



J.B. Hunt Transport Services, Inc.

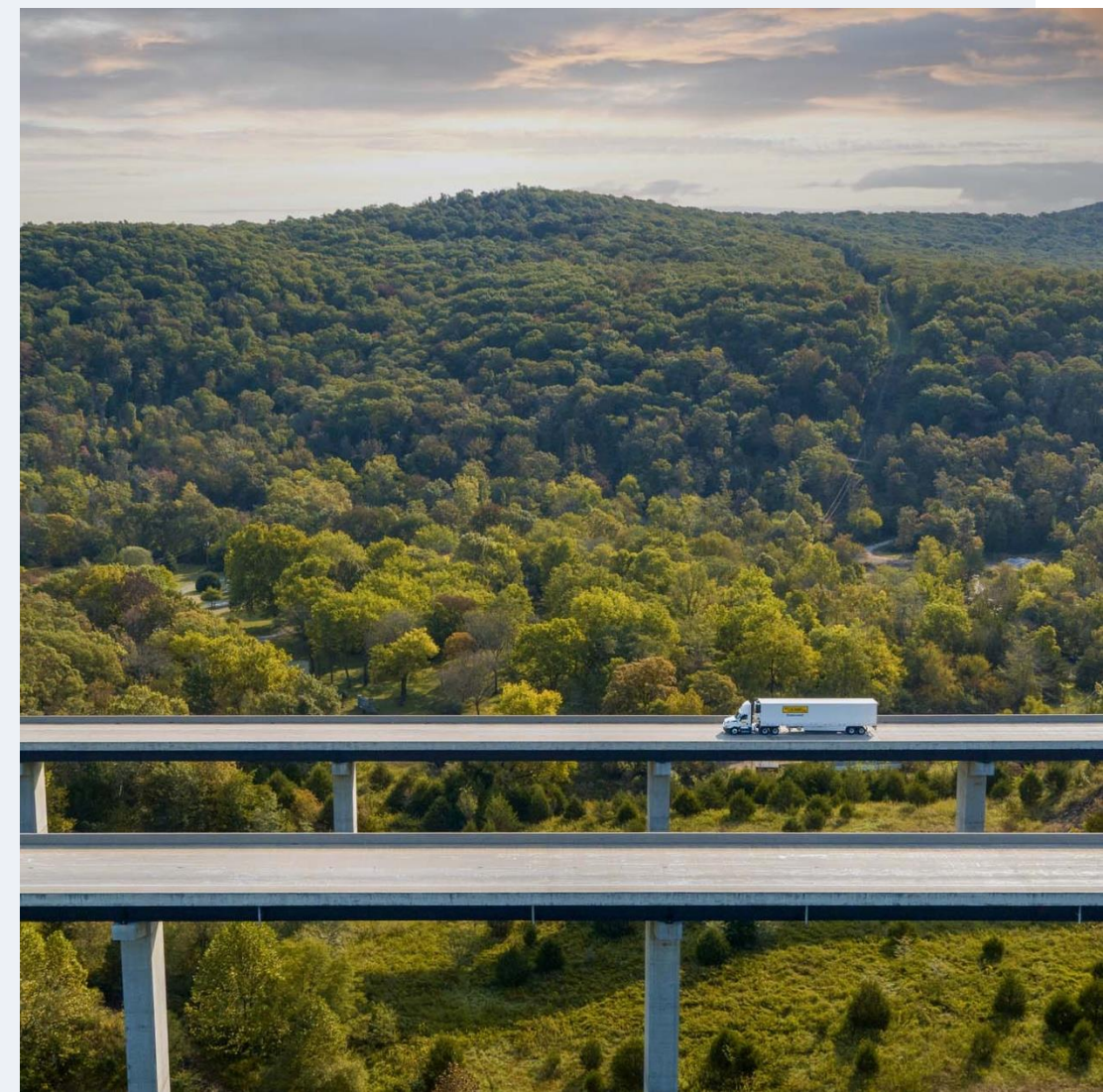
Q4 2024 Results





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

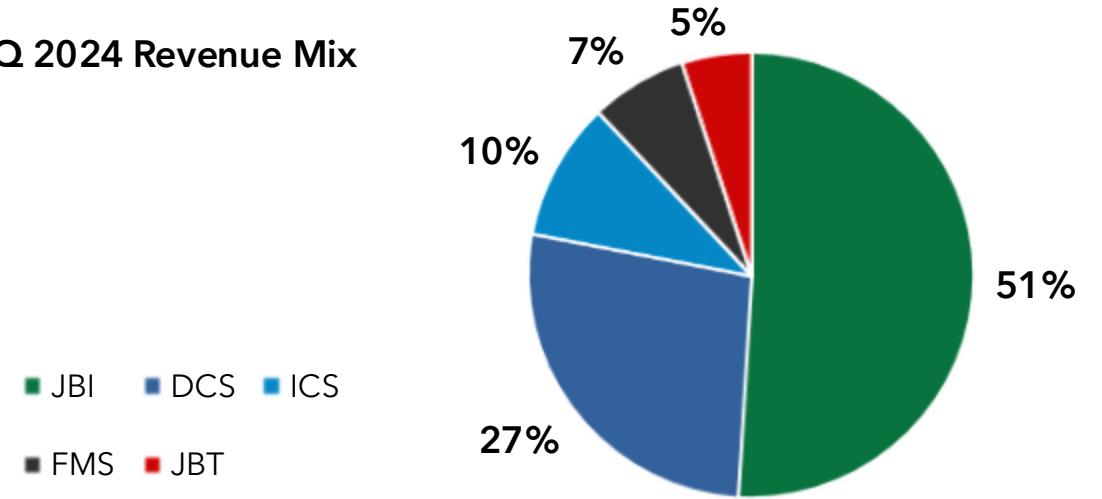
Final Mile Services® (FMS)

- 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

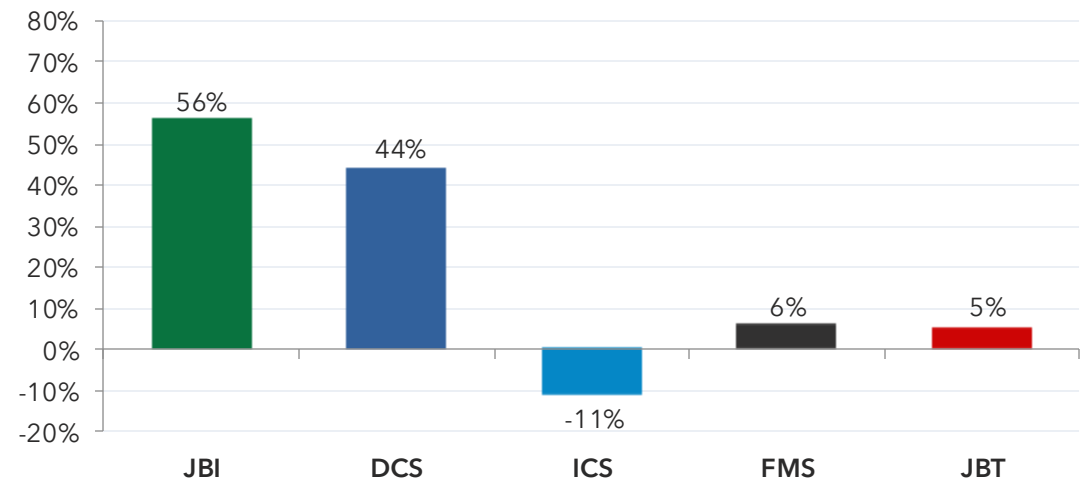
Truckload (JBT)

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

4Q 2024 Revenue Mix



Percentage of 4Q 2024 Operating Income by Business Segment





4Q 2024 Results vs. 4Q 2023

Overview

4Q 2024 Revenue:

\$3.15 billion; down 5%

4Q 2024 Revenue, excl FSC:

\$2.78 billion; down 2%

4Q 2024 Operating Income:

\$207.0 million; up 2%

4Q 2024 Diluted EPS:

\$1.53 vs. \$1.47; up 4%

Segment Performance

Intermodal (JBI)

Revenue: \$1.60 billion; down 2%

Operating Income: \$117.0 million; down 10%

Dedicated Contract Services (DCS)

Revenue: \$839 million; down 5%

Operating Income: \$90.3 million; up 5%

Integrated Capacity Solutions (ICS)

Revenue: \$308 million; down 15%

Operating Loss: \$(21.8) million; vs. \$(24.9) million in Q4'23

Final Mile Services (FMS)

Revenue: \$228 million; down 6%

Operating Income: \$13.2 million; up 7%

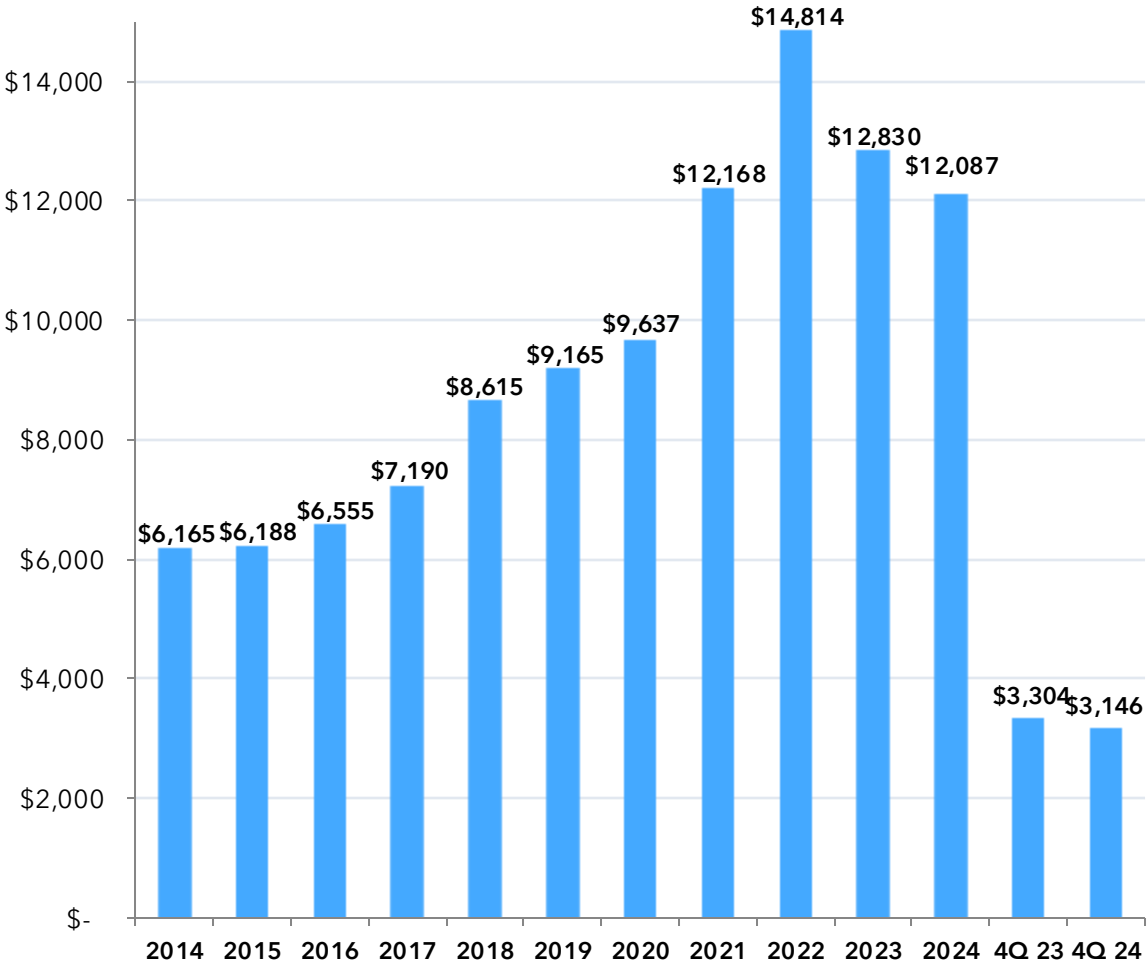
Truckload (JBT)

Revenue: \$182 million; down 7%

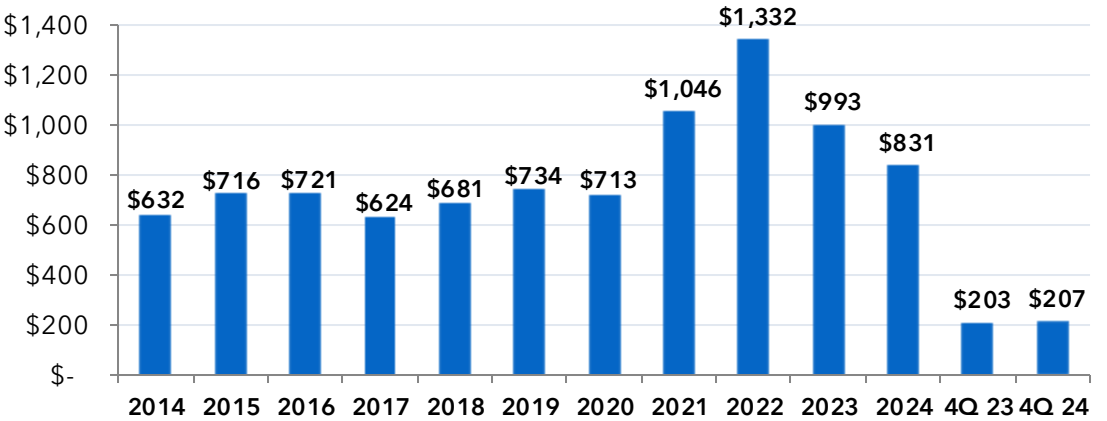
Operating Income: \$8.6 million; vs. \$(39) thousand in Q4'23

4Q Results Consolidated

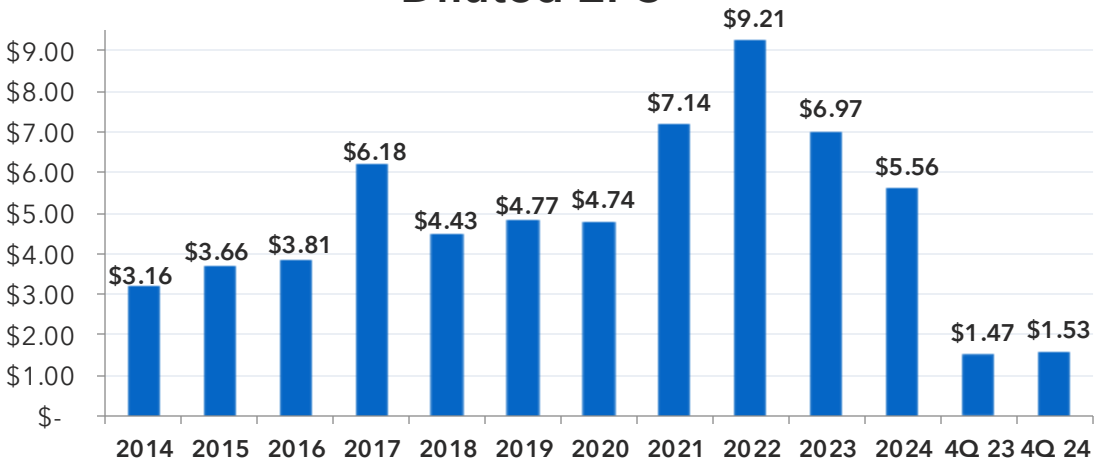
Revenue (in millions)



Operating Income (in millions)



Diluted EPS

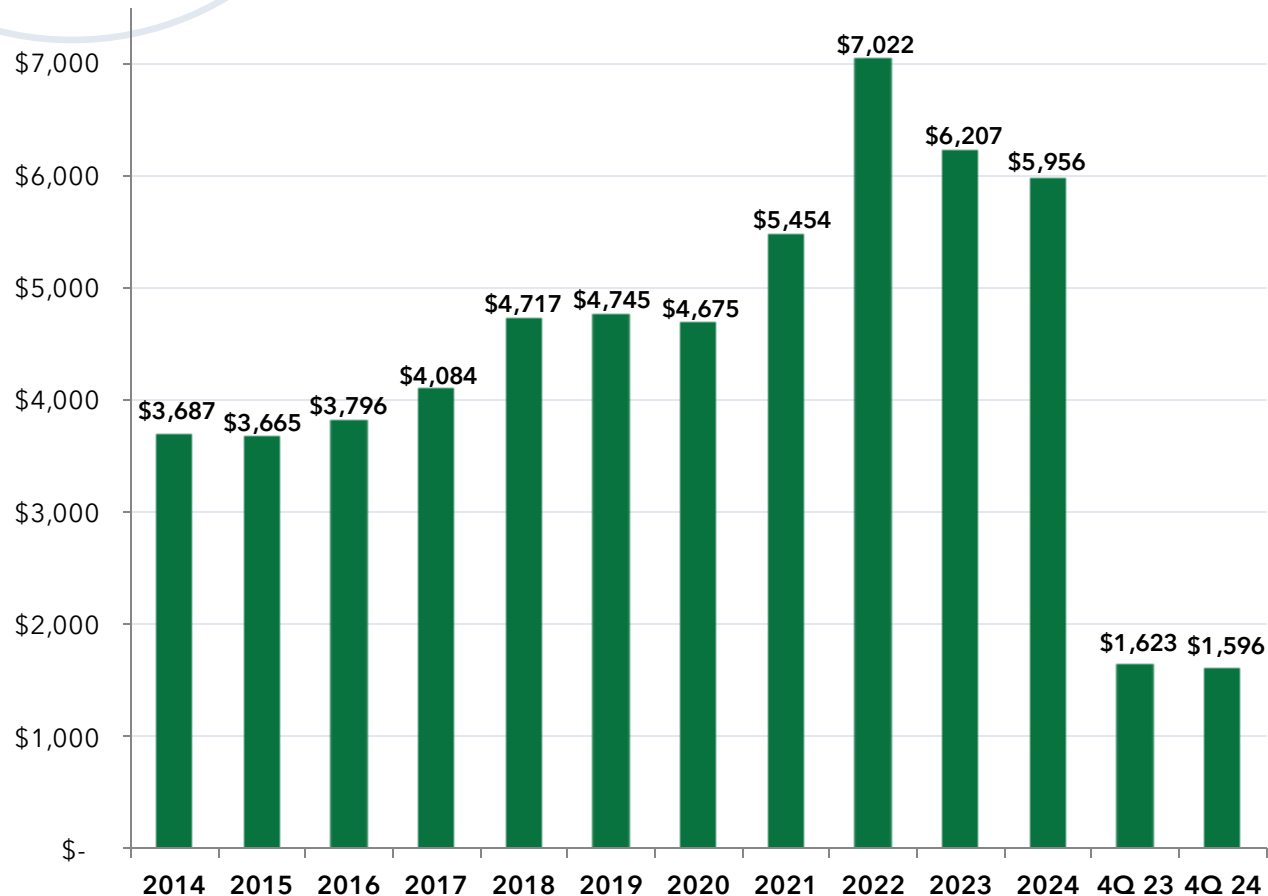




Segment Discussion

Intermodal (JBI)

JBI Revenue (in millions)

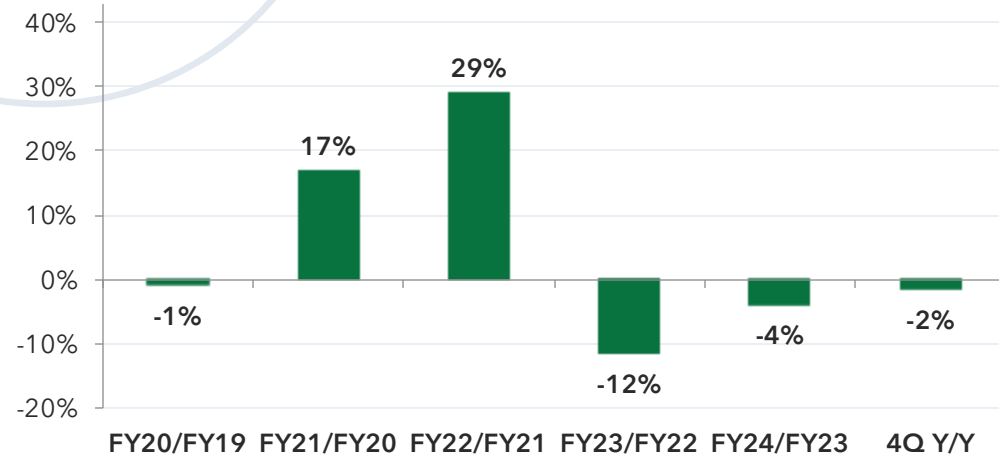


Intermodal volume increased 5% over the same period in 2023. Transcontinental network loads increased 4%, while eastern network loads increased 6% compared to the fourth quarter 2023. Sequentially, volumes improved 2% from the third quarter, with stronger sequential volumes in both Eastern and Transcontinental networks. Demand trends for our intermodal service were seasonally strong during the quarter, particularly on eastbound loads out of Southern California. Revenue decreased 2% for the quarter versus the prior year primarily driven by a 6% decrease in revenue per load resulting from changes in mix of freight, customer rates and fuel surcharge revenue, partially offset by the 5% increase in volume. Revenue per load excluding fuel surcharge revenue was down 3% year-over-year.

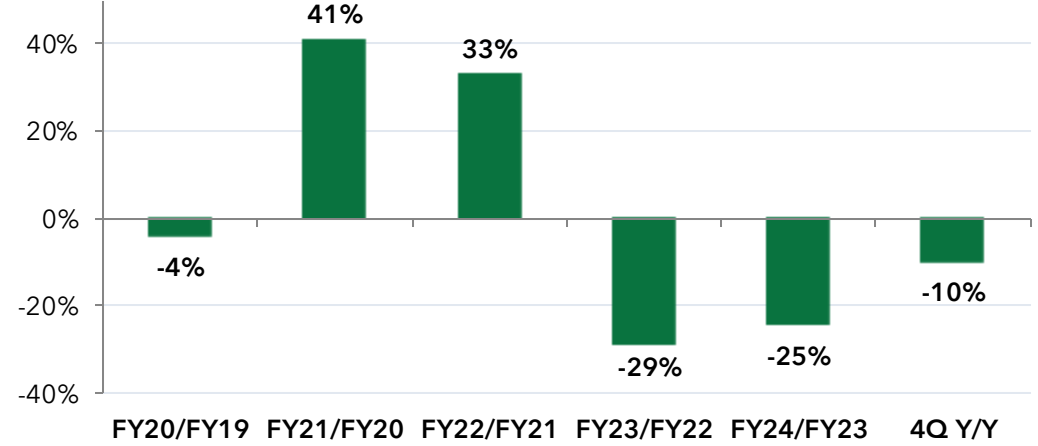
Operating income decreased 10% in the fourth quarter primarily from lower yields, which was only partially offset by greater volumes across the network. Repositioning costs related to network imbalances, in addition to driver hiring and onboarding expenses were elevated in the quarter to support customers' peak season demand. 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 and higher equipment-related and maintenance expenses as a percentage of gross revenue. The prior-year period included \$16.0 million in pre-tax charges for insurance-related items. Excluding these charges, remaining insurance-related expenses in the current quarter also contributed to a decline in segment operating income and a decline in segment operating income as a percentage of segment gross revenue.

Intermodal (JBI) Performance

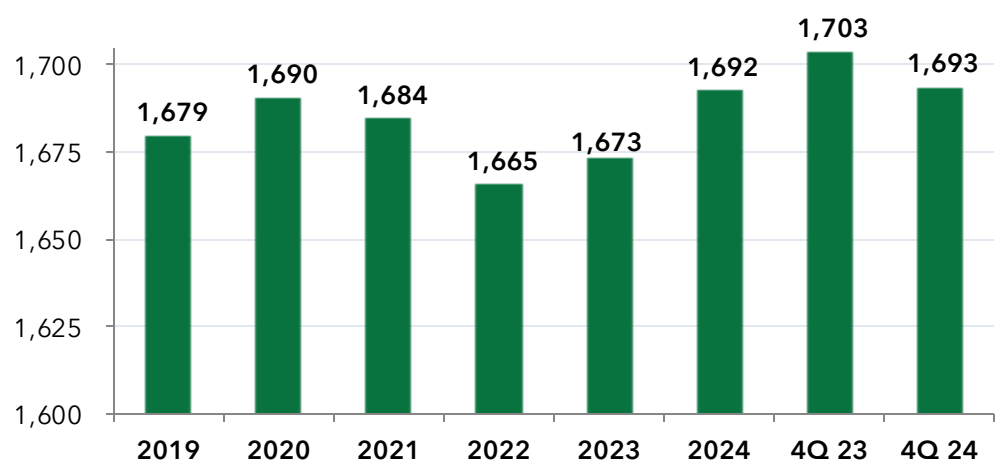
JBI Revenue Change



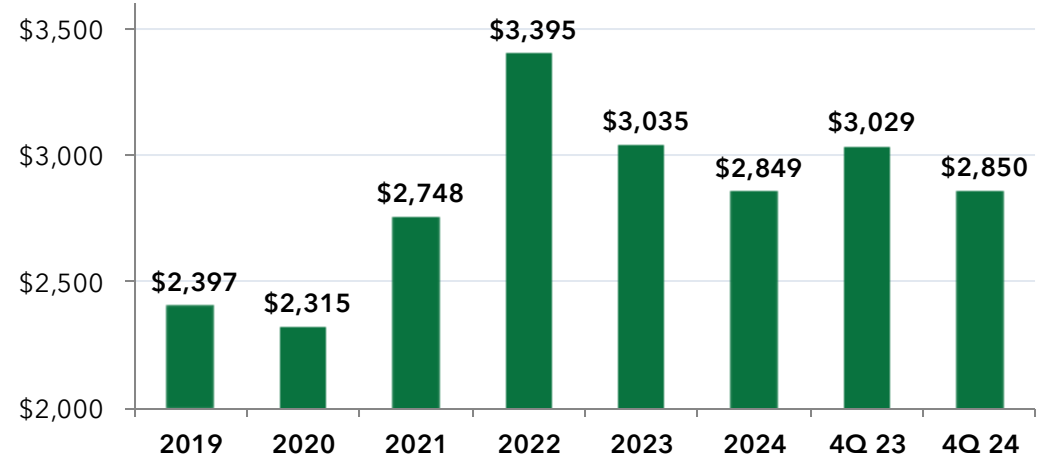
JBI Operating Income Change



JBI Average Length of Haul

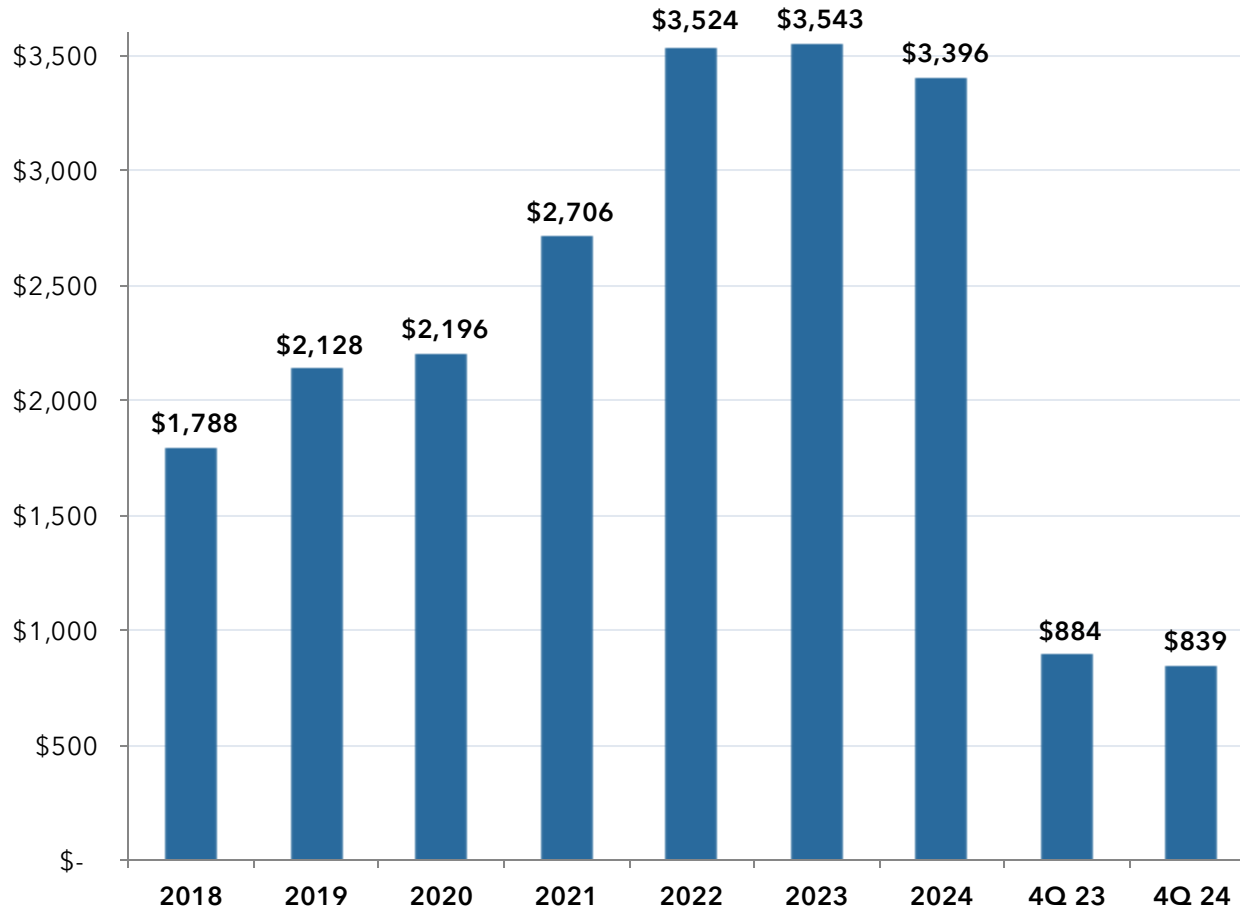


JBI Revenue per Load



Dedicated Contract Services (DCS)

DCS Revenue (in millions)

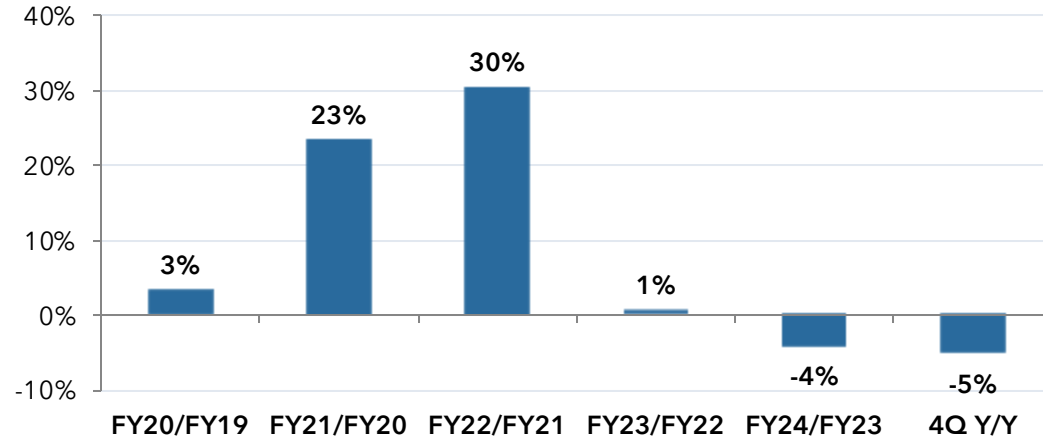


DCS revenue decreased 5% during the current quarter over the same period in 2023, driven by a 4% decline in average trucks combined with a 1% decline in productivity (revenue per truck per week). Productivity, excluding fuel surcharge revenue, increased 2% from a year ago driven by increases in contracted indexed-based price escalators. On a net basis, there were 605 fewer revenue producing trucks in the fleet by the end of the quarter compared to the prior-year period, and 114 fewer versus the end of the third quarter 2024. Customer retention rates are approximately 90%, largely reflecting the downsizing of fleets and to a lesser extent account losses.

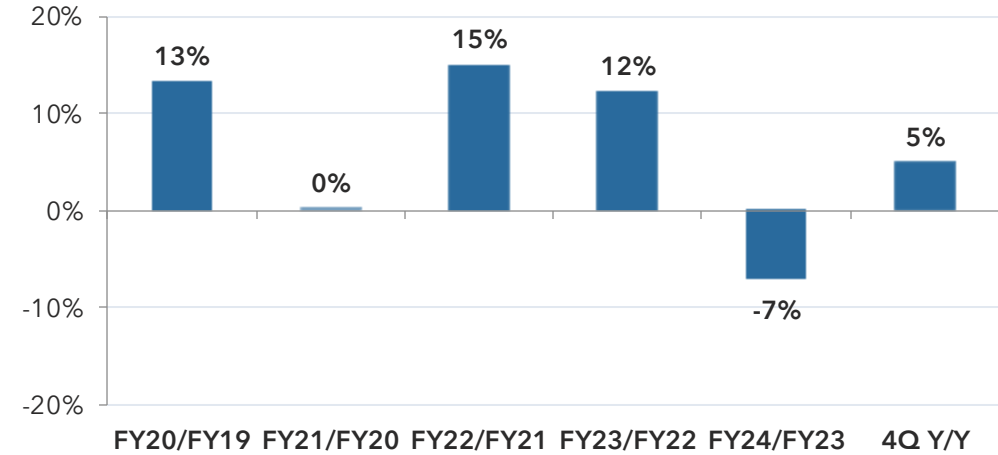
Operating income increased 5% from the prior-year quarter. Fourth quarter 2023 included \$20.0 million in pre-tax charges for insurance-related items. Excluding these charges, operating income decreased primarily from lower revenue and higher remaining insurance-related costs, including insurance premium, casualty claim, and group medical expenses. These items were partially offset by lower bad debt expense, the maturing of new business onboarded over the trailing twelve months, and greater productivity, excluding fuel surcharge revenue, and utilization of equipment.

Dedicated Contract Services (DCS)

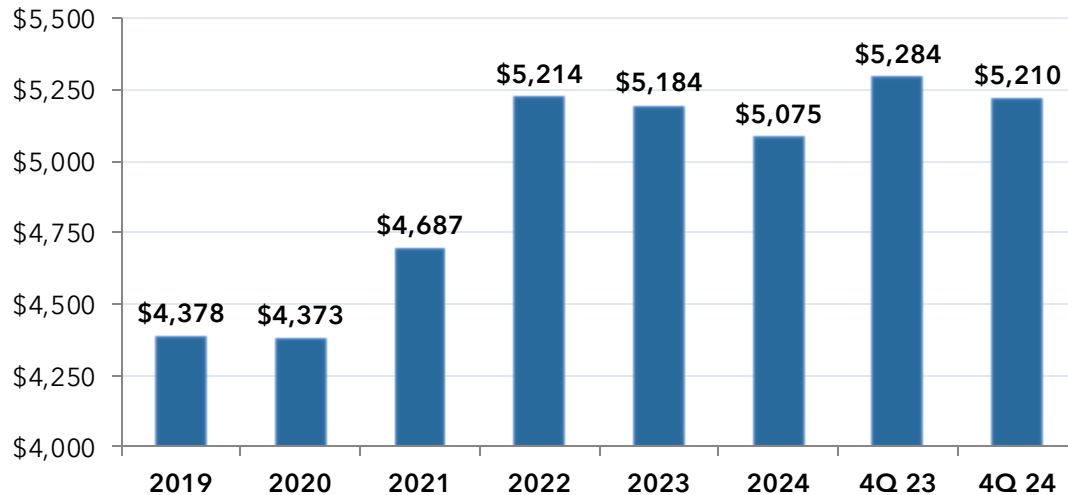
DCS Revenue Change



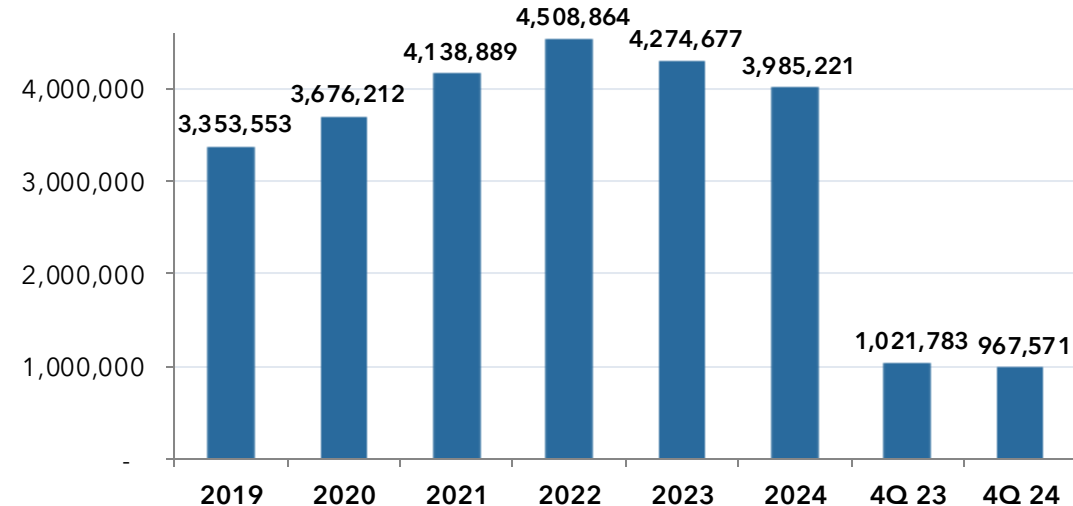
DCS Operating Income Change



DCS Revenue Per Truck Per Week



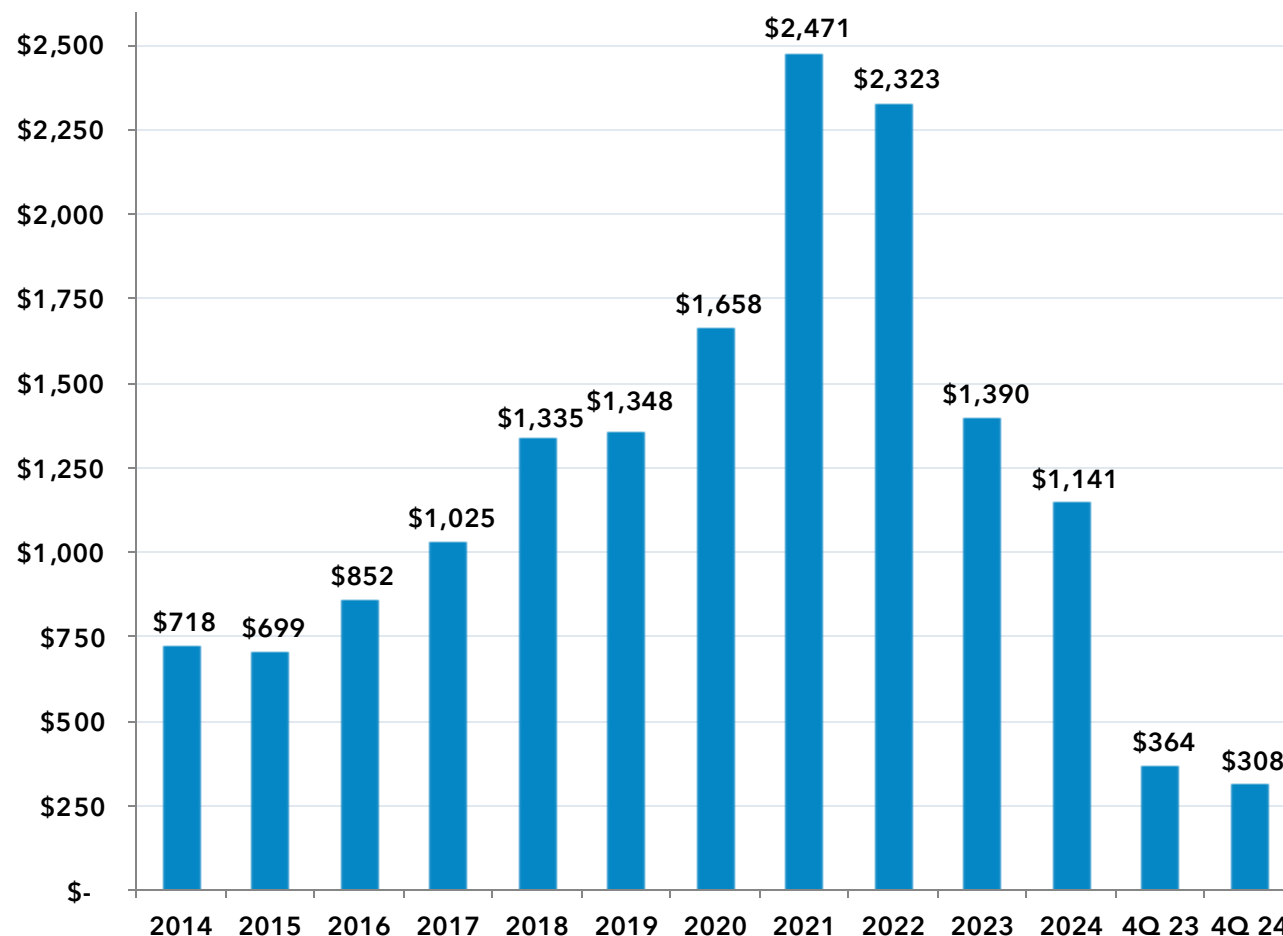
DCS Loads





Integrated Capacity Solutions (ICS)

ICS Revenue (in millions)

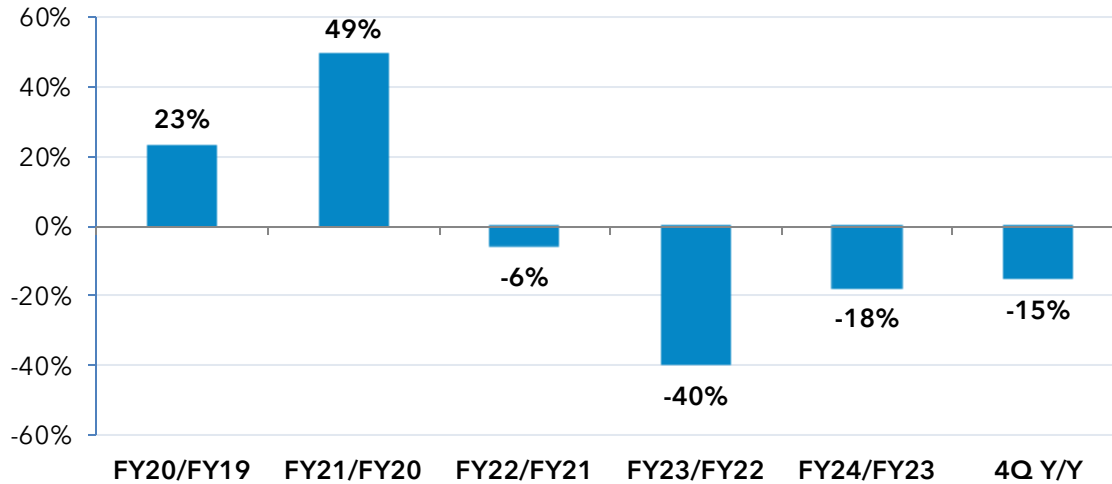


ICS revenue decreased 15% in the current quarter versus the fourth quarter 2023. Overall segment volume decreased 22% versus the prior-year period. Revenue per load increased 9% compared to the fourth quarter 2023 due to higher contractual and transactional rates and changes in customer freight mix. Contractual volume represented approximately 63% of the total load volume and 63% of the total revenue in the current quarter compared to 59% and 59%, respectively, in fourth quarter 2023.

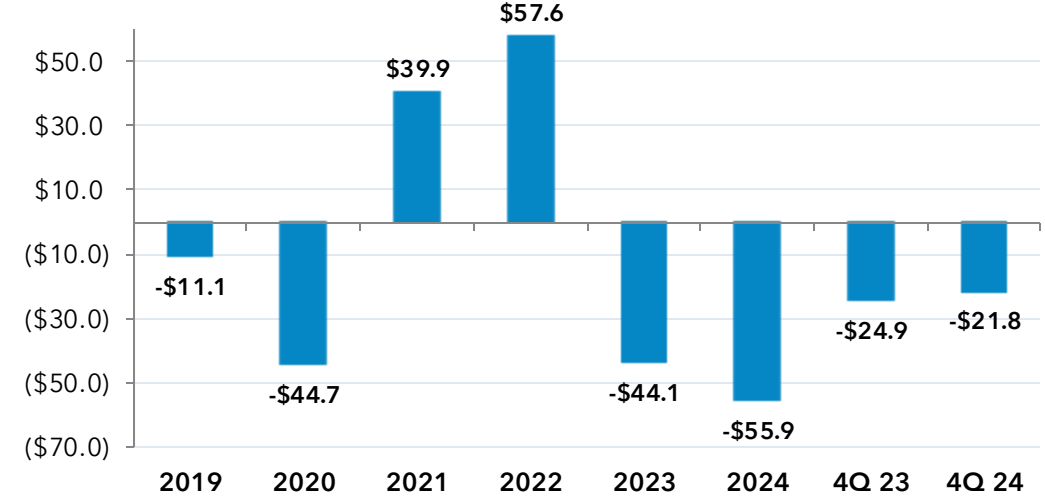
Operating loss was \$21.8 million compared to an operating loss of \$24.9 million in the fourth quarter 2023. Fourth quarter 2024 included \$16.0 million of pre-tax intangible asset impairment charges while fourth quarter 2023 included a \$9.9 million pre-tax charge for insurance-related items. Excluding these charges, operating loss improved largely due to higher gross profit and lower personnel-related expenses. These items were partially offset by higher bad debt and technology-related costs in the quarter. Gross profit increased 5% as a result of higher gross profit margins compared to the prior-year period. Gross profit margins increased to 17.3% in the current period versus 14.0% in the prior period as a result of project-related work, our disciplined bid strategy and the effective sourcing of capacity. ICS carrier base decreased 10% year-over-year, largely driven by changes to carrier qualification requirements.

Integrated Capacity Solutions (ICS)

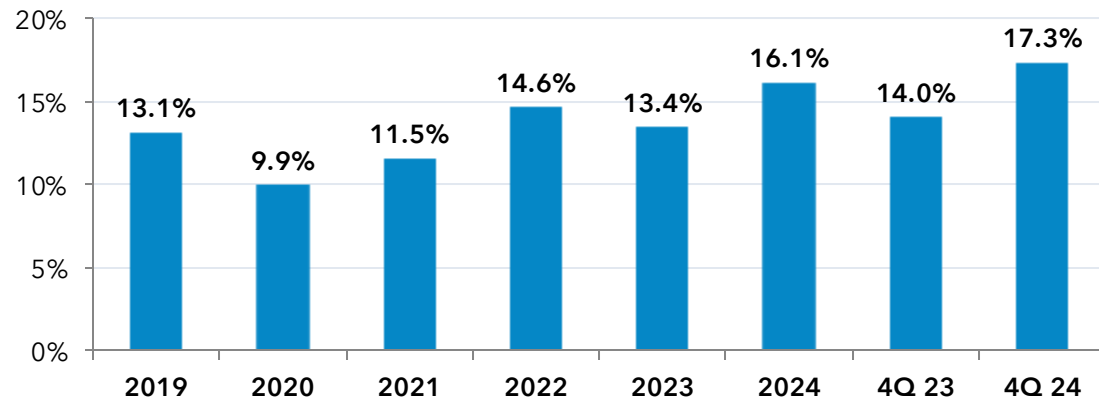
ICS Revenue Change



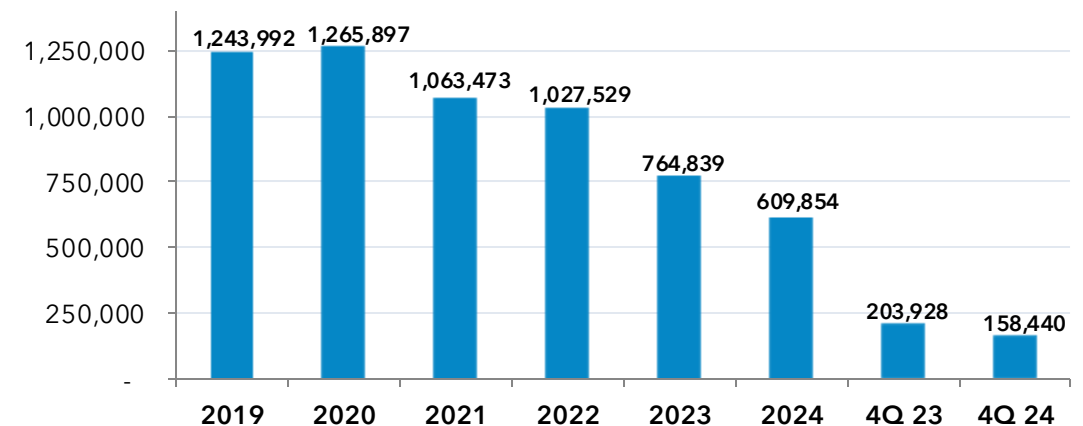
ICS Operating Income/(Loss) (in millions)



ICS Gross Profit Margin

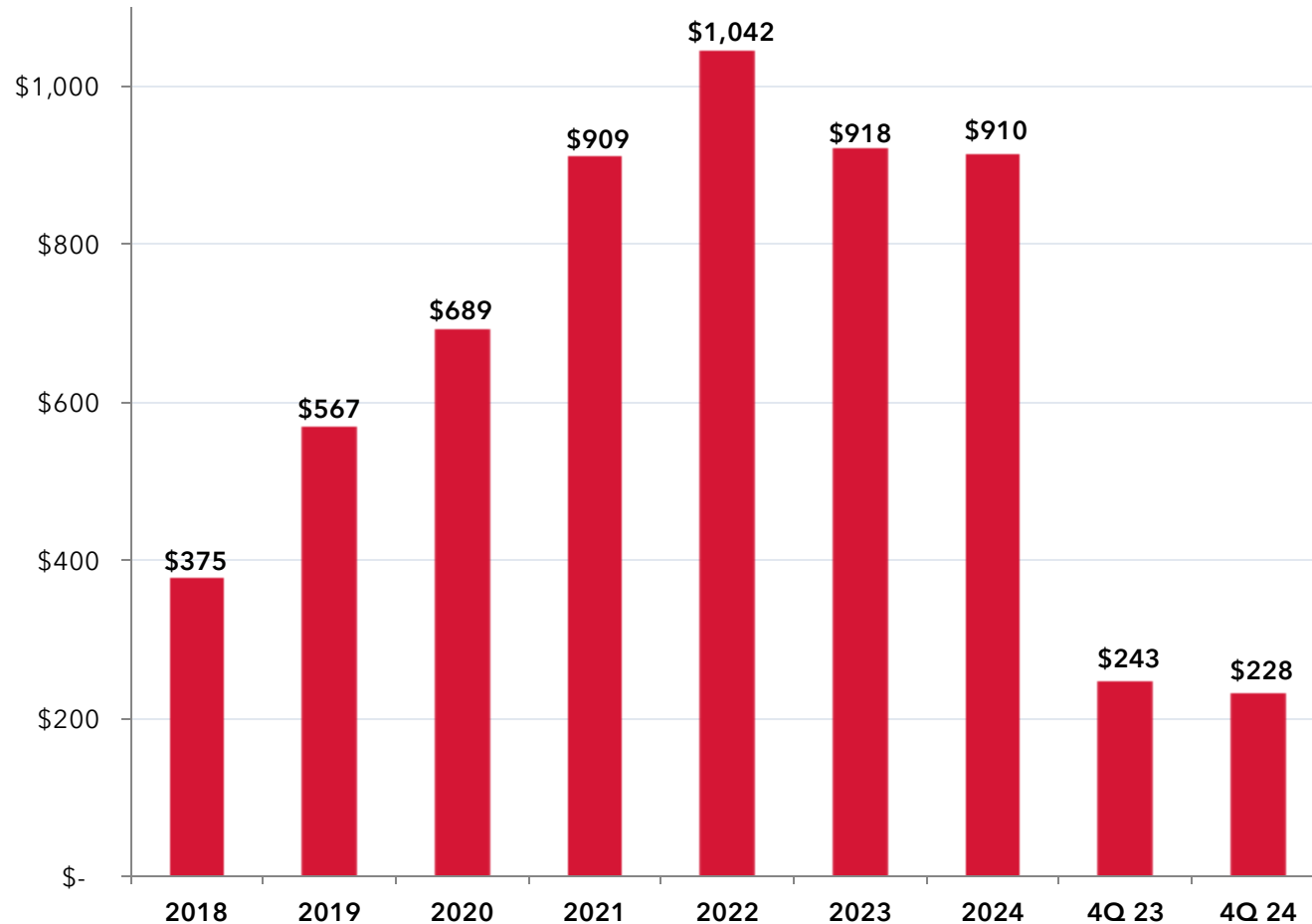


ICS Loads



Final Mile Services (FMS)

FMS Revenue (in millions)

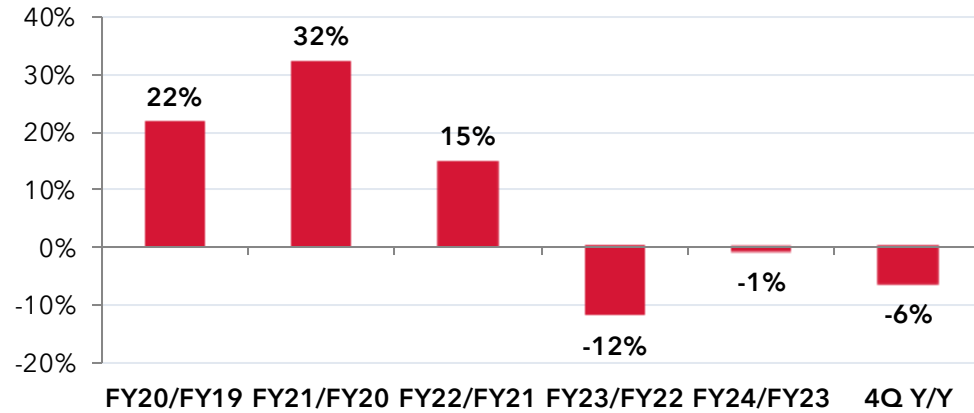


FMS revenue declined 6% compared to the same period 2023. The decline was primarily driven by general weakness in demand across many of the end markets served. The decline in revenue was partially offset by improved revenue quality at underperforming accounts and multiple new customer contracts implemented over the past year.

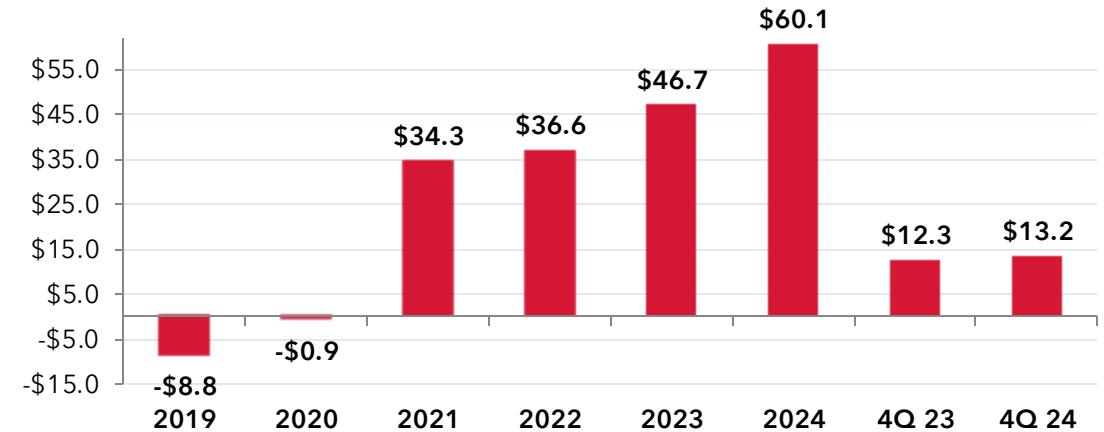
Operating income increased 7% compared to the prior-year period. The fourth quarter 2023 included a \$3.3 million pre-tax charge for insurance-related items. Excluding these charges, operating income decreased primarily from lower revenue, and higher purchased transportation and remaining insurance-related costs. These items were partially offset by lower personnel-related costs and lower equipment and facility rental expenses.

Final Mile Services (FMS)

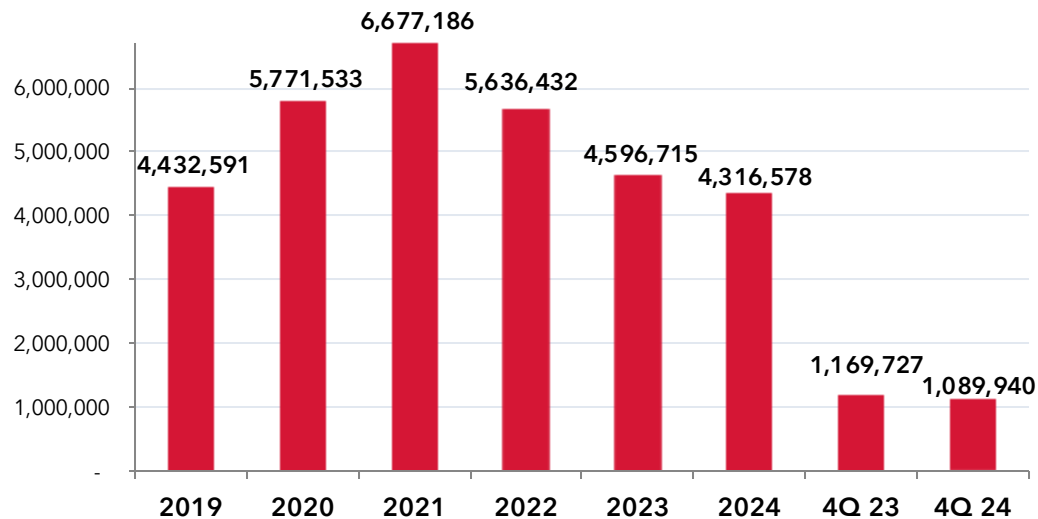
FMS Revenue Change



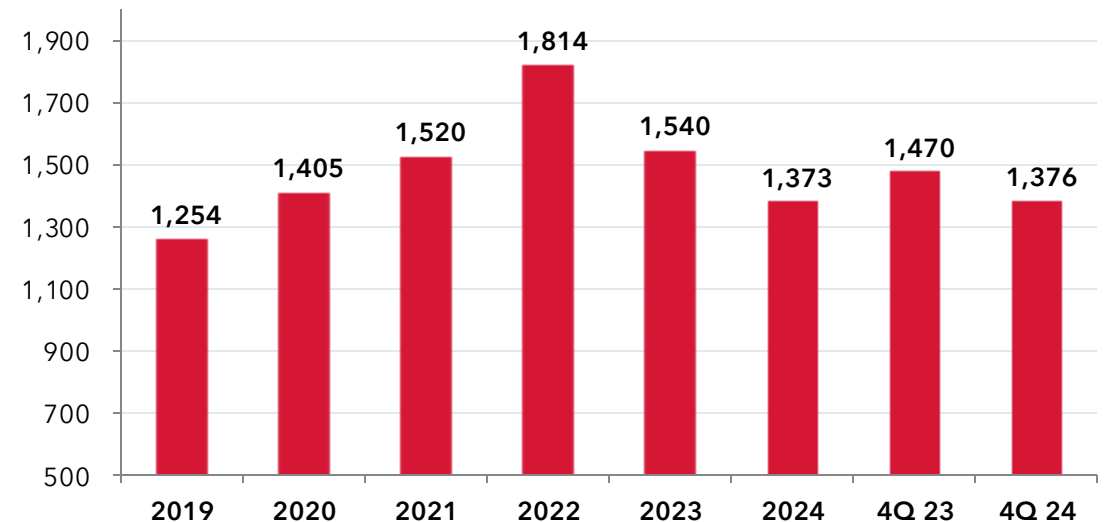
FMS Operating Income/(Loss) (in millions)



FMS Stops

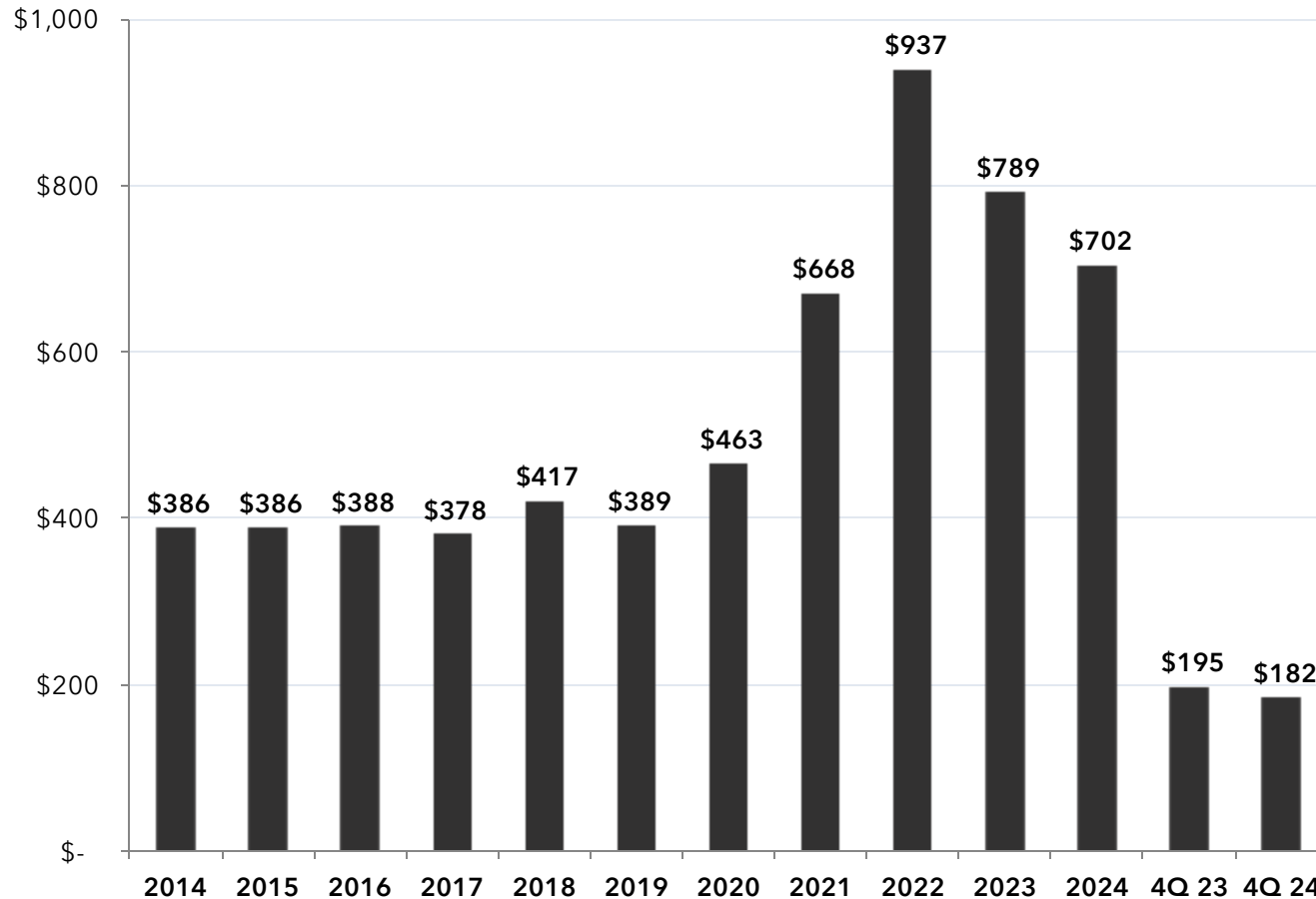


FMS Average Trucks



Truckload (JBT)

JBT Revenue (in millions)

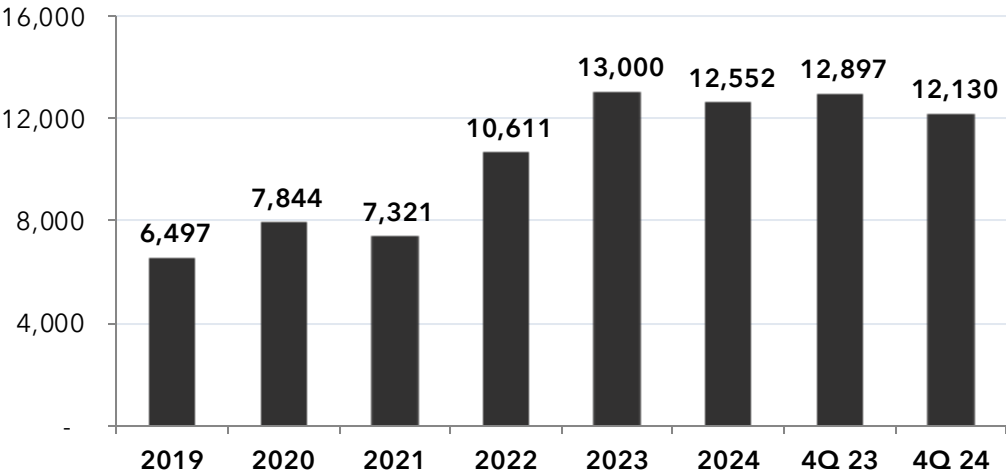


JBT revenue decreased 7% compared to the same period in the previous year. Revenue excluding fuel surcharge revenue decreased 3% primarily due to a 2% decrease in revenue per load excluding fuel surcharge revenue and flat load volume versus the prior-year period. Total average effective trailer count decreased by approximately 770 units, or 6% versus the prior-year period. Trailer turns in the quarter were up 9% from the prior period primarily due to continued focus on improving network balance and trailer utilization.

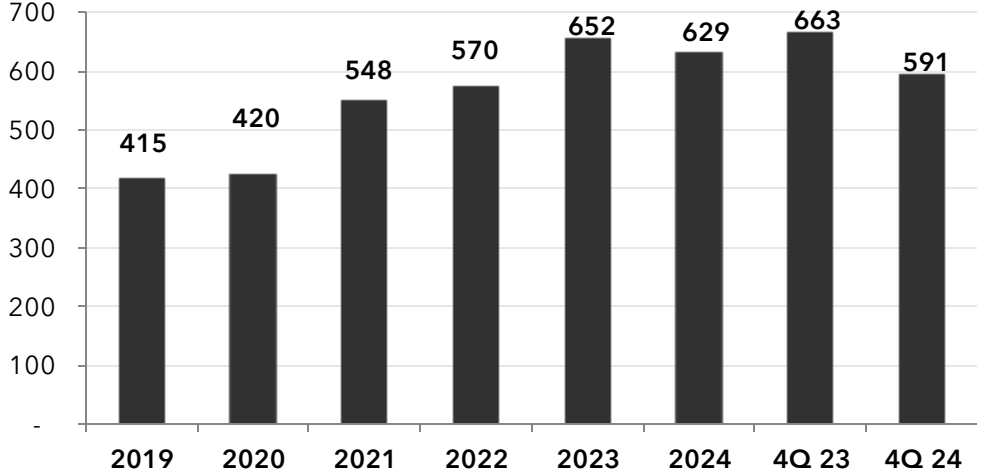
JBT operating income increased to \$8.6 million from a modest operating loss in the fourth quarter 2023. Fourth quarter 2023 included \$4.2 million in pre-tax charges for insurance-related items. Excluding these charges, operating income increased primarily as a result of better trailer utilization and a continued focus on cost management efforts across the segment. JBT segment operating income as a percentage of segment gross revenue increased year-over-year due to lower purchased transportation and equipment-related expenses.

Truckload (JBT)

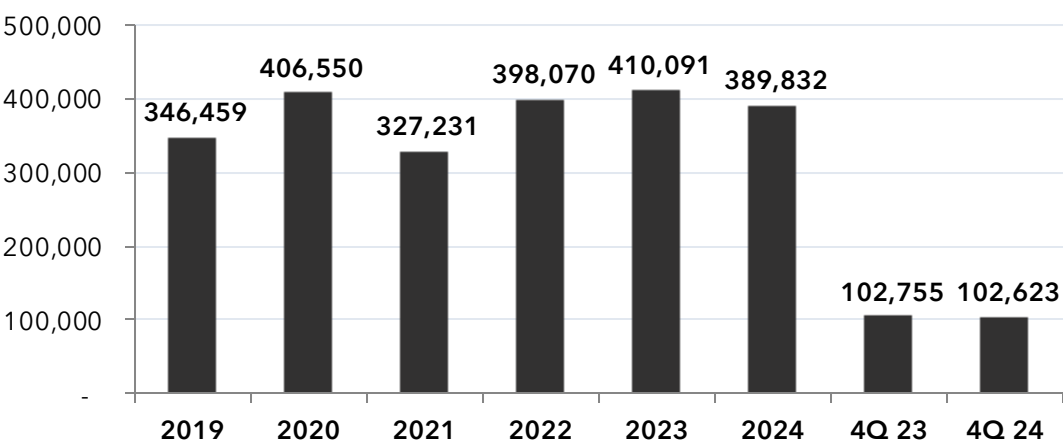
JBT Average Effective Trailing Equipment



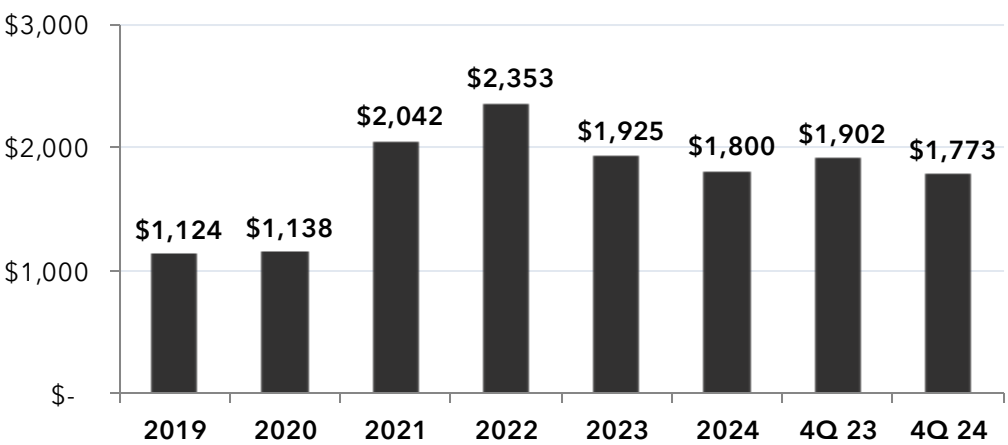
JBT Average Length of Haul



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)

	December 31, 2024	December 31, 2023 ****
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 46,983	\$ 53,344
Accounts Receivable, net	1,224,166	1,334,912
Prepaid expenses and other	462,575	523,047
Total current assets	1,733,724	1,911,303
Property and equipment	9,148,928	8,767,872
Less accumulated depreciation	3,419,129	2,993,959
Net property and equipment	5,729,799	5,773,913
Other assets, net	811,488	853,044
	\$ 8,275,011	\$ 8,538,260
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Current debt	\$ 500,000	\$ 249,961
Trade accounts payable	645,925	737,364
Claims accruals	257,121	220,357
Accrued payroll	122,477	94,563
Other accrued expenses	152,517	150,256
Total current liabilities	1,678,040	1,452,501
Long-term debt	977,702	1,326,107
Other long-term liabilities	745,774	719,686
Deferred income taxes	858,990	936,208
Stockholders' equity	4,014,505	4,103,758
	\$ 8,275,011	\$ 8,538,260

**** We revised our unaudited Condensed Consolidated Balance Sheet at December 31, 2023 to correct the classification of portions of our claims accruals and corresponding insurance receivables for claims in excess of self-insurance levels from current liabilities and assets to long-term.



Thank You



People.
Technology.
Capacity.™

