

UNPARALLELED EXPERTISE.



J.B. Hunt Transport Services, Inc.
Q3 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

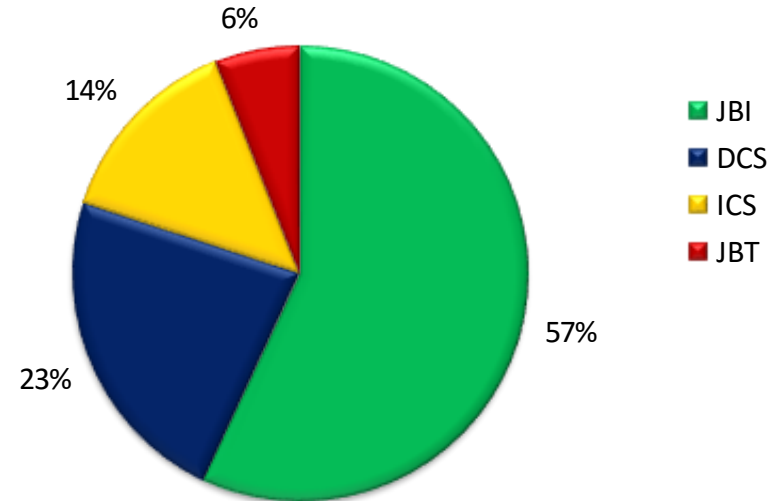
• Integrated Capacity Solutions (ICS)

- 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

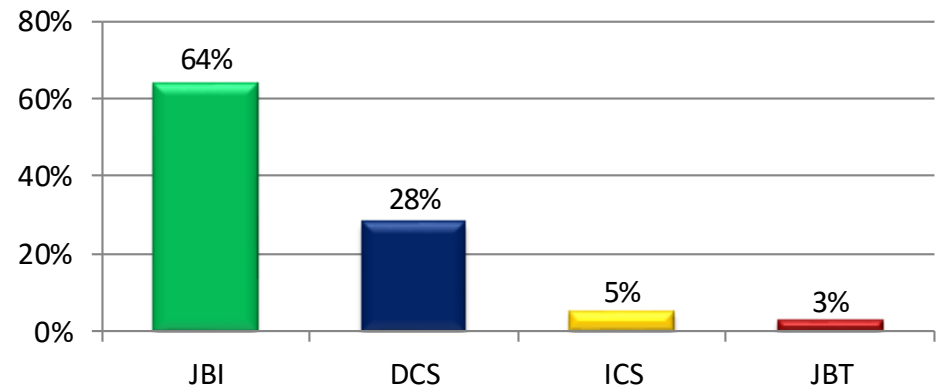
• Truckload (JBT)

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

3Q 2016 Revenue Mix



Percentage of 3Q 2016 Operating Income by Business Segment



3Q 2016 Results vs. 3Q 2015

- 3Q 2016 Revenue: \$1.69 billion; up 7%
- 3Q 2016 Revenue, excl FSC: \$1.54 billion; up 8%
- 3Q 2016 Operating Income: \$183 million; down 6%
- 3Q 2016 EPS: \$0.97 vs. \$0.99; down 2%
- Segment Performance
 - Intermodal (JBI)
 - Revenue: \$970 million; up 2%
 - Operating Income: \$116.9 million; down 7%
 - Dedicated Contract Services (DCS)
 - Revenue: \$394 million; up 6%
 - Operating Income: \$52.5 million; up 16%
 - Integrated Capacity Solutions (ICS)
 - Revenue: \$233 million; up 35%
 - Operating Income: \$8.5 million; down 26%
 - Truck (JBT)
 - Revenue: \$97 million; flat
 - Operating Income: \$5.1 million; down 55%

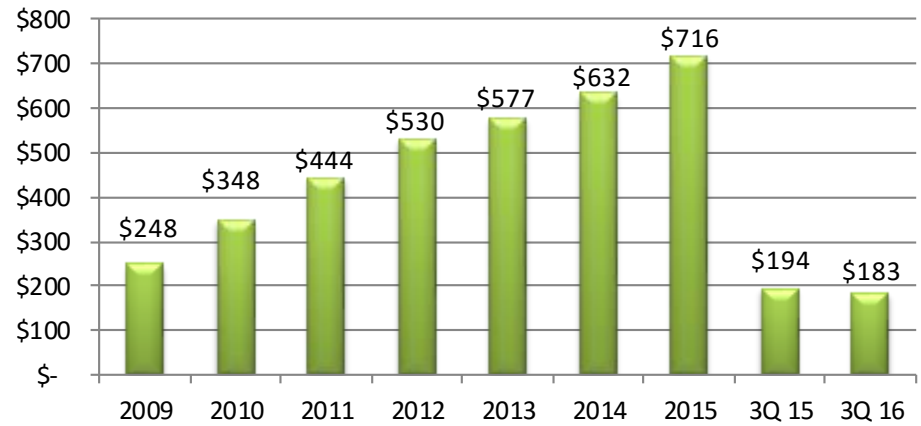


3Q 2016 Results - Consolidated

Revenue
(in millions)



Operating Income
(in millions)



Diluted EPS



Key Points

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

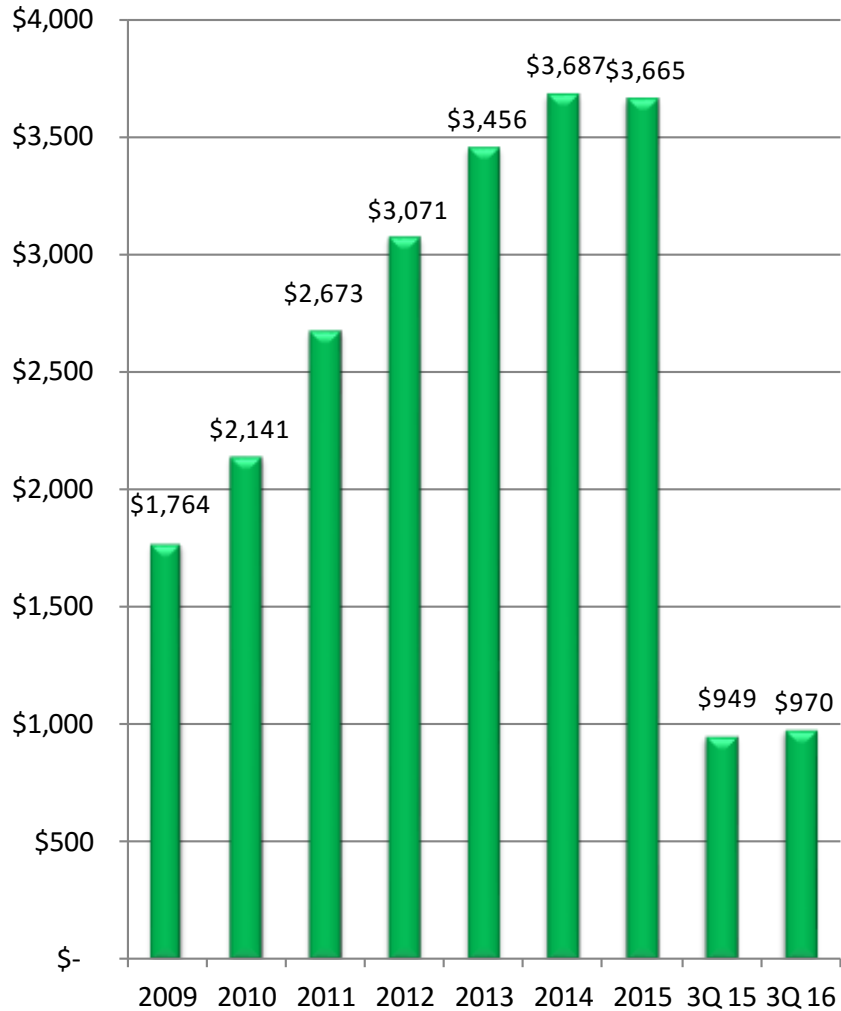
UNMATCHED CAPACITY.



Segment Discussion

JBI - Intermodal

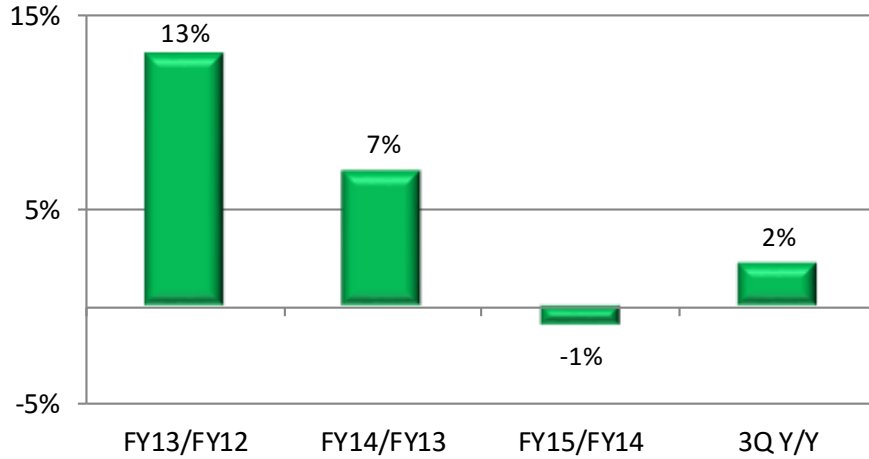
JBI Revenue
(in millions)



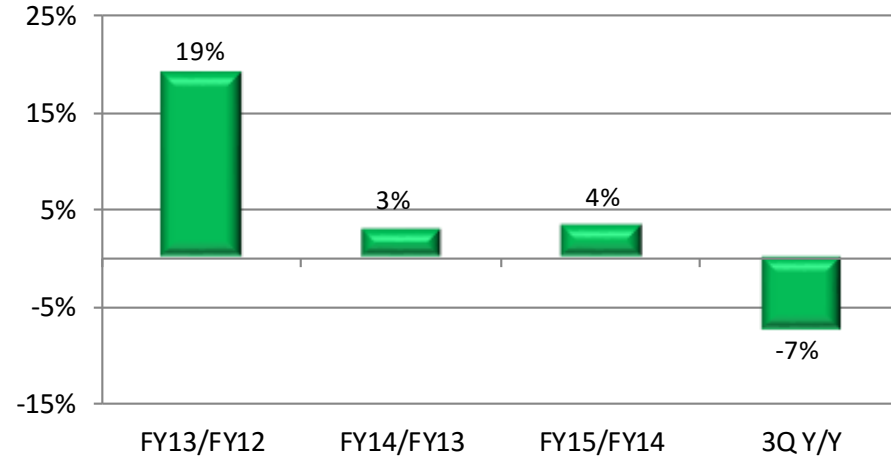
- Overall volumes increased 7% over the same period in 2015.
- The Eastern network realized load growth of 5% and Transcontinental loads grew 8% over the third quarter 2015 as west coast outbound freight growth outpaced the rest of the network and western rail service continued a year over year improvement trend.
- Revenue increased 2% reflecting the 7% volume growth and an approximate 4.2% decrease in revenue per load, which is the combination of changes in customer rate, freight mix and fuel surcharges.
- Benefits from improved volumes, improved operating efficiencies from network balance and reduced reliance on third party dray carriers were offset by lower customer rates, increases in rail purchased transportation rates, equipment ownership costs including lower box utilization, increased insurance and claims costs and increased costs to attract and retain drivers.

JBI Performance

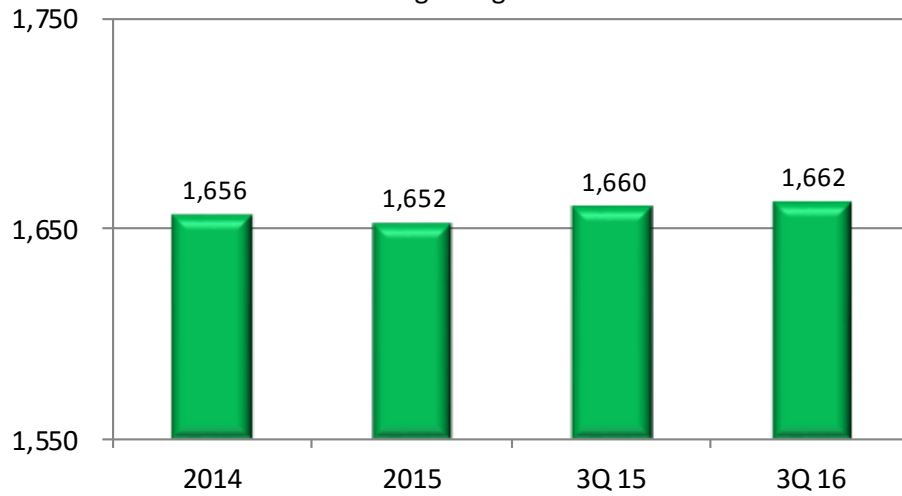
JBI Revenue Change



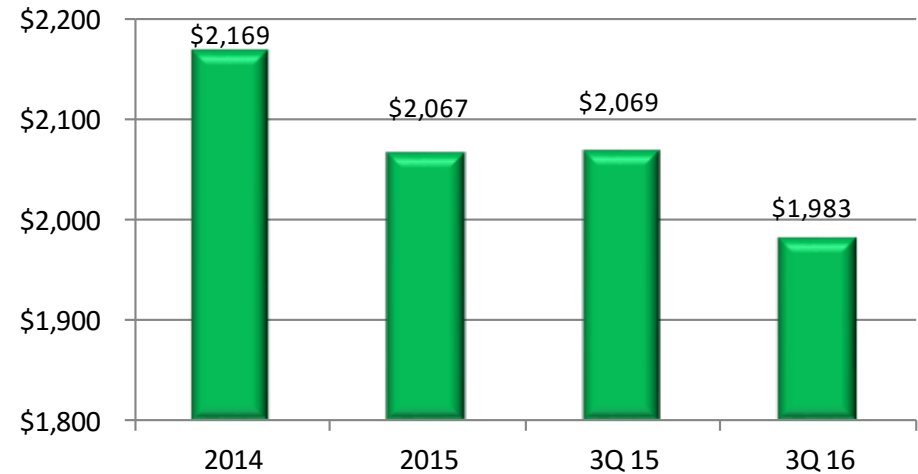
JBI Operating Income Change



JBI Average Length of Haul

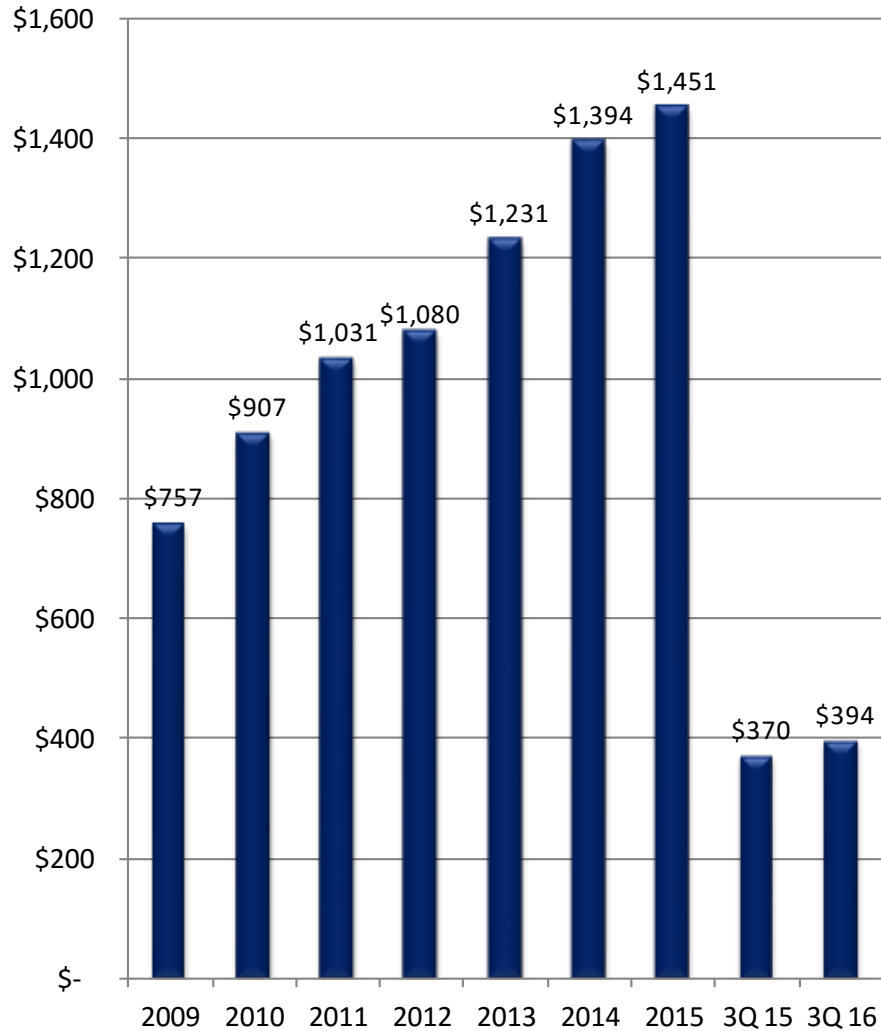


JBI Revenue per Load



DCS - Dedicated

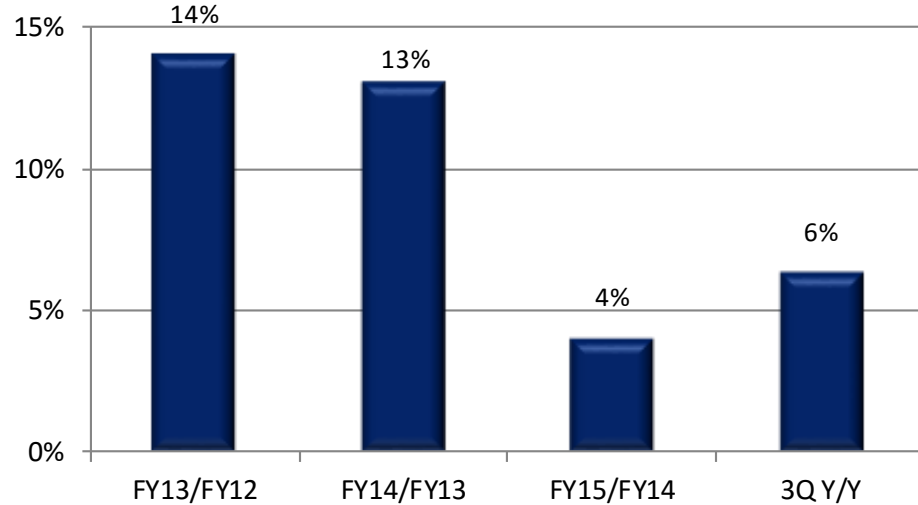
DCS Revenue
(in millions)



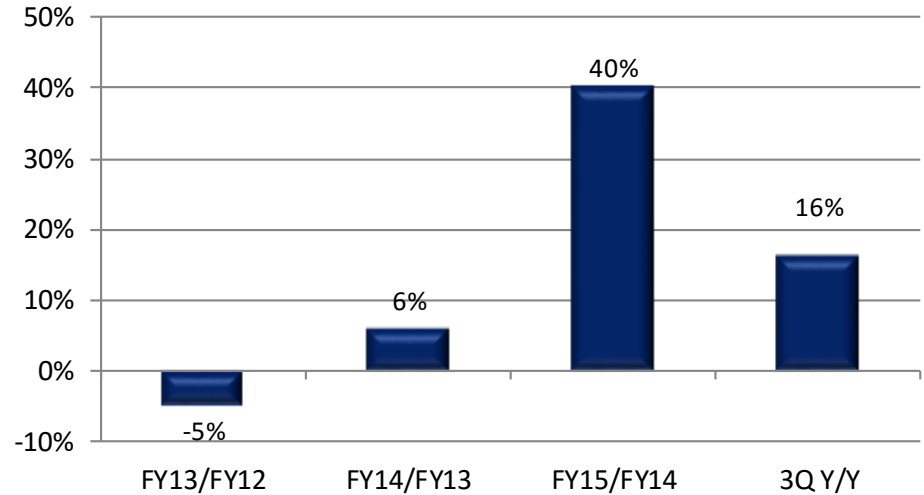
- Revenue increased 6% during the current quarter over the same period in 2015.
- Productivity (revenue per truck per week) increased by approximately 3% vs. 2015. Productivity excluding fuel surcharge revenue increased approximately 4% from a year ago primarily from improved integration of assets between customer accounts, fewer unseated trucks, increased customer supply chain fluidity and customer rate increases.
- Operating income increased by 16% from a year ago primarily from the increased revenue and improved asset utilization partially offset by higher driver wages and recruiting costs, increased salaries and benefits costs and higher equipment ownership costs compared to the same period in 2015.

DCS Performance

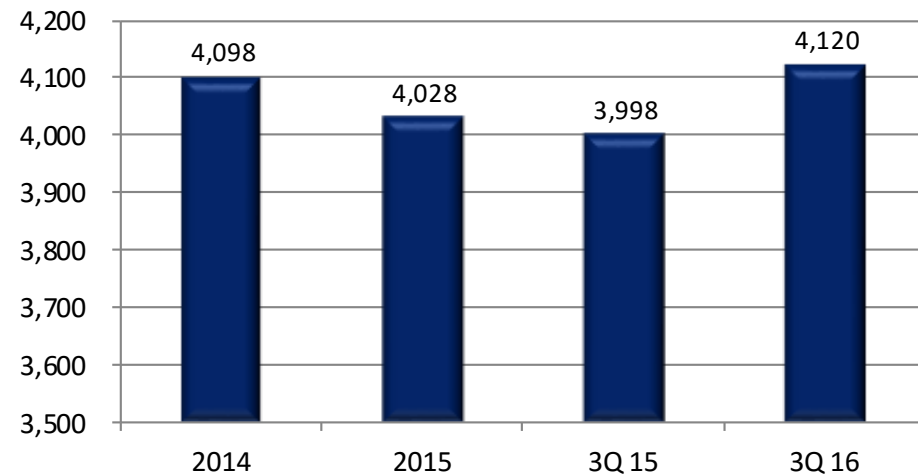
DCS Revenue Change



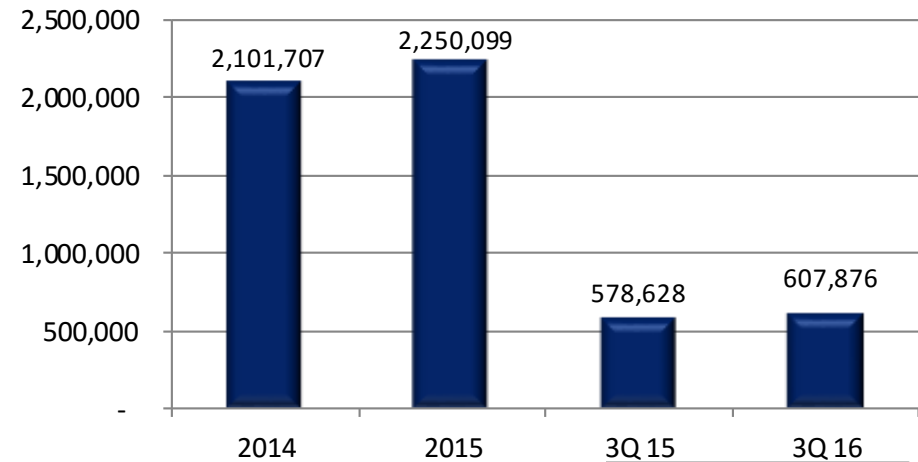
DCS Operating Income Change



Revenue Per Truck Per Week



DCS Loads



ICS - Non-Asset Based

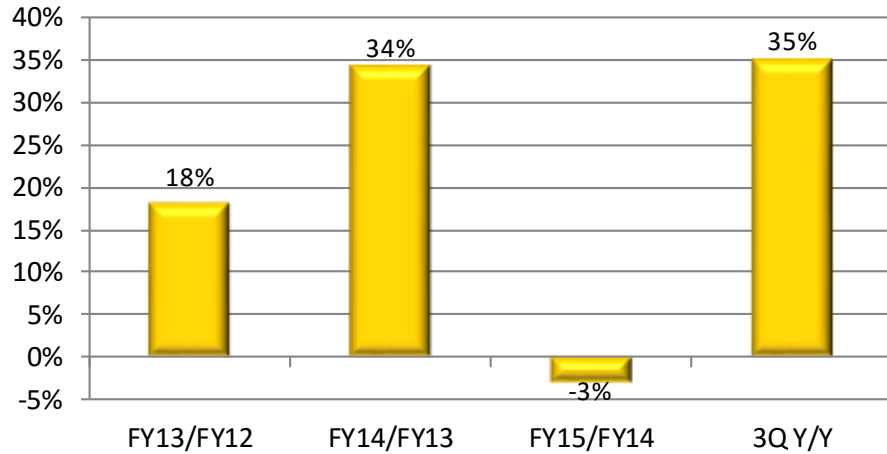
ICS Revenue
(in millions)



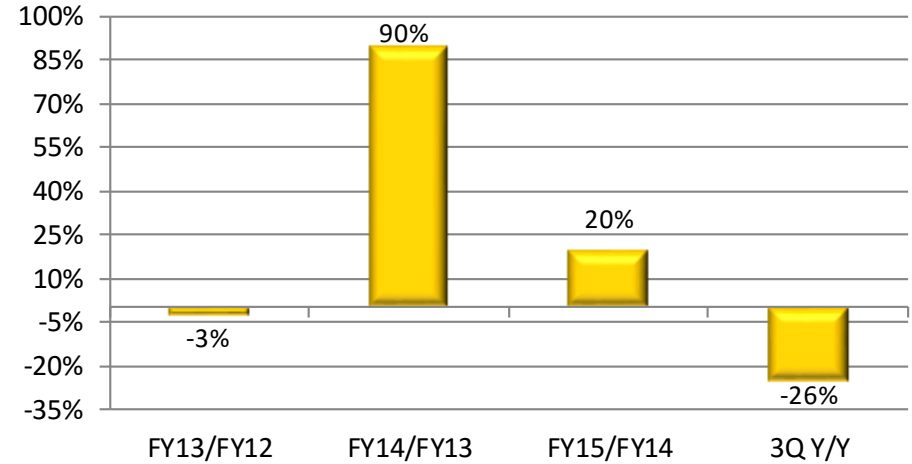
- Revenue increased 35% in the current quarter vs. the third quarter 2015.
- Load volume increased 88% while revenue per load decreased 29% due to lower fuel prices, freight mix changes driven by customer demand and lower customer rates on contractual business.
- Operating income decreased 26% over the same period 2015.
- Gross profit margin decreased to 12.8% in the current quarter vs. 15.9% in the prior year primarily from new customer rates implemented during the quarter on contractual business and lower customer spot rates compared to third quarter 2015.
- ICS's carrier base increased 14% and the employee count increased 18% vs. third quarter 2015.

ICS Performance

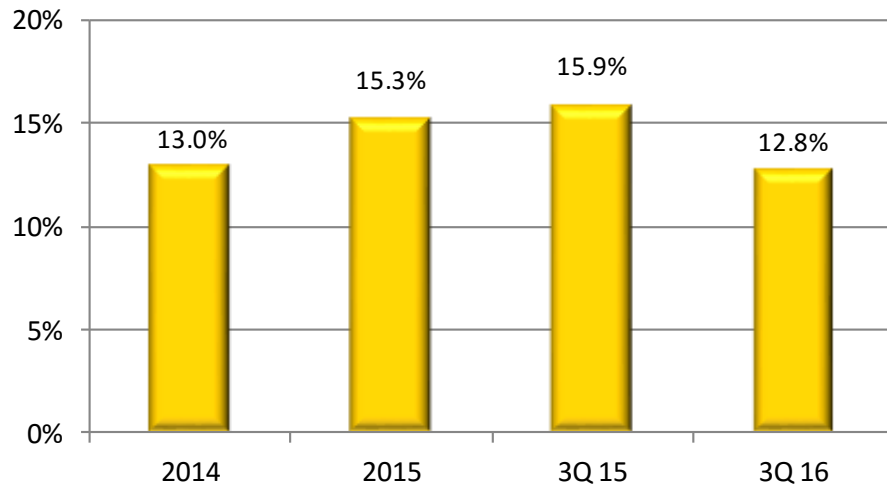
ICS Revenue Change



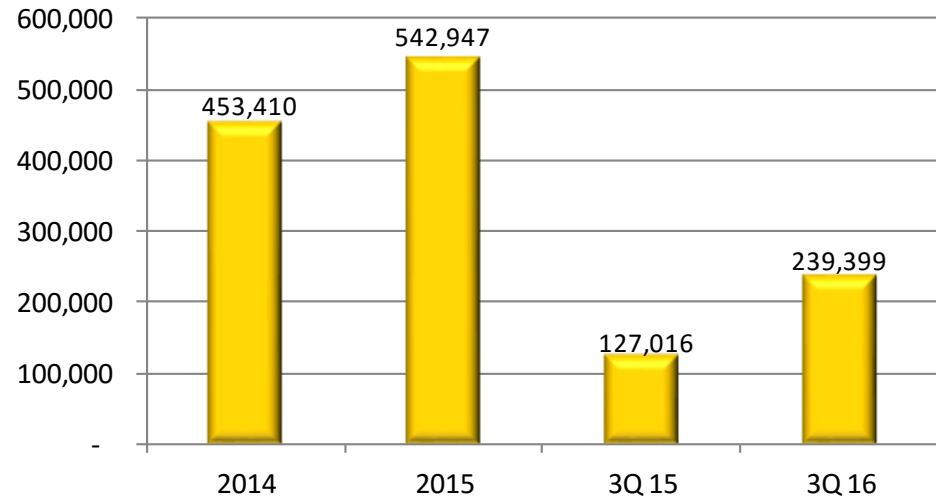
ICS Operating Income Change



ICS Gross Profit Margin

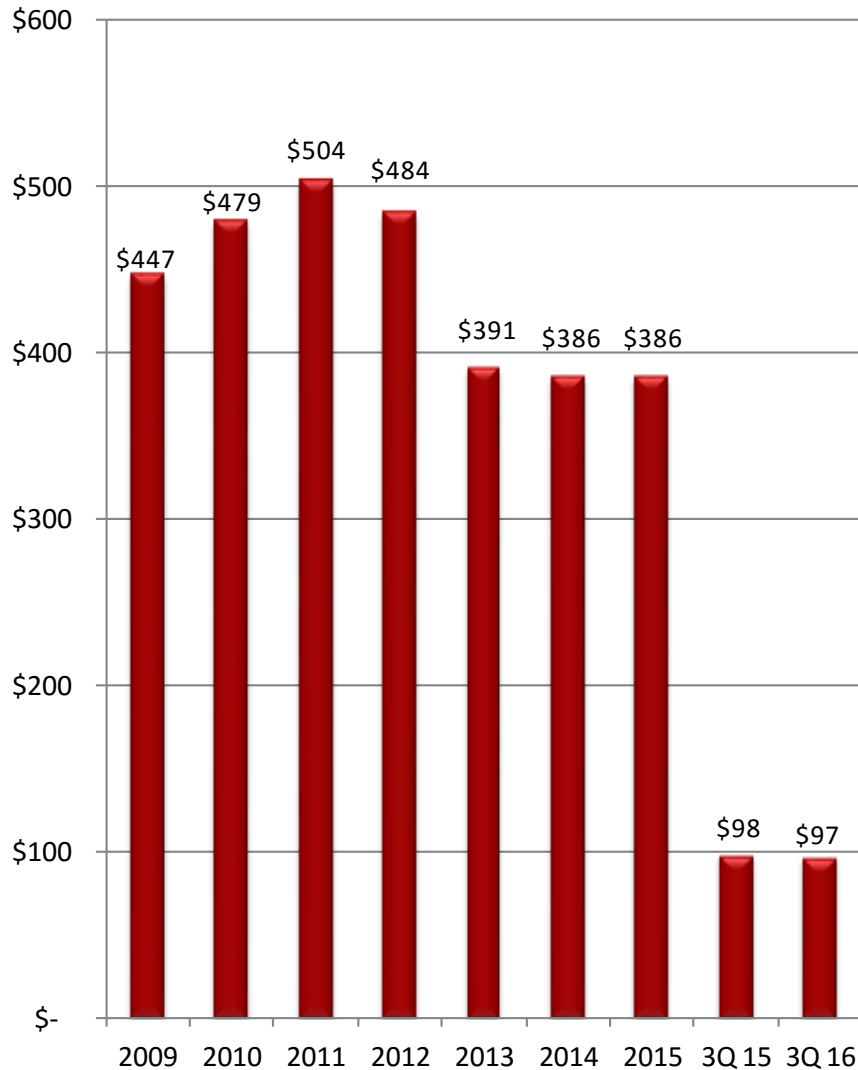


ICS Loads



JBT - Truckload

JBT Revenue
(in millions)

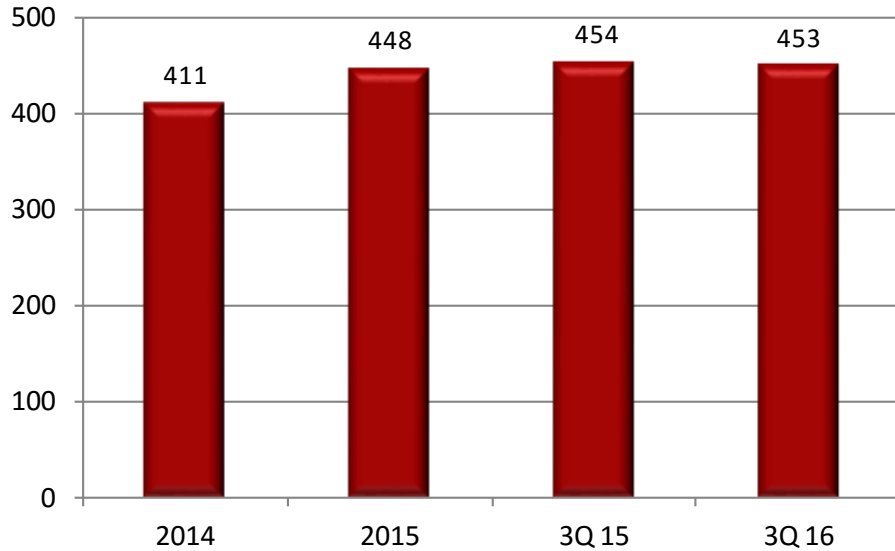


- Revenue was flat from the same period in 2015.
- Revenue excluding fuel surcharge increased 2%, primarily from a 4% increased truck count a 2% increase in utilization offset with an approximate 4% decrease in rate per mile excluding fuel mostly from customer driven freight mix changes.
- At the end of the period, JBT operated 2,183 tractors compared to 2,100 a year ago.
- Operating income decreased by 55% compared to third quarter 2015.
- Favorable changes from an increased fleet count and improved utilization were more than offset by lower customer rates per mile, increased equipment maintenance costs, higher safety and insurance costs and increased driver hiring costs compared to third quarter 2015.

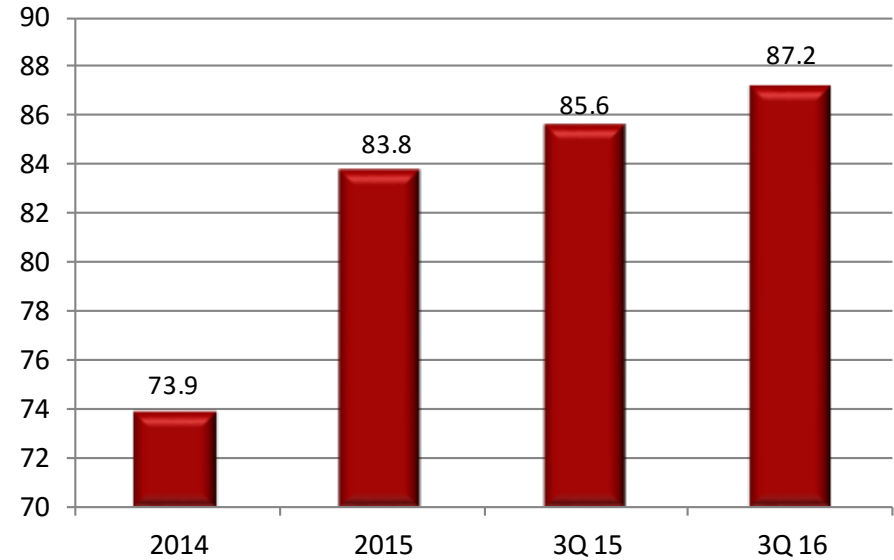


JBT Performance

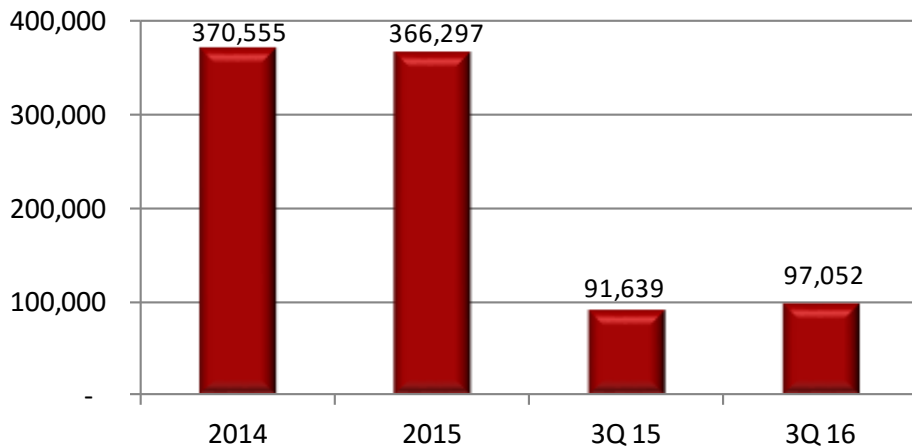
JBT Average Length of Haul



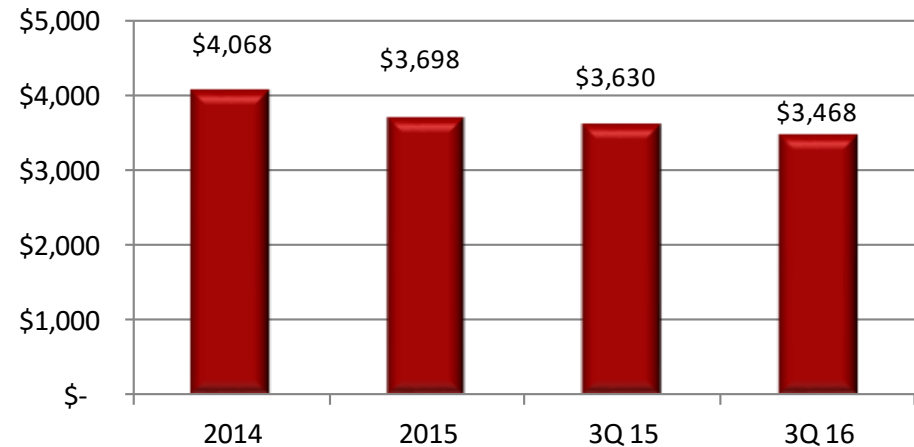
JBT Average Nonpaid Empty Miles Per Load



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)

	September 30, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 5,481	\$ 5,566
Accounts Receivable	775,020	654,542
Prepaid expenses and other	61,900	197,817
Total current assets	842,401	857,925
Property and equipment	4,209,080	4,019,451
Less accumulated depreciation	1,400,339	1,318,122
Net property and equipment	2,808,741	2,701,329
Other assets	78,852	70,290
	\$ 3,729,994	\$ 3,629,544
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 402,913	\$ 340,332
Claims accruals	104,243	104,220
Accrued payroll	72,920	59,420
Other accrued expenses	20,769	28,445
Total current liabilities	600,845	532,417
Long-term debt	943,696	998,003
Other long-term liabilities	69,302	58,552
Deferred income taxes	731,068	740,220
Stockholders' equity	1,385,083	1,300,352
	\$ 3,729,994	\$ 3,629,544

