



# Fourth Quarter 2023 Earnings



# 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 and adjusted operating expenses, 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 2023 Comparative Results



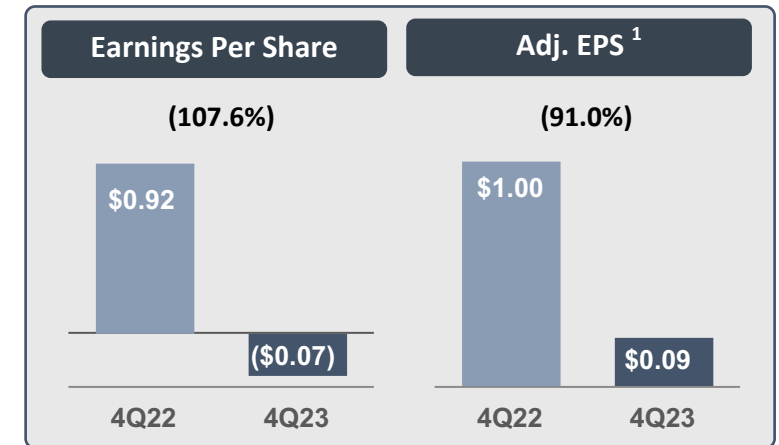
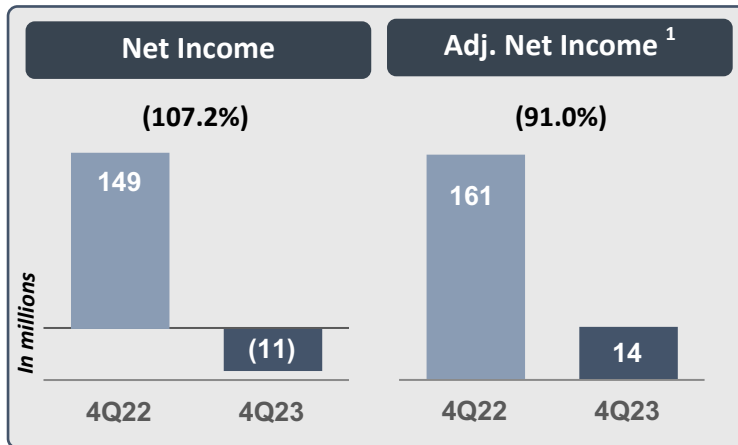
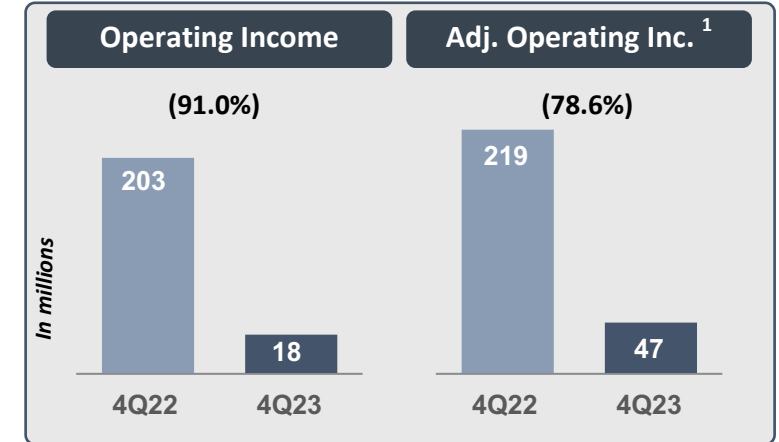
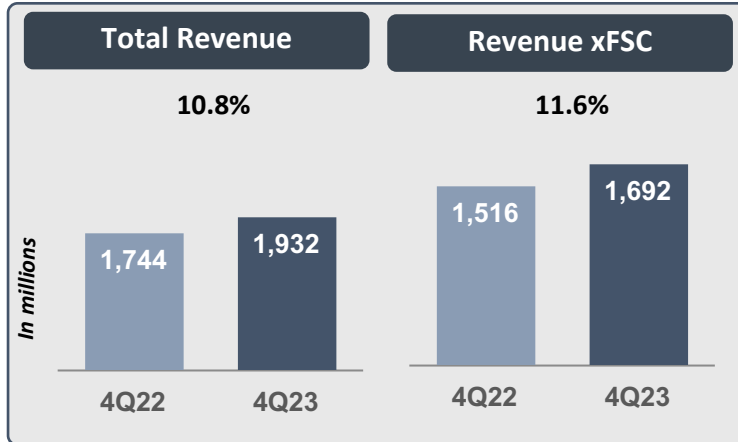
## Third-Party Insurance \$71.7M loss in 4Q23 offsets earnings of core business

### Third-Party Insurance Business Impact

- \$71.7M operating loss in 4Q23
  - Negatively impacted Adjusted EPS by \$0.30. Excluding insurance impact, Adjusted EPS would have been \$0.39 per diluted share
- 4Q23 decision to exit business
- Have reduced insured exposure by almost 75% from peak levels in 4Q22
- Expect to cease operations by end of 1Q24

**U.S. Xpress achieved positive Adjusted Operating Income**

**Strength in LTL continues**



### Adjustments

- \$18.5M in Q4 2023 and \$16.2M in Q4 2022 of amortization expense from mergers and acquisitions
- \$2.2M of impairments in Q4 2023
- \$6.5M estimate exposure for certain legal matters and loss contingency in Q4 2023
- \$1.1M in other acquisition related expenses in Q4 2023

<sup>1</sup> See GAAP to non-GAAP reconciliation in the schedules following this presentation



## LTL strength continues while truckload softness persists

### Truckload <sup>2</sup>

	Q4 2023	FY 2023
Revenue xFSC <sup>3</sup>	\$ 1,155.7M	\$ 4,031.1M
Adjusted Op Income <sup>1</sup>	\$ 69.9M	\$ 314.5M
Adjusted OR <sup>1</sup>	93.9 %	92.2 %

~ 16,433 irregular and 7,198 dedicated tractors

### Less-than-Truckload

	Q4 2023	FY 2023
Revenue xFSC	\$ 232.1M	\$ 914.6M
Adjusted Op Income <sup>1</sup>	\$ 33.7M	\$ 134.6M
Adjusted OR <sup>1</sup>	85.5 %	85.3 %

~ Approximately 115 Service Centers

~ Terminal door count of 4,551

### Intermodal

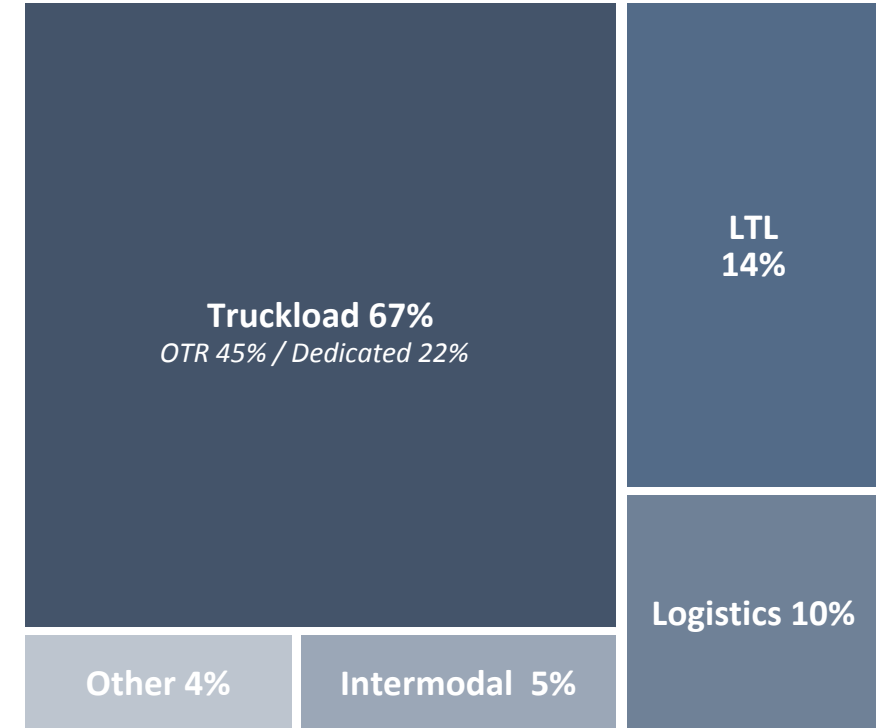
	Q4 2023	FY 2023
Revenue <sup>3</sup>	\$ 94.4M	\$ 410.5M
Adjusted Op Income <sup>1</sup>	(\$4.5M)	(\$10.5M)
Adjusted OR <sup>1</sup>	104.7 %	102.6 %

~ 615 tractors, 12,582 containers

### Logistics <sup>2</sup>

	Q4 2023	FY 2023
Revenue <sup>3</sup>	\$ 164.5M	\$ 577.7M
Adjusted Op Income <sup>1</sup>	\$ 11.3M	\$ 45.0M
Adjusted OR <sup>1</sup>	93.1 %	92.2 %

### Q4 2023 Revenue Diversification



<sup>1</sup> See GAAP to non-GAAP reconciliation in the schedules following this presentation

<sup>2</sup> Truckload and Logistics YTD Revenue excludes the results of USX prior to its acquisition on July 1st 2023

<sup>3</sup> Excludes intersegment transactions



# Operating Performance - Truckload



Modest 4Q seasonality, December softer than anticipated

## Truckload Financial Metrics

	Q4 2023	Q4 2022	Change
(Dollars in thousands)			
Revenue xFSC	\$1,155,723	\$920,817	25.5 %
Operating income	\$65,806	\$159,366	(58.7 %)
Adjusted Operating Income <sup>1</sup>	\$69,942	\$159,720	(56.2 %)
Operating ratio	95.1%	85.5%	960 bps
Adjusted Operating Ratio <sup>1</sup>	93.9%	82.7%	1,120 bps

## Truckload Operating Statistics

	Q4 2023	Q4 2022	Change
Average revenue per tractor	\$48,907	\$50,533	(3.2 %)
Average tractors	23,631	18,222	29.7 %
Average trailers	96,085	78,686	22.1 %
Miles per tractor	20,222	18,655	8.4 %

- 93.9% Adjusted Operating Ratio<sup>1</sup> in Q4 2023 compared to 82.7% the previous year
- U.S. Xpress was able to achieve positive Adjusted Operating Income in the fourth quarter
- Inclusion of U.S. Xpress truckload business negatively impacted the Adjusted Operating Ratio by 250 bps
- Ongoing cost actions helped improve our sequential cost per mile and offset insurance and claims headwinds
- 100 bps sequential improvement in Adjusted Operating Ratio including U.S. Xpress



<sup>1</sup> See GAAP to non-GAAP reconciliation in the schedules following this presentation.

# Operating Performance - LTL



Volume growth continues, investing for future expansion

## LTL Financial Metrics

	Q4 2023	Q4 2022	Change
(Dollars in thousands)			
Revenue xFSC	\$232,077	\$203,996	13.8 %
Operating income	\$29,785	\$25,606	16.3 %
Adjusted Operating Income <sup>1</sup>	\$33,705	\$29,564	14.0 %
Operating ratio	89.2%	89.8%	(60 bps)
Adjusted Operating Ratio <sup>1</sup>	85.5%	85.5%	— bps

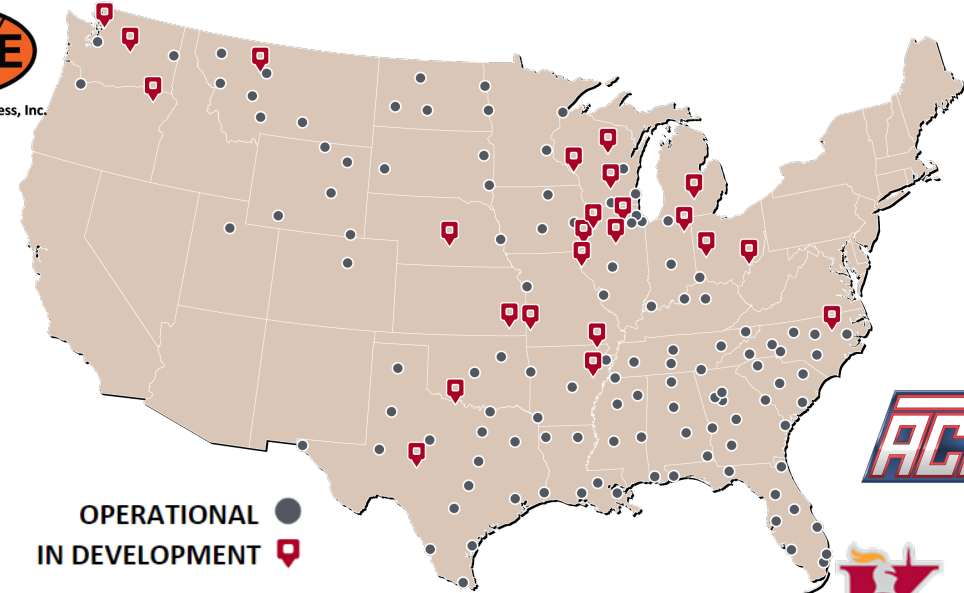
## LTL Operating Statistics

	Q4 2023	Q4 2022	Change
LTL shipments per day	19,300	17,254	11.9 %
LTL weight per shipment	1,033	1,053	(1.9 %)
LTL revenue xFSC per hundredweight	\$16.19	\$14.78	9.5 %
LTL revenue xFSC per shipment	\$167.22	\$155.66	7.4 %

- 85.5% Adjusted Operating Ratio<sup>1</sup> in Q4 2023
- Revenue growth 13.8% and Operating Income growth 16.3%
- Revenue growth opportunities driven by expanding connected LTL network
- Expect to close on 15 additional terminals this month



Midwest Motor Express, Inc.



OPERATIONAL ●  
IN DEVELOPMENT 📌



<sup>1</sup> See GAAP to non-GAAP reconciliation in the schedules following this presentation.

# Operating Performance - Logistics



Remaining nimble in a challenging environment, U.S. Xpress logistics closing the gap

## Logistics Financial Metrics

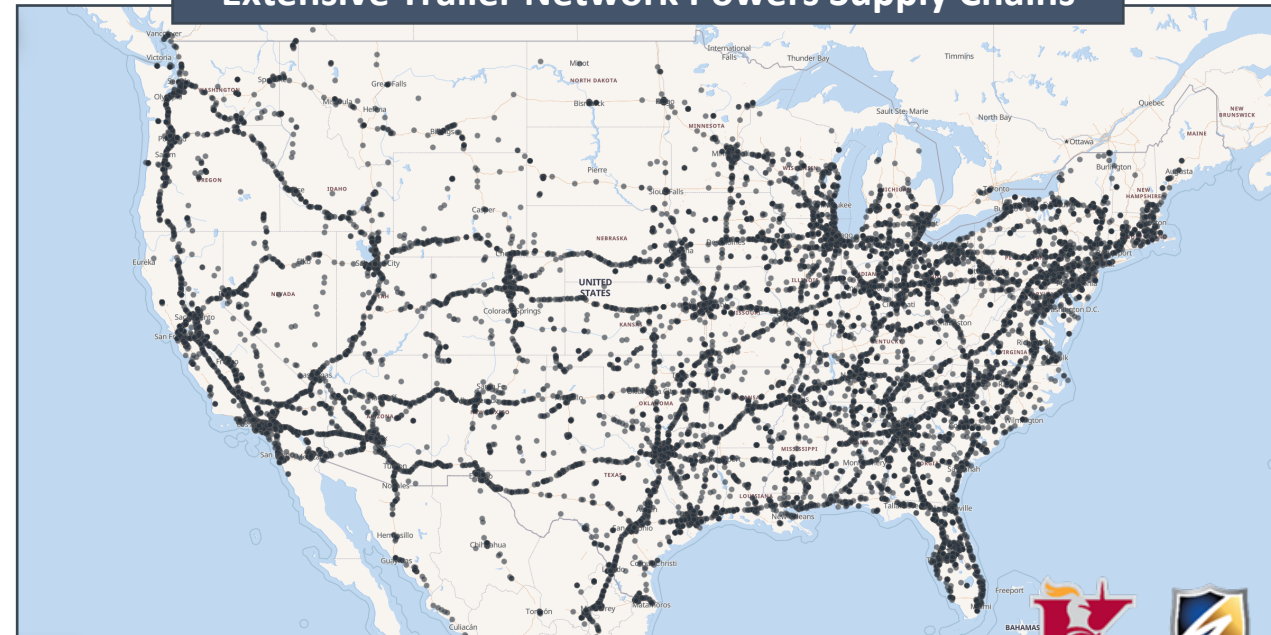
	Q4 2023	Q4 2022	Change
	(Dollars in thousands)		
Revenue ex intersegment	\$164,535	\$173,155	(5.0 %)
Operating income	\$10,668	\$23,133	(53.9 %)
Adjusted Operating Income <sup>1</sup>	\$11,278	\$23,466	(51.9 %)
Operating ratio	93.5%	87.1%	640 bps
Adjusted Operating Ratio <sup>1</sup>	93.1%	86.4%	670 bps

## Logistics Operating Statistics

	Q4 2023	Q4 2022	Change
Revenue per load	\$1,847	\$1,994	(7.4 %)
Gross margin	17.8%	22.1%	(430 bps)

- 93.1% Adjusted Operating Ratio<sup>1</sup> during the quarter
- 17.8% Gross margin, 430 bps decrease from prior year
- Sequentially revenue was up 3.2%

## Extensive Trailer Network Powers Supply Chains



<sup>1</sup> See GAAP to non-GAAP reconciliation in the schedules following this presentation.

# Operating Performance - Intermodal



Focused on load count growth and improving efficiency of our assets

## Intermodal Financial Metrics

	Q4 2023	Q4 2022	Change
	(Dollars in thousands)		
Revenue ex intersegment	\$94,431	\$112,916	(16.4 %)
Operating (loss) income	\$(4,453)	\$5,991	(174.3 %)
Operating ratio	104.7%	94.7%	1,000 bps

- 104.7% operating ratio during Q4 2023 compared with 94.7% the prior year
- 19.7% year-over-year decrease in average revenue per load
- 4.2% increase in load counts
- Average container count stable sequentially at approximately 12,600 units

## Intermodal Operating Statistics

	Q4 2023	Q4 2022	Change
Average revenue per load	\$2,695	\$3,358	(19.7 %)
Load count	35,041	33,624	4.2 %
Average tractors	615	619	(0.6 %)
Average containers	12,582	12,490	0.7 %

# Operating Performance - All Other Segments



Operating loss driven by Insurance business, exit underway

## Non-Reportable Financial Metrics

	Q4 2023	Q4 2022	Change
	(Dollars in thousands)		
Revenue	\$70,288	\$131,549	(46.6 %)
Operating loss	\$(83,526)	\$(11,573)	(621.7 %)

## Executing Exit of Third Party Insurance Business

- \$71.7M operating loss
- 4Q23 Management decision to exit business
- Have reduced insured exposure by almost 75% from peak levels in 4Q22
- Expect to cease operations by end of 1Q24





Achieved positive Adjusted Operating Income in Q4, 99.0% Adjusted Operating Ratio



## Measurable and meaningful progress continues

- Rate per mile up mid-single digits sequentially
  - Eliminated brokers
  - Improved freight network
  - Expanding customer diversity
- Increased focus on drivers resulting in improved turnover
  - Built out driver-centric terminal network
  - Improved driver leader to driver ratio
  - Implemented more stringent hiring standards
  - Improved focus on safety and driver retention
- Cost per mile improved sequentially
- U.S. Xpress continues to deliver on commitments, highly confident in established team



- LTL demand remains strong
- LTL improvement in revenue (excluding fuel) per hundredweight year-over-year
- Truckload - softness anticipated to continue into 1Q 2024, modest seasonality in 2Q 2024
- Truckload - contract rate sequentially stable
- Cost inflation continues to be a challenge, though pace eases
- Labor alternatives in the general economy remain attractive, providing a headwind to retention and utilization until freight conditions improve
- Demand in the used equipment market weakens further as small carriers struggle



Expected Adjusted EPS to be in the range of:

Q1 \$0.37 to \$0.41

Q2 \$0.53 to \$0.57

Refer to earnings release for guidance assumptions, to view the earnings release, please visit <https://investor.knight-swift.com/>, "Fourth Quarter 2023 Earnings."

# Appendix

# Non-GAAP Reconciliation

## Adjusted Operating Income and Adjusted Operating Ratio <sup>1 2</sup> (Unaudited)

	Quarter Ended December 31,		Year-to-Date December 31,	
	2023	2022	2023	2022
(Dollars in thousands)				
<b>GAAP Presentation</b>				
Total revenue	\$ 1,931,919	\$ 1,743,623	\$ 7,141,766	\$ 7,428,582
Total operating expenses	(1,913,639)	(1,541,100)	(6,803,613)	(6,336,754)
Operating income	\$ 18,280	\$ 202,523	\$ 338,153	\$ 1,091,828
Operating ratio	99.1 %	88.4 %	95.3 %	85.3 %
<b>Non-GAAP Presentation</b>				
Total revenue	\$ 1,931,919	\$ 1,743,623	\$ 7,141,766	\$ 7,428,582
Truckload fuel surcharge	(239,740)	(227,849)	(833,597)	(920,417)
Revenue, excluding truckload fuel surcharge	1,692,179	1,515,774	6,308,169	6,508,165
Total operating expenses	1,913,639	1,541,100	6,803,613	6,336,754
Adjusted for:				
Truckload fuel surcharge	(239,740)	(227,849)	(833,597)	(920,417)
Amortization of intangibles <sup>3</sup>	(18,543)	(16,208)	(70,138)	(64,843)
Impairments <sup>4</sup>	(2,236)	—	(2,236)	(810)
Legal accruals and loss contingencies <sup>5</sup>	(6,544)	—	(7,694)	(415)
Transaction fees <sup>6</sup>	—	—	(6,868)	—
Other acquisition related expenses <sup>7</sup>	(1,151)	—	(7,697)	—
Severance expense <sup>8</sup>	—	—	(5,151)	—
Change in fair value of deferred earnout <sup>9</sup>	—	—	3,359	—
Adjusted Operating Expenses	1,645,425	1,297,043	5,873,591	5,350,269
Adjusted Operating Income	\$ 46,754	\$ 218,731	\$ 434,578	\$ 1,157,896
Adjusted Operating Ratio	97.2 %	85.6 %	93.1 %	82.2 %



# 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 U.S. Xpress and its subsidiaries prior to its acquisition by Knight-Swift on July 1, 2023 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 ACT acquisition, the U.S. Xpress acquisition, and other acquisitions.
- 4 "Impairments" reflects the non-cash impairment:
  - 2023 impairments related to certain revenue equipment held for sale (within the Truckload segment) and terminated software projects (recorded within our All Other Segments, specifically related to our third-party insurance business).
  - 2022 impairment of building improvements (within our All Other Segments).
- 5 "Legal accruals and loss contingencies" are included in "Insurance and claims" and "Miscellaneous operating expenses" in the condensed consolidated statements of comprehensive income and reflect the following:
  - During the fourth quarter of 2023, the Company recorded estimated exposure for various legal matters. Additionally, the Company identified a probable loss contingency related to our third-party carrier insurance business included within our All Other segments. During the second and third quarters of 2023, legal expense reflects the increased estimated exposures for various accrued legal matters based on recent settlement agreements. First quarter 2023 legal expense reflects a decrease in the estimated exposure related to an accrued legal matter previously identified as probable and estimable in prior periods based on a recent settlement agreement.
  - During the second and third quarters of 2022, the company decreased the estimated exposure related to a certain legal matters previously identified as probable and estimable in prior periods based on a recent settlement agreements. Additional 2022 legal costs relate to certain lawsuits arising from employee and contract related matters.
- 6 "Transaction fees" reflects certain legal and professional fees associated with the July 1, 2023 acquisition of U.S. Xpress. The transaction fees are primarily included within "Miscellaneous operating expenses" and "Salaries, Wages, and benefits" and with smaller amounts included in other line items in the condensed statements of comprehensive income.
- 7 "Other acquisition related expenses" represents one-time expenses associated with the U.S. Xpress acquisition, including certain severance expense, including the acceleration of stock compensation as well as other operating expenses. These are primarily included within "Salaries, wages, and benefits" in the condensed statements of comprehensive income.
- 8 "Severance expense" is included within "Salaries, wages, and benefits" in the condensed statements of comprehensive income.
- 9 "Change in fair value of deferred earnout" reflects the benefits for the change in fair value of deferred earnouts related to various acquisitions in the prior years, which are recorded in "Miscellaneous operating expenses."

# Non-GAAP Reconciliation

## Adjusted Net Income Attributable to Knight-Swift and Adjusted EPS <sup>1 2</sup> (Unaudited)

	Quarter Ended December 31,		Year-to-Date December 31,	
	2023	2022	2023	2022
	(Dollars in thousands, except per share data)			
GAAP: Net (loss) income attributable to Knight-Swift	\$ (10,655)	\$ 148,701	\$ 217,149	\$ 771,325
Adjusted for:				
Income tax expense attributable to Knight-Swift	1,294	42,445	54,768	249,388
(Loss) income before income taxes attributable to Knight-Swift	(9,361)	191,146	271,917	1,020,713
Amortization of intangibles <sup>3</sup>	18,543	16,208	70,138	64,843
Impairments <sup>4</sup>	2,236	—	2,236	810
Legal accruals and loss contingencies <sup>5</sup>	6,544	—	7,694	415
Transaction fees <sup>6</sup>	—	—	6,868	—
Other acquisition related expenses <sup>7</sup>	1,151	—	7,697	—
Severance expense <sup>8</sup>	—	—	5,151	—
Change in fair value of deferred earnout <sup>9</sup>	—	—	(3,359)	—
Adjusted income before income taxes	19,113	207,354	368,342	1,086,781
Provision for income tax expense at effective rate <sup>10</sup>	(4,645)	(46,177)	(89,603)	(265,585)
Non-GAAP: Adjusted Net Income Attributable to Knight-Swift	<u>\$ 14,468</u>	<u>\$ 161,177</u>	<u>\$ 278,739</u>	<u>\$ 821,196</u>

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.

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7 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 7.

8 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 8.

9 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 9.

10 For the fourth quarter and year-to-date of 2023, an effective tax rate of 24.3% was applied in our Adjusted EPS calculation. The change in the effective tax rate was primarily impacted by the change in pre-tax income based on the adjustments presented in Adjusted Net Income Attributable to Knight-Swift. For the year-to-date 2023, the effective tax rate was normalized to exclude the third quarter 2023 tax benefit from the partial release of the pre-acquisition allowance associated with the U.S. Xpress net operating loss and tax credit carryforward benefits.



# Non-GAAP Reconciliation

## Adjusted Net Income Attributable to Knight-Swift and Adjusted EPS <sup>1 2</sup> (Unaudited)

	Quarter Ended December 31,		Year-to-Date December 31,	
	2023	2022	2023	2022
GAAP: (Loss) earnings per diluted share	\$ (0.07)	\$ 0.92	\$ 1.34	\$ 4.73
Adjusted for:				
Income tax expense attributable to Knight-Swift	0.01	0.26	0.34	1.53
(Loss) income before income taxes attributable to Knight-Swift	(0.06)	1.18	1.68	6.25
Amortization of intangibles <sup>3</sup>	0.11	0.10	0.43	0.40
Impairments <sup>4</sup>	0.01	—	0.01	—
Legal accruals and loss contingencies <sup>5</sup>	0.04	—	0.05	—
Transaction fees <sup>6</sup>	—	—	0.04	—
Other acquisition related expenses <sup>7</sup>	0.01	—	0.05	—
Severance expense <sup>8</sup>	—	—	0.03	—
Change in fair value of deferred earnout <sup>9</sup>	—	—	(0.02)	—
Adjusted income before income taxes	0.12	1.28	2.28	6.66
Provision for income tax expense at effective rate <sup>10</sup>	(0.03)	(0.29)	(0.55)	(1.63)
Non-GAAP: Adjusted EPS	\$ 0.09	\$ 1.00	\$ 1.72	\$ 5.03

**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.
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- 9 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 9.
- 10 For the fourth quarter and year-to-date of 2023, an effective tax rate of 24.3% was applied in our Adjusted EPS calculation. The change in the effective tax rate was primarily impacted by the change in pre-tax income based on the adjustments presented in Adjusted Net Income Attributable to Knight-Swift. For the year-to-date 2023, the effective tax rate was normalized to exclude the third quarter 2023 tax benefit from the partial release of the pre-acquisition allowance associated with the U.S. Xpress net operating loss and tax credit carryforward benefits.

# Non-GAAP Reconciliation

## Segment Adjusted Operating Income and Adjusted Operating Ratio <sup>1</sup> (Unaudited)

	Quarter Ended December 31,		Year-to-Date December 31,	
	2023	2022	2023	2022
<b>Truckload Segment<sup>2</sup></b>				
<b>GAAP Presentation</b>				
(Dollars in thousands)				
Total revenue	\$ 1,351,970	\$ 1,101,040	\$ 4,698,655	\$ 4,531,115
Total operating expenses	(1,286,164)	(941,674)	(4,400,678)	(3,784,534)
Operating income	\$ 65,806	\$ 159,366	\$ 297,977	\$ 746,581
Operating ratio	95.1 %	85.5 %	93.7 %	83.5 %
<b>Non-GAAP Presentation</b>				
Total revenue	\$ 1,351,970	\$ 1,101,040	\$ 4,698,655	\$ 4,531,115
Fuel surcharge	(195,940)	(179,878)	(665,711)	(718,155)
Intersegment transactions	(307)	(345)	(1,890)	(1,361)
Revenue, excluding fuel surcharge and intersegment transactions	1,155,723	920,817	4,031,054	3,811,599
Total operating expenses	1,286,164	941,674	4,400,678	3,784,534
Adjusted for:				
Fuel surcharge	(195,940)	(179,878)	(665,711)	(718,155)
Intersegment transactions	(307)	(345)	(1,890)	(1,361)
Amortization of intangibles <sup>3</sup>	(2,329)	(354)	(5,576)	(1,325)
Impairments <sup>4</sup>	(656)	—	(656)	—
Other acquisition related expenses <sup>5</sup>	(1,151)	—	(7,697)	—
Severance <sup>6</sup>	—	—	(2,636)	—
Adjusted Operating Expenses	1,085,781	761,097	3,716,512	3,063,693
Adjusted Operating Income	\$ 69,942	\$ 159,720	\$ 314,542	\$ 747,906
Adjusted Operating Ratio	93.9 %	82.7 %	92.2 %	80.4 %

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 historical Knight acquisitions and the U.S. Xpress acquisition.

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 7.

6 Refer to Non-GAAP Reconciliation (Unaudited): Adjusted Operating Income and Adjusted Operating Ratio – footnote 8.

# Non-GAAP Reconciliation

## Segment Adjusted Operating Income and Adjusted Operating Ratio <sup>1</sup> (Unaudited)

	Quarter Ended December 31,		Year-to-Date December 31,	
	2023	2022	2023	2022
<b>LTL Segment</b>				
<b>GAAP Presentation</b>				
	(Dollars in thousands)			
Total revenue	\$ 275,877	\$ 251,967	\$ 1,082,454	\$ 1,069,554
Total operating expenses	(246,092)	(226,361)	(963,574)	(942,945)
Operating income	\$ 29,785	\$ 25,606	\$ 118,880	\$ 126,609
Operating ratio	89.2 %	89.8 %	89.0 %	88.2 %
<b>Non-GAAP Presentation</b>				
Total revenue	\$ 275,877	\$ 251,967	\$ 1,082,454	\$ 1,069,554
Fuel surcharge	(43,800)	(47,971)	(167,886)	(202,262)
Revenue, excluding fuel surcharge	232,077	203,996	914,568	867,292
Total operating expenses	246,092	226,361	963,574	942,945
Adjusted for:				
Fuel surcharge	(43,800)	(47,971)	(167,886)	(202,262)
Amortization of intangibles <sup>2</sup>	(3,920)	(3,958)	(15,680)	(15,930)
Adjusted Operating Expenses	198,372	174,432	780,008	724,753
Adjusted Operating Income	\$ 33,705	\$ 29,564	\$ 134,560	\$ 142,539
Adjusted Operating Ratio	85.5 %	85.5 %	85.3 %	83.6 %

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 ACT and MME acquisitions.



# Non-GAAP Reconciliation

## Segment Adjusted Operating Income and Adjusted Operating Ratio <sup>1</sup> (Unaudited)

	Quarter Ended December 31,		Year-to-Date December 31,	
	2023	2022	2023	2022
<b>Logistics Segment</b>				
<b>GAAP Presentation</b>				
	(Dollars in thousands)			
Total revenue	\$ 164,535	\$ 179,333	\$ 582,250	\$ 920,707
Total operating expenses	(153,867)	(156,200)	(538,832)	(786,765)
Operating income	\$ 10,668	\$ 23,133	\$ 43,418	\$ 133,942
Operating ratio	93.5 %	87.1 %	92.5 %	85.5 %
<b>Non-GAAP Presentation</b>				
Total revenue	\$ 164,535	\$ 179,333	\$ 582,250	\$ 920,707
Intersegment transactions	—	(6,178)	(4,555)	(10,098)
Revenue, excluding intersegment transactions	164,535	173,155	577,695	910,609
Total operating expenses	153,867	156,200	538,832	786,765
Adjusted for:				
Intersegment transactions	—	(6,178)	(4,555)	(10,098)
Amortization of intangibles <sup>2</sup>	(610)	(333)	(1,613)	(1,336)
Adjusted Operating Expenses	153,257	149,689	532,664	775,331
Adjusted Operating Income	\$ 11,278	\$ 23,466	\$ 45,031	\$ 135,278
Adjusted Operating Ratio	93.1 %	86.4 %	92.2 %	85.1 %

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

<sup>2</sup> "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 <sup>1</sup> (Unaudited)

	Quarter Ended December 31,		Year-to-Date December 31,	
	2023	2022	2023	2022
<b>Intermodal Segment</b>				
<b>GAAP Presentation</b>				
	(Dollars in thousands)			
Total revenue	\$ 94,431	\$ 112,916	\$ 410,549	\$ 485,786
Total operating expenses	(98,884)	(106,925)	(421,056)	(437,619)
Operating (loss) income	\$ (4,453)	\$ 5,991	\$ (10,507)	\$ 48,167
Operating ratio	104.7 %	94.7 %	102.6 %	90.1 %
<b>Non-GAAP Presentation</b>				
Total revenue	\$ 94,431	\$ 112,916	\$ 410,549	\$ 485,786
Intersegment transactions	—	—	—	(47)
Revenue, excluding intersegment transactions	94,431	112,916	410,549	485,739
Total operating expenses	98,884	106,925	421,056	437,619
Adjusted for:				
Intersegment transactions	—	—	—	(47)
Adjusted Operating Expenses	98,884	106,925	421,056	437,572
Adjusted Operating (Loss) Income	\$ (4,453)	\$ 5,991	\$ (10,507)	\$ 48,167
Adjusted Operating Ratio	104.7 %	94.7 %	102.6 %	90.1 %

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