



KNIGHT • SWIFT • AAA COOPER • BARR-NUNN • ABILENE • MME

Fourth Quarter 2022

Disclosure

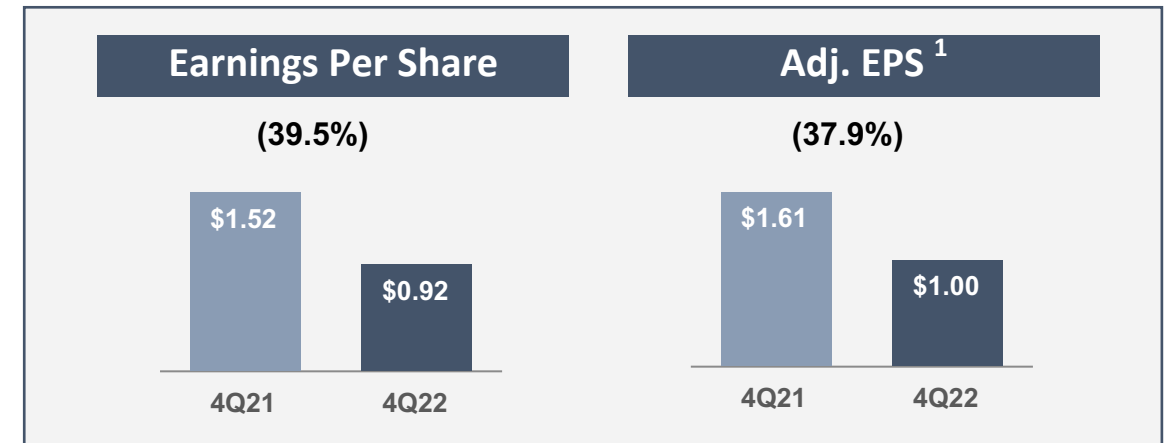
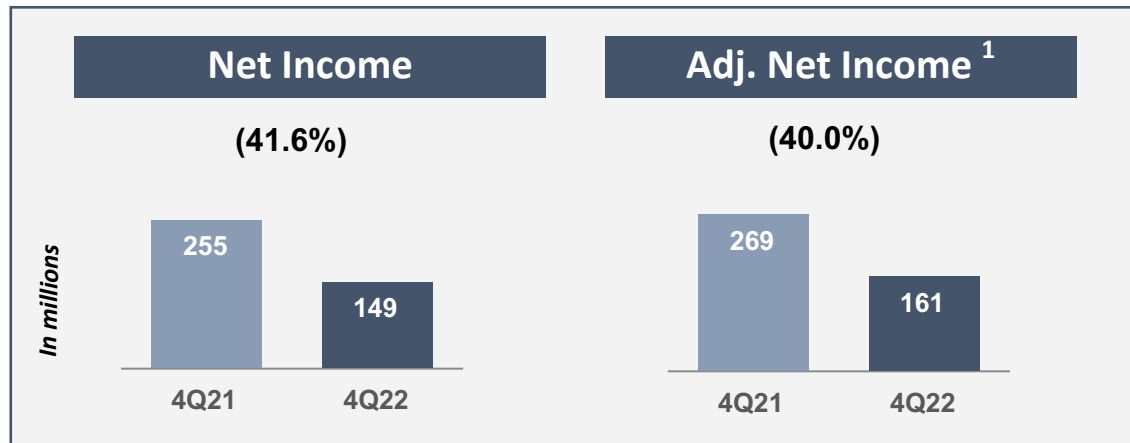
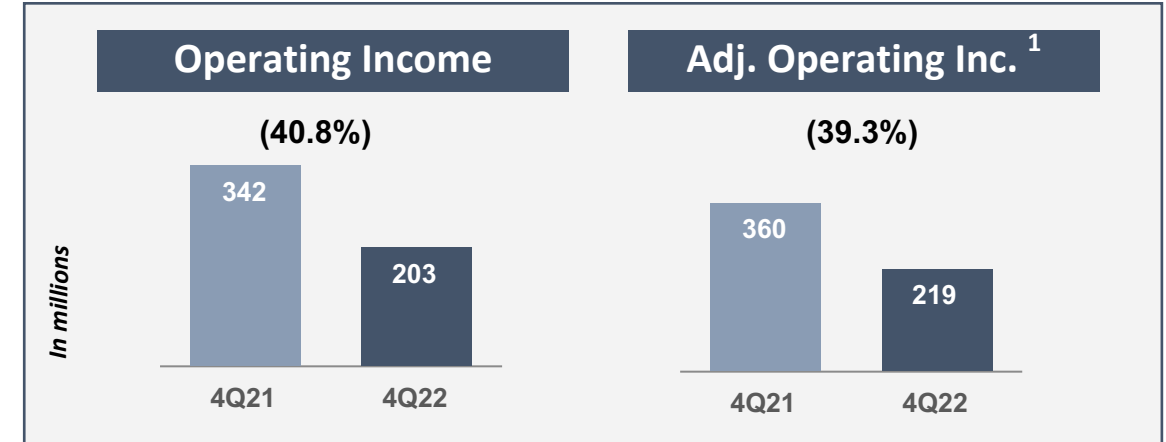
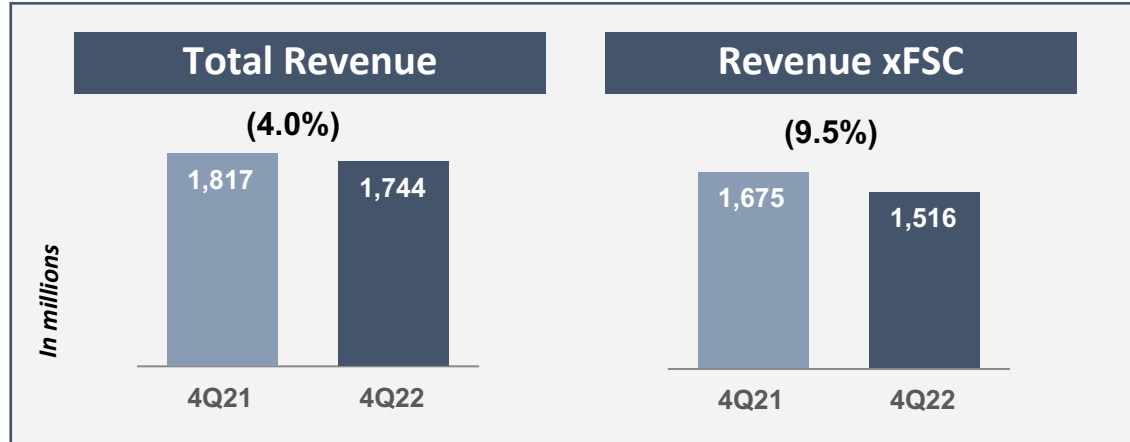
This presentation, including documents incorporated herein by reference, will contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. Please review our disclosures in filings with the United States Securities and Exchange Commission.

Non-GAAP Financial Data

This presentation includes the use of adjusted operating income, operating ratio, adjusted operating ratio, adjusted earnings per share, adjusted income before taxes, adjusted operating expenses, return on net tangible assets, and free cash flow, which are financial measures that are not in accordance with United States generally accepted accounting principles (“GAAP”). Each such measure is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors and lenders. While management believes such measures are useful for investors, they should not be used as a replacement for financial measures that are in accordance with GAAP. In addition, our use of these non-GAAP measures should not be interpreted as indicating that these or similar items could not occur in future periods. In addition, adjusted operating ratio excludes truckload and LTL segment fuel surcharges from revenue and nets these surcharges against fuel expense.

KNX Q4 2022 Comparative Results

Solid results in a challenging freight environment



Adjustments

¹ See GAAP to non-GAAP reconciliation in the schedules following this presentation

- \$16.2M in Q4 2022 and \$15.8M in Q4 2021 of amortization expense from mergers and acquisitions
- \$0.4M in Q4 2021 of net legal accrual reversals
- \$1.5M in Q4 2021 of transaction fees related to MME
- \$0.3M in Q4 2021 of impairments

Segment Overview

Strong margins in a muted peak season

Truckload

	Q4 2022	FY 2022
Revenue xFSR ²	\$ 920.8M	\$ 3,811.6M
Adjusted Op Income ¹	\$ 159.7M	\$ 747.9M
Adjusted OR ¹	82.7 %	80.4 %

~ 13,465 irregular and 4,757 dedicated tractors

~ 78,686 trailers ³

Less-than-Truckload

	Q4 2022	FY 2022
Revenue xFSR	\$ 204.0M	\$ 867.3M
Adjusted Op Income ¹	\$ 29.6M	\$ 142.5M
Adjusted OR ¹	85.5 %	83.6 %

~ Approximately 100 Service Centers

~ Terminal door count of 4,380

Intermodal

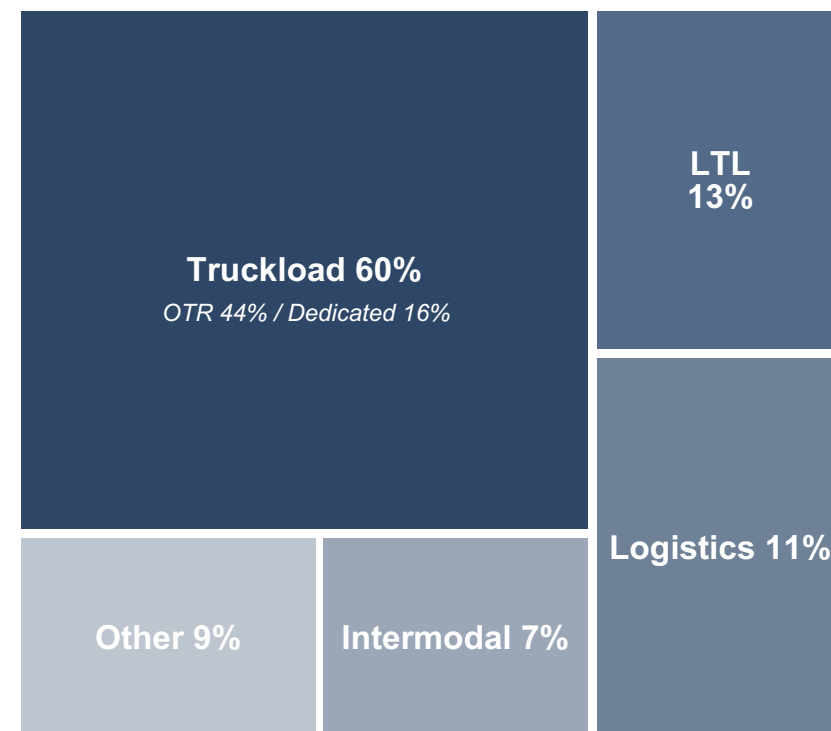
	Q4 2022	FY 2022
Revenue ²	\$ 112.9M	\$ 485.7M
Adjusted Op Income ¹	\$ 6.0M	\$ 48.2M
Adjusted OR ¹	94.7 %	90.1 %

~ 619 tractors, 12,490 containers

Logistics

	Q4 2022	FY 2022
Revenue ²	\$ 173.2M	\$ 910.6M
Adjusted Op Income ¹	\$ 23.5M	\$ 135.3M
Adjusted OR ¹	86.4 %	85.1 %

Q4 2022 Revenue Diversification



¹ See GAAP to non-GAAP reconciliation in the schedules following this presentation

² Excludes intersegment transactions

³ Includes 11,152 trailers related to leasing activities recorded within our non-reportable operating segments for the fourth quarter of 2022

Operating Performance - Truckload

Truckload continuing to generate industry-leading margins

- 82.7% Adjusted Operating Ratio¹ in Q4 2022 compared to 74.7% the previous year
- 36.4% year-over-year decrease in Adjusted Operating Income¹
- Largest truckload trailer fleet continues to grow and now nears 79,000
- Truckload revenue and margin negatively impacted by lack of seasonal project business and softer than normal freight demand



Truckload Financial Metrics

	Q4 2022	Q4 2021	Change
	(Dollars in thousands)		
Revenue xFSC	\$920,817	\$992,692	(7.2 %)
Operating income	\$159,366	\$250,953	(36.5 %)
Adjusted Operating Income ¹	\$159,720	\$251,318	(36.4 %)
Operating ratio	85.5%	77.3%	820 bps
Adjusted Operating Ratio ¹	82.7%	74.7%	800 bps

Truckload Operating Statistics

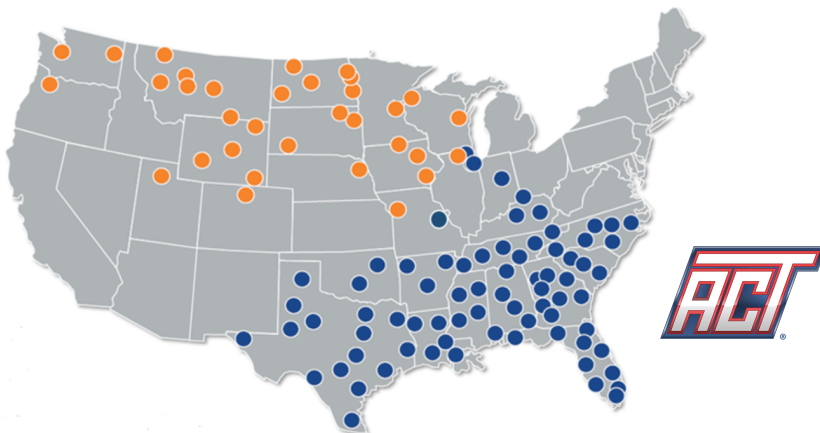
	Q4 2022	Q4 2021	Change
Average revenue per tractor	\$50,533	\$55,288	(8.6 %)
Average tractors	18,222	17,955	1.5 %
Average trailers	78,686	69,096	13.9 %
Miles per tractor	18,655	19,540	(4.5 %)

¹ See GAAP to non-GAAP reconciliation in the schedules following this presentation.

Operating Performance - LTL

Steady improvements continue while positioning for growth

- 85.5% Adjusted Operating Ratio¹ in Q4 2022
- \$29.6M of Adjusted Operating Income¹
- 7.4% increase in LTL Revenue xFSC per shipment compared to Q4 2021
- 13.3% increase in revenue xFSR per hundredweight compared to Q4 2021



LTL Financial Metrics

	Q4 2022	Q4 2021	Change
(Dollars in thousands)			
Revenue xFSC	\$203,996	\$177,885	14.7 %
Operating income	\$25,606	\$13,700	86.9 %
Adjusted Operating Income ¹	\$29,564	\$17,326	70.6 %
Operating ratio	89.8%	93.3%	(350 bps)
Adjusted Operating Ratio ¹	85.5%	90.3%	(480 bps)

LTL Operating Statistics

	Q4 2022	Q4 2021	Change
LTL shipments per day	17,254	16,445	4.9 %
LTL weight per shipment	1,053	1,110	(5.1 %)
LTL revenue xFSR per hundredweight	\$14.78	\$13.05	13.3 %
LTL revenue xFSR per shipment	\$155.66	\$144.92	7.4 %

¹ See GAAP to non-GAAP reconciliation in the schedules following this presentation.

Operating Performance - Logistics

Logistics finding success in a tough freight environment

- 86.4% Adjusted Operating Ratio¹ during the quarter, a 150 basis point improvement from the prior year; 40 basis point sequential improvement from Q3
- 22.1% Gross margin for Q4 representing a 140 basis point improvement from the prior year



Logistics Financial Metrics

	Q4 2022	Q4 2021	Change
(Dollars in thousands)			
Revenue ex intersegment	\$173,155	\$299,426	(42.2 %)
Operating income	\$23,133	\$44,859	(48.4 %)
Adjusted Operating Income ¹	\$23,466	\$45,193	(48.1 %)
Operating ratio	87.1%	85.3%	180 bps
Adjusted Operating Ratio ¹	86.4%	84.9%	150 bps

Operating Statistics

	Q4 2022	Q4 2021	Change
Revenue per load	\$1,994	\$2,805	(28.9 %)
Gross margin	22.1%	20.7%	140 bps

¹ See GAAP to non-GAAP reconciliation in the schedules following this presentation.

Operating Performance - Intermodal

Soft fourth quarter Intermodal demand

- 8.6% decrease in Revenue excluding intersegment transactions
- 94.7% operating ratio during Q4 2022 compared with 81.2% the prior year
- 2.5% year-over-year decrease in average revenue per load
- 6.3% reduction in load counts

Intermodal Financial Metrics

	Q4 2022	Q4 2021	Change
	(Dollars in thousands)		
Revenue ex intersegment	\$112,916	\$123,564	(8.6 %)
Operating income	\$5,991	\$23,247	(74.2 %)
Operating ratio	94.7%	81.2%	1,350 bps

Intermodal Operating Statistics

	Q4 2022	Q4 2021	Change
Average revenue per load	\$3,358	\$3,444	(2.5 %)
Load count	33,624	35,877	(6.3 %)
Average tractors	619	572	8.2 %
Average containers	12,490	10,857	15.0 %

Tapping into New Growth Verticals while Diversifying

69% revenue growth in 2022

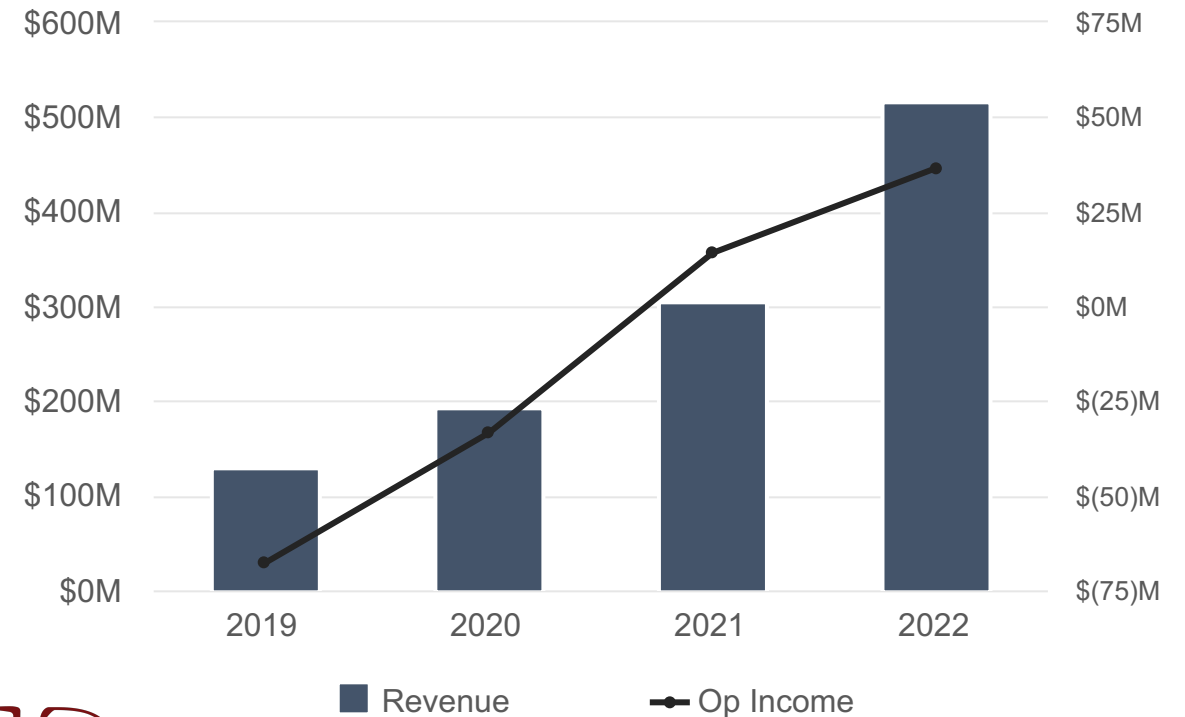
Q4 Non-Reportable Performance:

- 32.1% increase in revenue to \$131.5M
- (\$11.6M) in operating loss
 - (\$15.4M) adjustment in third-party insurance reserves due to increased severity and frequency in full-year 2022 claims

2023 Non-Reportable Outlook:

- Margin expansion and double digit revenue growth within Iron Insurance Services due to increased customers and higher premiums
- Easing trailer lease demand from lower inventory overhang and muted freight conditions
- Revenue and margin growth in warehousing

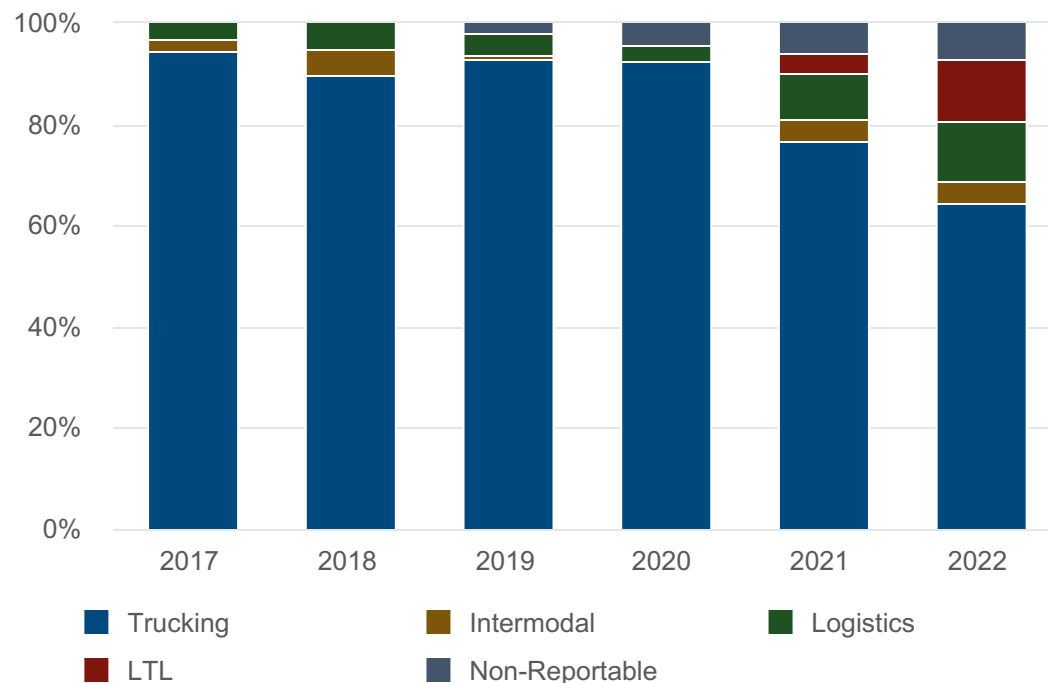
Non Reportable Revenue and Operating Income Trends



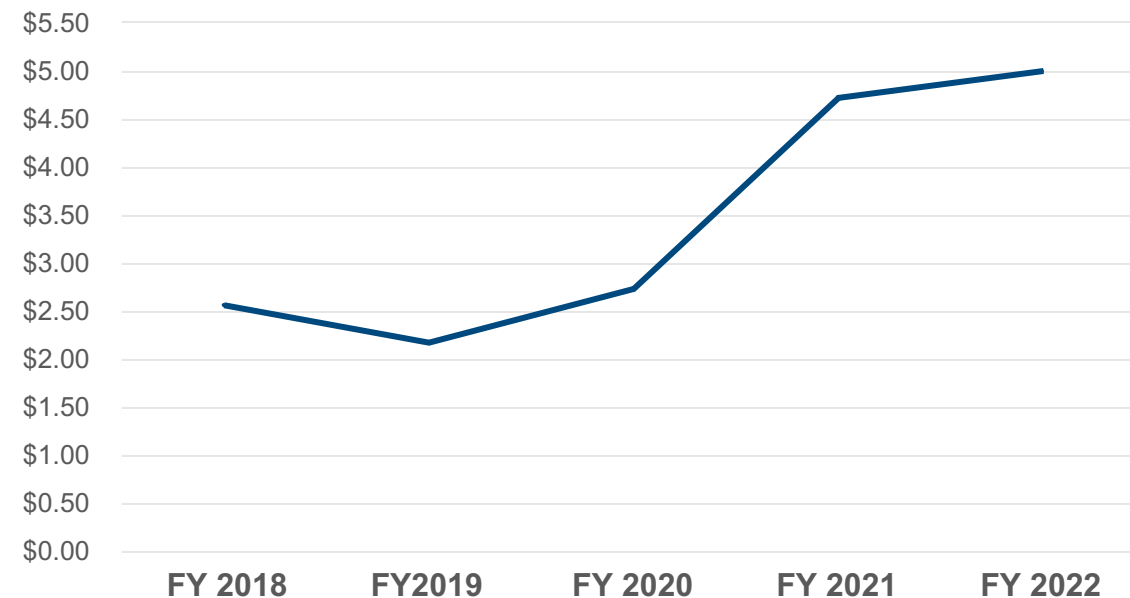
Diversification Leading to Consistent Performance

Continued focus on growing LTL network and less asset intensive services while leveraging core Truckload business

Percent of Adjusted Operating Income ¹



Adjusted EPS
2018 - 2022



¹ 2017 Pro forma historical information includes the results of Swift prior to the 2017 merger. This information has not been prepared in accordance with the rules of the Securities and Exchange Commission, including Article 11 of Regulation S-X, and it therefore does not reflect any of the pro forma adjustments that would be required by Article 11 of Regulation S-X

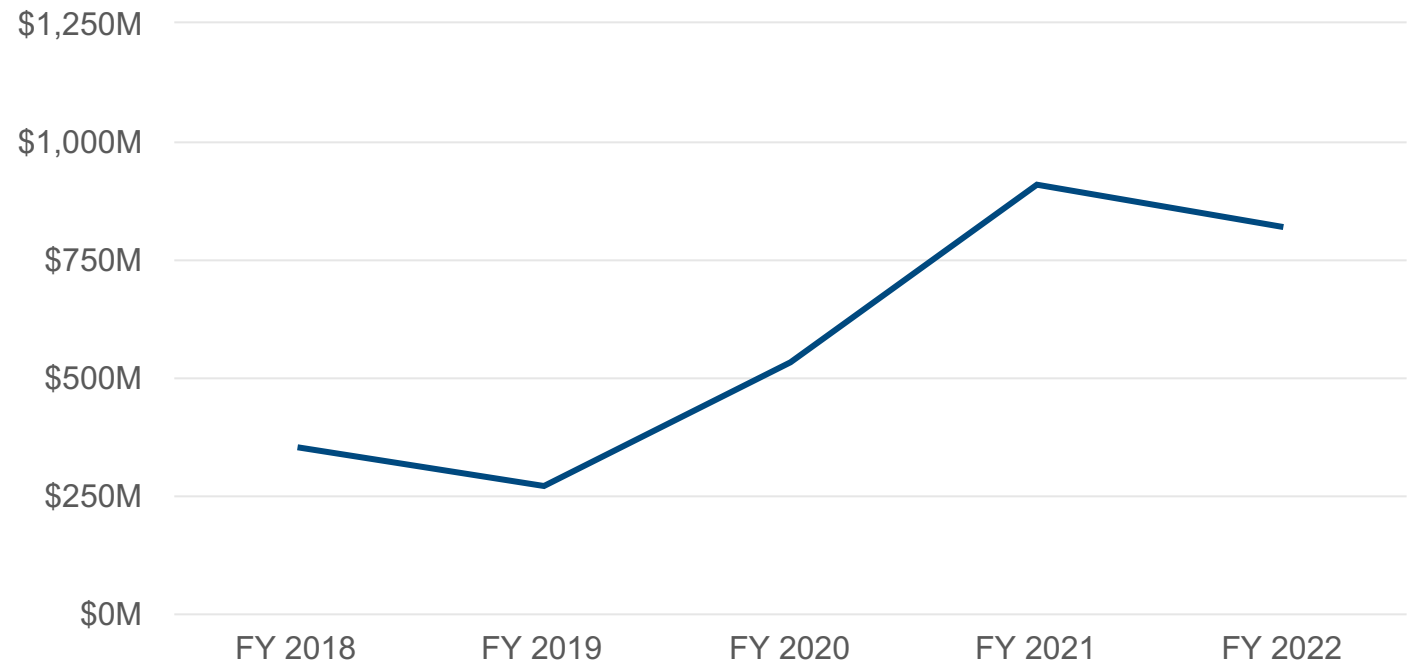
Capital Allocation

Significant reduction in debt and leases while increasing value to shareholders

Full Year 2022:

- Generated Free Cash Flow¹ of \$818.7M
- Increased dividend 20% to \$0.12 generating a total return to shareholders of \$78.3M
- Repurchased \$300M of shares
- Paid down \$394.7M in long-term debt and leases
 - \$212.7M in long-term debt
 - \$77.0M in revolving credit facilities
 - \$62.1M in finance lease liabilities
 - \$42.9M operating lease liabilities
- Significant available liquidity for M&A opportunities

Free Cash Flow ¹
2018 - 2022

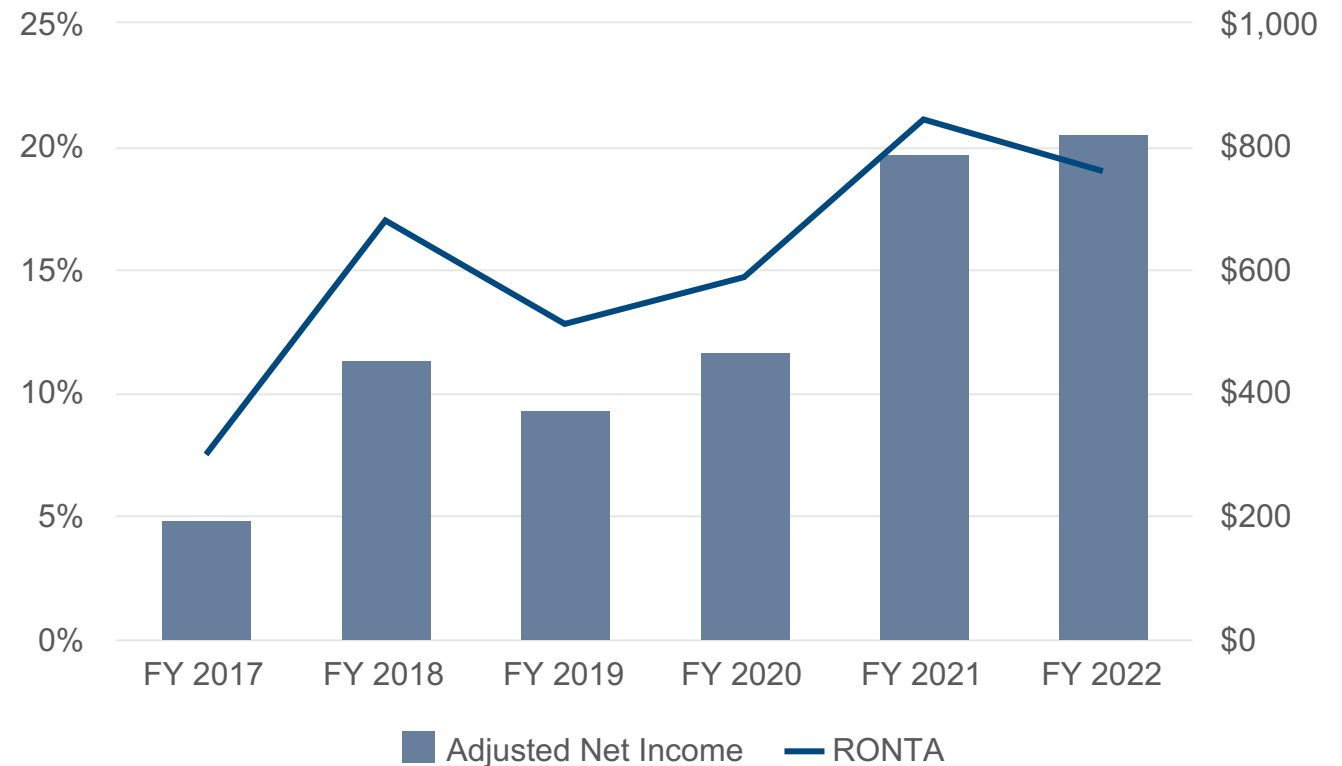


¹ See GAAP to non-GAAP reconciliation in the schedules following this presentation.

KNX Creating Value for Shareholders

Internal investments and acquisitions have driven a FY 2022 return on net tangible assets ¹ of 19.0%

- **Growing less asset intensive business**
 - Power Only
 - Logistics
 - Iron Services
 - Warehousing
- **Acquiring businesses and improving results**
 - Swift 2017
 - Abilene 2018
 - Hayes 2020
 - UTXL 2021
 - AAA Cooper 2021
 - MME 2021
 - Eleos 2021
- **Expanding existing business**
 - Improving core Truckload business
 - Building nationwide LTL network
 - Equipment Leasing



¹ See GAAP to non-GAAP reconciliation in the schedules following this presentation.

Market Outlook 2023

- Continued softness in freight demand with few non-contract opportunities through the first half of 2023 as shippers work through higher inventory levels
- Freight volumes improve in the 2nd half of the year with a more typical peak season
- Spot pricing troughs in Q1 and builds throughout the year
- Demand continues for trailer pools
- Small carriers continue to exit as a result of lower spot rates and significantly higher operating costs
- LTL demand pressured but remains more stable than truckload
- LTL improvement in revenue per hundredweight year-over-year
- Inflationary pressures ease in many cost areas but remain elevated on a year-over-year basis
- Demand in the used equipment market weakens as small carriers struggle

2023 Guidance

Expected Adjusted EPS for 2023 to be in the range of \$4.05 - \$4.25

2023 Guidance Assumptions

- Truckload rates continue to be pressured with year-over-year decreases in the mid-to-high single digits before inflecting positive in the fourth quarter
- Truckload tractor count stable with miles per tractor improving on a year-over-year basis in the 2nd half of the year
- LTL revenue increases modestly year-over-year with relatively stable margin profile and typical seasonality
- Logistics revenue per load and load volumes down from the fourth quarter to the first quarter and then improving on a sequential basis for the rest of the year
- Logistics operating ratio in the high 80's to low 90's
- Intermodal Operating Ratio in the mid 90's for the full year
- Continued growth in revenue and operating income in non-reportable
- Easing inflationary pressure on costs
- Equipment gains to be in the range of \$10M to \$15M quarterly
- Sequential increase in interest expense due to higher rates
- Net cash capex for the full year 2023 expected range of \$640M - \$690M
- Expected tax rate to be approximately 25% for the full year 2023

Appendix



Non-GAAP Reconciliation

Adjusted Operating Income and Adjusted Operating Ratio ^{1 2} (Unaudited)

	Quarter-to-Date December 31,		Year-to-Date December 31,	
	2022	2021	2022	2021
GAAP Presentation				
Total revenue	\$ 1,743,623	\$ 1,816,859	\$ 7,428,582	\$ 5,998,019
Total operating expenses	(1,541,100)	(1,474,623)	(6,336,754)	(5,032,322)
Operating income	\$ 202,523	\$ 342,236	\$ 1,091,828	\$ 965,697
Operating ratio	88.4 %	81.2 %	85.3 %	83.9 %
Non-GAAP Presentation				
Total revenue	\$ 1,743,623	\$ 1,816,859	\$ 7,428,582	\$ 5,998,019
Truckload fuel surcharge	(227,849)	(141,518)	(920,417)	(466,129)
Revenue, excluding truckload fuel surcharge	1,515,774	1,675,341	6,508,165	5,531,890
Total operating expenses	1,541,100	1,474,623	6,336,754	5,032,322
Adjusted for:				
Truckload fuel surcharge	(227,849)	(141,518)	(920,417)	(466,129)
Amortization of intangibles ³	(16,208)	(15,847)	(64,843)	(55,299)
Impairments ⁴	—	(299)	(810)	(299)
Legal accruals ⁵	—	(403)	(415)	2,481
Transaction fees ⁶	—	(1,479)	—	(4,445)
Adjusted Operating Expenses	1,297,043	1,315,077	5,350,269	4,508,631
Adjusted Operating Income	\$ 218,731	\$ 360,264	\$ 1,157,896	\$ 1,023,259
Adjusted Operating Ratio	85.6 %	78.5 %	82.2 %	81.5 %

Non-GAAP Reconciliation

Adjusted Operating Income and Adjusted Operating Ratio (Unaudited)

- 1 Pursuant to the requirements of Regulation G, this table reconciles consolidated GAAP operating ratio to consolidated non-GAAP Adjusted Operating Ratio.
- 2 The reported results do not include the results of operations of ACT and its subsidiary prior to its acquisition by Knight-Swift on July 5, 2021 in accordance with the accounting treatment applicable to the transaction. The reported results do not include the results of operations of MME and its subsidiaries prior to its acquisition by Knight-Swift on December 6, 2021 in accordance with the accounting treatment applicable to the transaction.
- 3 "Amortization of intangibles" reflects the non-cash amortization expense relating to intangible assets identified in the 2017 Merger, the July 5, 2021 ACT acquisition and other acquisitions.
- 4 "Impairments" reflect the following non-cash impairments:
 - 2022 impairment of building improvements (within our non-reportable segments).
 - Fourth quarter 2021 impairments related to certain revenue equipment held for sale (within the non-reportable segments and Truckload segment).
- 5 "Legal accruals" are included in "Miscellaneous operating expenses" in the condensed consolidated statements of comprehensive income and reflect the following:
 - During the second and third quarters of 2022, the Company decreased the estimated exposure related to certain accrued legal matters previously identified as probable and estimable in prior periods based on recent settlement agreements. Additional 2022 legal costs relate to certain lawsuits arising from employee and contract related matters.
 - Third quarter 2021 reversal related to an accrued legal matter previously identified as probable in 2019. This was based on the recent decision of the appellate court, resulting in a change to a remote likelihood that a loss was incurred. Additional 2021 legal costs relate to certain class action lawsuits arising from employee and contract related matters.
- 6 "Transaction Fees" consisted of legal and professional fees associated with the acquisitions of UTXL, ACT, and MME. The transaction fees are included within "Miscellaneous operating expenses" in the condensed statements of comprehensive income.

Non-GAAP Reconciliation

Adjusted Net Income Attributable to Knight-Swift and Adjusted EPS ^{1 2} (Unaudited)

	Quarter-to-Date December 31,		Year-to-Date December 31,	
	2022	2021	2022	2021
	(Dollars in thousands, except per share data)			
GAAP: Net income attributable to Knight-Swift	\$ 148,701	\$ 254,616	\$ 771,325	\$ 743,388
Adjusted for:				
Income tax expense attributable to Knight-Swift	42,445	72,716	249,388	230,887
Income before income taxes attributable to Knight-Swift	191,146	327,332	1,020,713	974,275
Amortization of intangibles ³	16,208	15,847	64,843	55,299
Impairments ⁴	—	299	810	299
Legal accruals ⁵	—	403	415	(2,481)
Transaction fees ⁶	—	1,479	—	4,445
Write-off of deferred debt issuance costs ⁷	—	—	—	1,024
Adjusted income before income taxes	207,354	345,360	1,086,781	1,032,861
Provision for income tax expense at effective rate	(46,177)	(76,690)	(265,585)	(244,680)
Non-GAAP: Adjusted Net Income Attributable to Knight-Swift	\$ 161,177	\$ 268,670	\$ 821,196	\$ 788,181

- 1 Pursuant to the requirements of Regulation G, these tables reconcile consolidated GAAP net income attributable to Knight-Swift to non-GAAP consolidated Adjusted Net Income Attributable to Knight-Swift.
- 2 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 2.
- 3 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 3.
- 4 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 4.
- 5 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 5.
- 6 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 6.
- 7 "Write-off of deferred debt issuance costs" is included within "Other (expense) income, net" in the condensed consolidated statements of comprehensive income for 2021. The loss was incurred as a result of replacing the 2017 Debt Agreement with the 2021 Debt Agreement in September 2021.

Non-GAAP Reconciliation

Adjusted Net Income Attributable to Knight-Swift and Adjusted EPS ^{1 2} (Unaudited)

	Quarter-to-Date December 31,		Year-to-Date December 31,	
	2022	2021	2022	2021
GAAP: Earnings per diluted share	\$ 0.92	\$ 1.52	\$ 4.73	\$ 4.45
Adjusted for:				
Income tax expense attributable to Knight-Swift	0.26	0.43	1.53	1.38
Income before income taxes attributable to Knight-Swift	1.18	1.96	6.25	5.83
Amortization of intangibles ³	0.10	0.09	0.40	0.33
Impairments ⁴	—	—	—	—
Legal accruals ⁵	—	—	—	(0.01)
Transaction fees ⁶	—	0.01	—	0.03
Write-off of deferred debt issuance costs ⁷	—	—	—	0.01
Adjusted income before income taxes	1.28	2.06	6.66	6.18
Provision for income tax expense at effective rate	(0.29)	(0.46)	(1.63)	(1.46)
Non-GAAP: Adjusted EPS	\$ 1.00	\$ 1.61	\$ 5.03	\$ 4.72

Note: Because the numbers reflected in the table above are calculated on a per share basis, they may not foot due to rounding.

¹ Pursuant to the requirements of Regulation G, these tables reconcile consolidated GAAP diluted earnings per share to non-GAAP consolidated Adjusted EPS.

² Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 2.

³ Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 3.

⁴ Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 4.

⁵ Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 5.

⁶ Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 6.

⁷ "Write-off of deferred debt issuance costs" is included within "Other (expense) income, net" in the condensed consolidated statements of comprehensive income for 2021. The loss was incurred as a result of replacing the 2017 Debt Agreement with the 2021 Debt Agreement in September 2021.

Non-GAAP Reconciliation

Segment Adjusted Operating Income and Adjusted Operating Ratio ¹ (Unaudited)

	Quarter-to-Date December 31,		Year-to-Date December 31,	
	2022	2021	2022	2021
Truckload Segment				
GAAP Presentation				
Total revenue	\$ 1,101,040	\$ 1,107,868	\$ 4,531,115	\$ 4,098,005
Total operating expenses	(941,674)	(856,915)	(3,784,534)	(3,313,569)
Operating income	\$ 159,366	\$ 250,953	\$ 746,581	\$ 784,436
Operating ratio	85.5 %	77.3 %	83.5 %	80.9 %
Non-GAAP Presentation				
Total revenue	\$ 1,101,040	\$ 1,107,868	\$ 4,531,115	\$ 4,098,005
Fuel surcharge	(179,878)	(115,001)	(718,155)	(415,606)
Intersegment transactions	(345)	(175)	(1,361)	(1,128)
Revenue, excluding fuel surcharge and intersegment transactions	920,817	992,692	3,811,599	3,681,271
Total operating expenses	941,674	856,915	3,784,534	3,313,569
Adjusted for:				
Fuel surcharge	(179,878)	(115,001)	(718,155)	(415,606)
Intersegment transactions	(345)	(175)	(1,361)	(1,128)
Amortization of intangibles ²	(354)	(324)	(1,325)	(1,295)
Impairments ³	—	(41)	—	(41)
Adjusted Operating Expenses	761,097	741,374	3,063,693	2,895,499
Adjusted Operating Income	\$ 159,720	\$ 251,318	\$ 747,906	\$ 785,772
Adjusted Operating Ratio	82.7 %	74.7 %	80.4 %	78.7 %

¹ Pursuant to the requirements of Regulation G, this table reconciles GAAP operating ratio to non-GAAP Adjusted Operating Ratio.

² "Amortization of intangibles" reflects the non-cash amortization expense relating to intangible assets identified in historical Knight acquisitions.

³ Refer to non-GAAP Reconciliation (unaudited); Adjusted Operating Ratio - footnote 4.

Non-GAAP Reconciliation

Segment Adjusted Operating Income and Adjusted Operating Ratio ¹ (Unaudited)

	Quarter-to-Date December 31,		Year-to-Date December 31,	
	2022	2021	2022	2021
LTL Segment ²				
GAAP Presentation				
	(Dollars in thousands)			
Total revenue	\$ 251,967	\$ 204,402	\$ 1,069,554	\$ 396,308
Total operating expenses	(226,361)	(190,702)	(942,945)	(365,139)
Operating income	\$ 25,606	\$ 13,700	\$ 126,609	\$ 31,169
Operating ratio	89.8 %	93.3 %	88.2 %	92.1 %
Non-GAAP Presentation				
Total revenue	\$ 251,967	\$ 204,402	\$ 1,069,554	\$ 396,308
Fuel surcharge	(47,971)	(26,517)	(202,262)	(50,523)
Revenue, excluding fuel surcharge	203,996	177,885	867,292	345,785
Total operating expenses	226,361	190,702	942,945	365,139
Adjusted for:				
Fuel surcharge	(47,971)	(26,517)	(202,262)	(50,523)
Amortization of intangibles ³	(3,958)	(3,626)	(15,930)	(7,124)
Adjusted Operating Expenses	174,432	160,559	724,753	307,492
Adjusted Operating Income	\$ 29,564	\$ 17,326	\$ 142,539	\$ 38,293
Adjusted Operating Ratio	85.5 %	90.3 %	83.6 %	88.9 %

1 Pursuant to the requirements of Regulation G, this table reconciles GAAP operating ratio to non-GAAP Adjusted Operating Ratio.

2 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 2.

3 "Amortization of intangibles" reflects the non-cash amortization expense relating to intangible assets identified in the ACT and MME acquisitions.

Non-GAAP Reconciliation

Segment Adjusted Operating Income and Adjusted Operating Ratio ¹ (Unaudited)

	Quarter-to-Date December 31,		Year-to-Date December 31,	
	2022	2021	2022	2021
Logistics Segment				
GAAP Presentation				
	(Dollars in thousands)			
Total revenue	\$ 179,333	\$ 305,041	\$ 920,707	\$ 817,003
Total operating expenses	(156,200)	(260,182)	(786,765)	(723,083)
Operating income	\$ 23,133	\$ 44,859	\$ 133,942	\$ 93,920
Operating ratio	87.1 %	85.3 %	85.5 %	88.5 %
Non-GAAP Presentation				
Total revenue	\$ 179,333	\$ 305,041	\$ 920,707	\$ 817,003
Intersegment transactions	(6,178)	(5,615)	(10,098)	(18,314)
Revenue, excluding intersegment transactions	173,155	299,426	910,609	798,689
Total operating expenses	156,200	260,182	786,765	723,083
Adjusted for:				
Intersegment transactions	(6,178)	(5,615)	(10,098)	(18,314)
Amortization of intangibles ²	(333)	(334)	(1,336)	(765)
Adjusted Operating Expenses	149,689	254,233	775,331	704,004
Adjusted Operating Income	\$ 23,466	\$ 45,193	\$ 135,278	\$ 94,685
Adjusted Operating Ratio	86.4 %	84.9 %	85.1 %	88.1 %

¹ Pursuant to the requirements of Regulation G, this table reconciles GAAP operating ratio to non-GAAP Adjusted Operating Ratio.

² "Amortization of intangibles" reflects the non-cash amortization expense relating to intangible assets identified in the UTXL acquisition.

Non-GAAP Reconciliation

Segment Adjusted Operating Income and Adjusted Operating Ratio ¹ (Unaudited)

	Quarter-to-Date December 31,		Year-to-Date December 31,	
	2022	2021	2022	2021
Intermodal Segment				
GAAP Presentation				
	(Dollars in thousands)			
Total revenue	\$ 112,916	\$ 123,622	\$ 485,786	\$ 458,867
Total operating expenses	(106,925)	(100,375)	(437,619)	(416,807)
Operating income	\$ 5,991	\$ 23,247	\$ 48,167	\$ 42,060
Operating ratio	94.7 %	81.2 %	90.1 %	90.8 %
Non-GAAP Presentation				
Total revenue	\$ 112,916	\$ 123,622	\$ 485,786	\$ 458,867
Intersegment transactions	—	(58)	(47)	(284)
Revenue, excluding intersegment transactions	112,916	123,564	485,739	458,583
Total operating expenses	106,925	100,375	437,619	416,807
Adjusted for:				
Intersegment transactions	—	(58)	(47)	(284)
Adjusted Operating Expenses	106,925	100,317	437,572	416,523
Adjusted Operating Income	\$ 5,991	\$ 23,247	\$ 48,167	\$ 42,060
Adjusted Operating Ratio	94.7 %	81.2 %	90.1 %	90.8 %

¹ Pursuant to the requirements of Regulation G, this table reconciles GAAP operating ratio to non-GAAP Adjusted Operating Ratio.

Non-GAAP Reconciliation

Return on Net Tangible Assets ¹ (Unaudited)

	December 31,	
	2022	2021
	(Dollars in thousands)	
Total Assets	\$ 10,951,666	\$ 10,655,500
Adjusted for:		
Intangible assets, net	(1,776,569)	(1,831,049)
Goodwill	(3,519,339)	(3,515,135)
Tangible Assets	\$ 5,655,758	\$ 5,309,316
Total Liabilities	\$ 3,996,385	\$ 4,112,050
Adjusted for:		
Revolving line of credit, finance lease obligations, and long-term debt	(1,483,511)	(1,816,141)
Accounts receivable securitization	(418,561)	(278,483)
Deferred income tax liabilities	(907,893)	(874,877)
Non-Interest Bearing Liabilities, excluding deferred income tax liabilities	\$ 1,186,420	\$ 1,142,549
Net Tangible Assets	\$ 4,469,338	\$ 4,166,767
Average Net Tangible Assets	\$ 4,318,053	
Adjusted Net Income	\$ 821,196	
Return on Net Tangible Assets	19.0 %	

¹ Pursuant to the requirements of Regulation G, this table reconciles Total Assets and Total Liabilities to Average Net Tangible Assets.

Non-GAAP Reconciliation

*Free Cash Flow*¹ (Unaudited)

	Year-to-Date December 31, 2022
GAAP: Cash flows from operations	\$ 1,435,853
Adjusted for:	
Proceeds from sale of property and equipment, including assets held for sale	183,421
Purchases of property and equipment	(800,563)
Non-GAAP: Free cash flow	<u>\$ 818,711</u>

1 Pursuant to the requirements of Regulation G, this table reconciles cash flows from operations to Free Cash Flow.