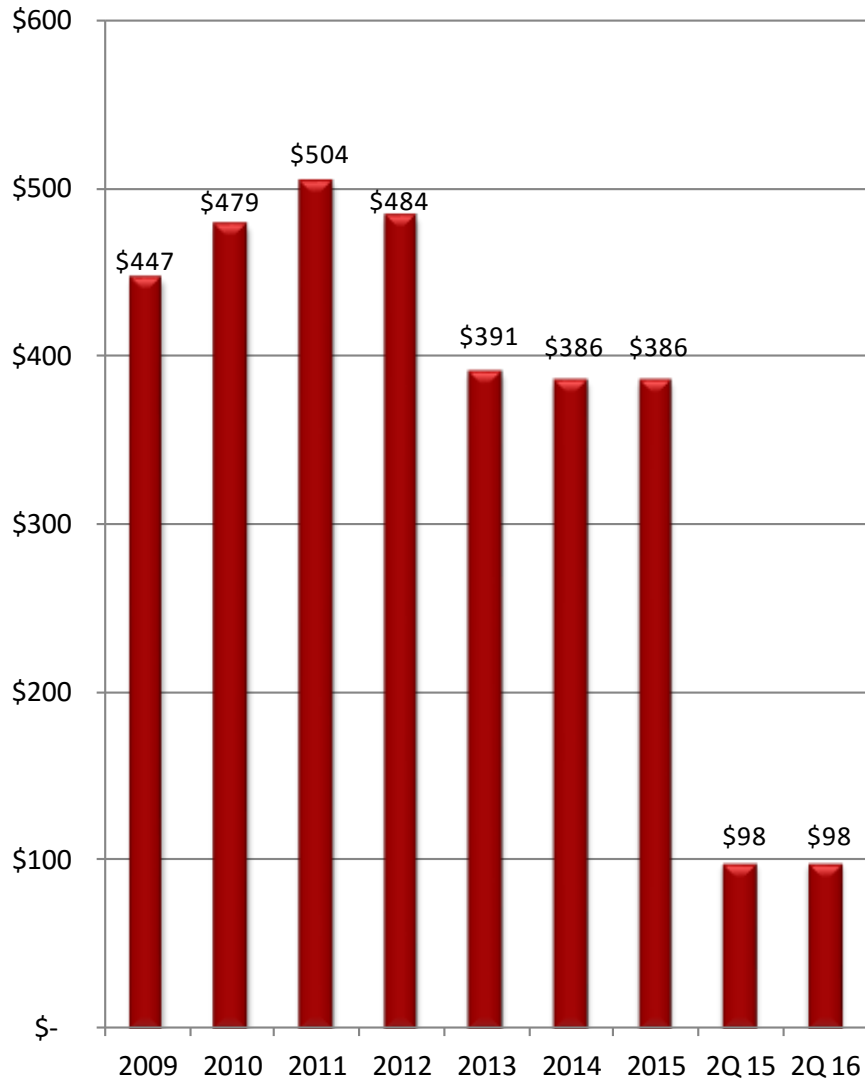


ICS Loads



JBT - Truckload

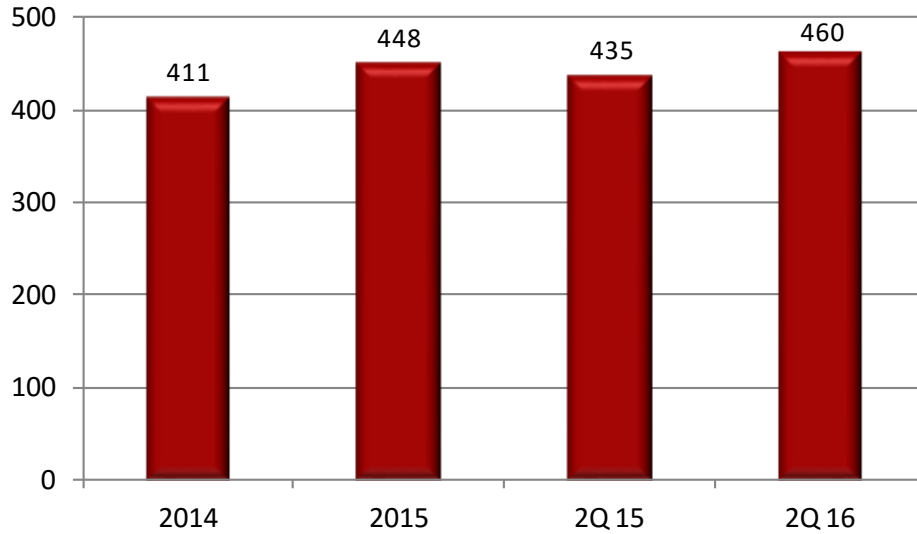
JBT Revenue
(in millions)



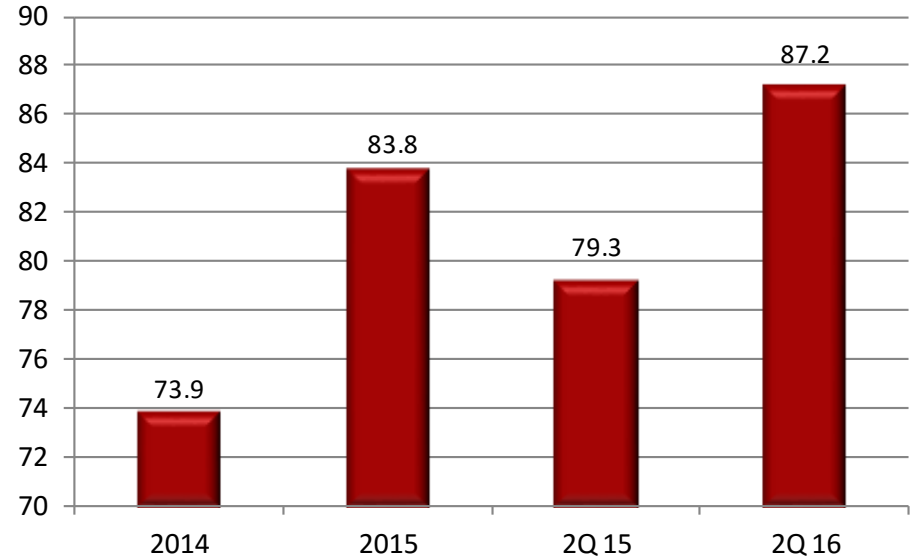
- Revenue for the current quarter was up 1% compared to the same period in 2015.
- Revenue excluding fuel surcharges increased 6%, primarily from an 11% increase in average fleet count.
- Rate per loaded mile excluding fuel surcharges was down approximately 5% primarily from customer driven freight mix changes, including a 5.8% increase in length of haul.
- Operating income decreased 9% compared to the same quarter 2015.
- Benefits of the larger fleet were more than offset by lower rates per loaded mile, increased driver hiring costs, higher independent contractor cost and increased tractor maintenance costs compared to the second quarter 2015.

JBT Performance

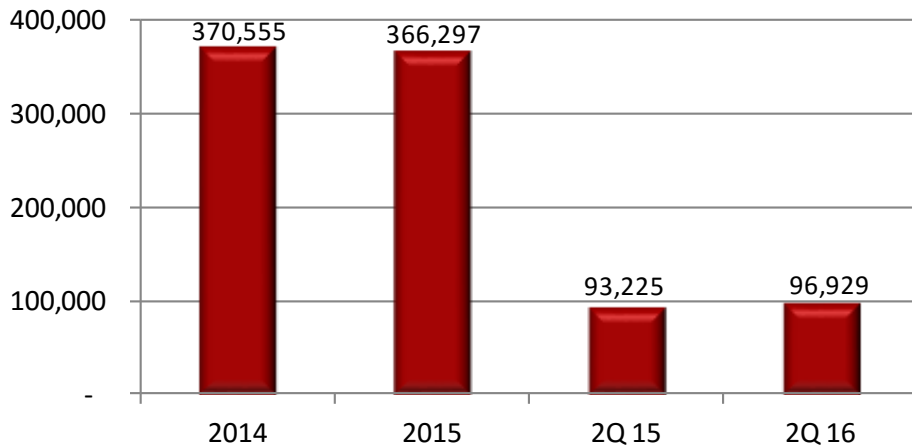
JBT Average Length of Haul



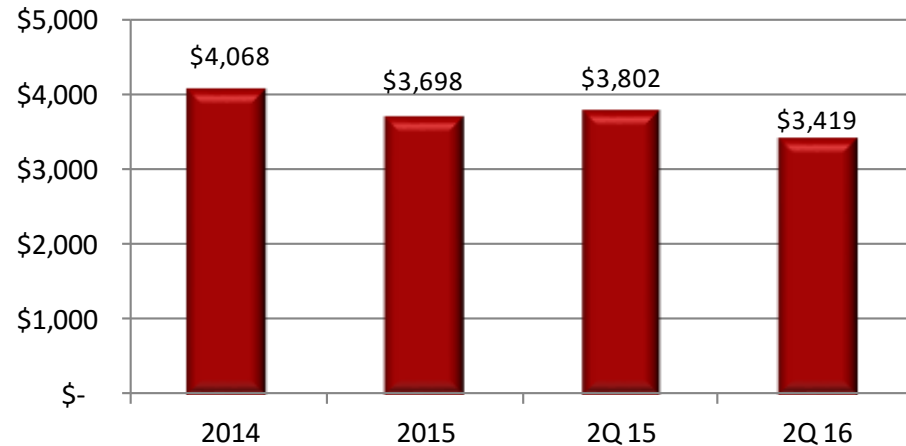
JBT Average Nonpaid Empty Miles Per Load



JBT Loads



JBT Revenue per Tractor per Week



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)

	June 30, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 11,277	\$ 5,566
Accounts Receivable	744,026	654,542
Prepaid expenses and other	71,705	197,817
Total current assets	827,008	857,925
Property and equipment	4,128,542	4,019,451
Less accumulated depreciation	1,361,627	1,318,122
Net property and equipment	2,766,915	2,701,329
Other assets	103,441	70,290
	\$ 3,697,364	\$ 3,629,544
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 343,652	\$ 340,332
Claims accruals	115,628	104,220
Accrued payroll	66,237	59,420
Other accrued expenses	27,199	28,445
Total current liabilities	552,716	532,417
Long-term debt	957,574	998,003
Other long-term liabilities	65,075	58,552
Deferred income taxes	742,574	740,220
Stockholders' equity	1,379,425	1,300,352
	\$ 3,697,364	\$ 3,629,544

