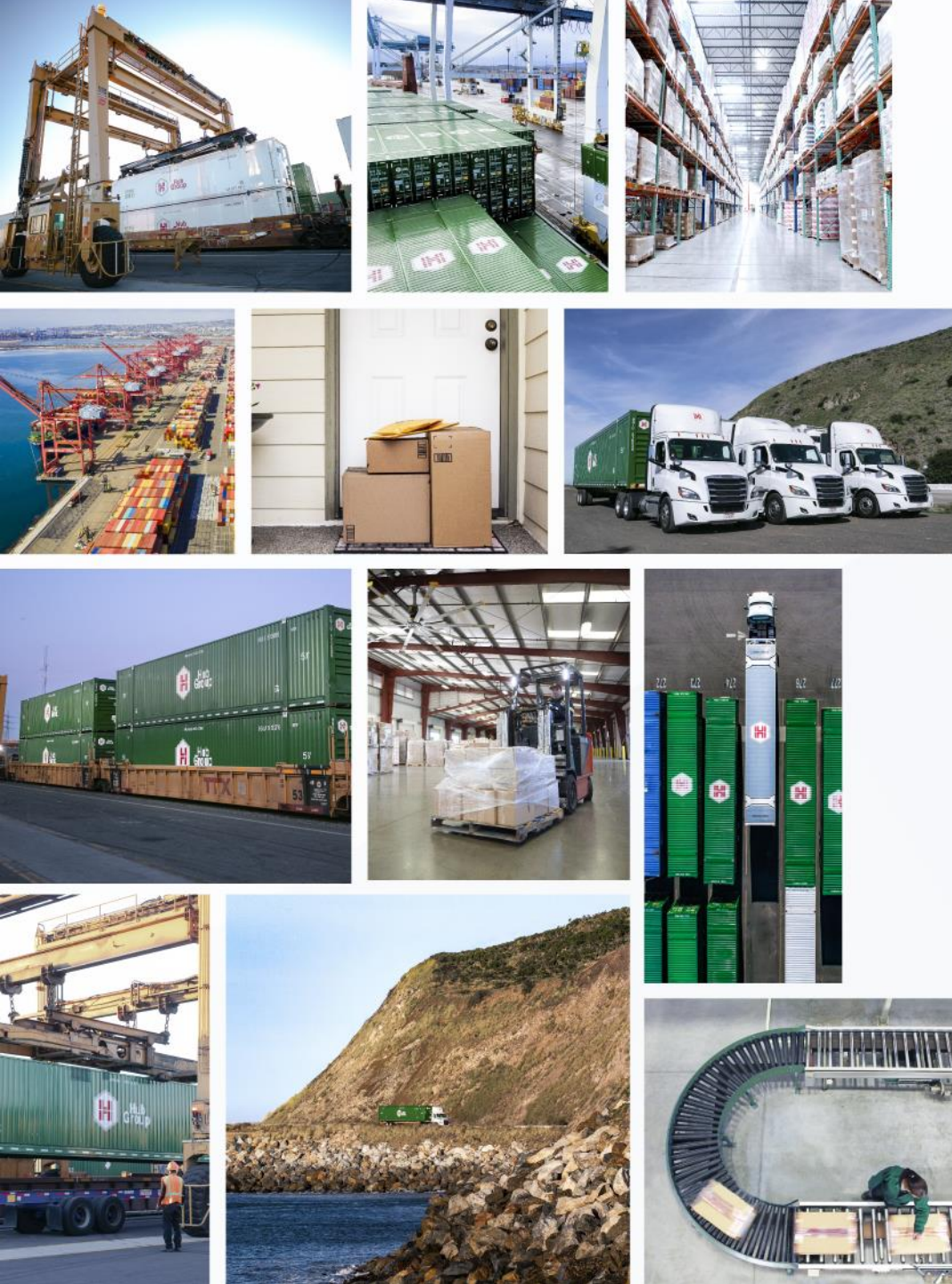




Hub Group Overview

Investor Presentation

October 2023



DISCLOSURE

CERTAIN FORWARD-LOOKING STATEMENTS:

Statements in this press release that are not historical facts are forward-looking statements, provided pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors that might cause the actual performance of Hub Group to differ materially from those expressed or implied by this discussion and, therefore, should be viewed with caution. Further information on the risks that may affect Hub Group's business is included in filings it makes with the SEC from time to time, including those discussed under the "Risk Factors" section in Hub Group's most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. Hub Group assumes no obligation to update any such forward-looking statements.

NON-GAAP FINANCIAL MEASURES

This presentation contains certain non-GAAP financial measures including, without limitation, "EBITDA." Reconciliations of these measures to the comparable GAAP measures are set forth to in the Appendix to this presentation.

We believe these non-GAAP financial measures provide useful information to management and investors that is supplementary to our financial condition, results of operations and cash flows computed in accordance with GAAP. Specifically, we believe these non-GAAP financial measures (a) allow management and investors to better assess our performance by removing volatility that we believe is associated with discrete items that are either larger than anticipated or non-recurring, and (b) enable a more complete understanding of factors and trends affecting our business.

Non-GAAP financial measures, however, have inherent limitations, are not required to be uniformly applied, and are not audited. Accordingly, these non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and we strongly encourage investors to review the GAAP financial measures included in this presentation and in our public filings with the SEC that are referenced above and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures in this presentation with other companies' non-GAAP financial measures having the same or similar names. As such, you should not view these disclosures as a substitute for results determined in accordance with GAAP, and they are not necessarily comparable to non-GAAP financial measures that other companies use. Reconciliations of non-GAAP financial disclosures to what we believe to be the most directly comparable GAAP measures are set forth in "Appendix" to this presentation and also may be viewed on the company's website, hubgroup.com.

FORWARD-LOOKING NON-GAAP FINANCIAL MEASURE

In this presentation, management has presented certain forward-looking statements about the Company's future financial performance that include EBITDA margin, a forward-looking non-GAAP financial measure. This non-GAAP financial measure is defined as EBITDA as a percentage of revenue. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. We are unable to present a quantitative reconciliation of EBITDA margin to its most directly comparable forward-looking GAAP financial measure, Net Income Margin, because management is currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact the GAAP measure without unreasonable efforts.

You should assume that all numbers presented are unaudited unless otherwise noted.

All trademarks, service marks and company names are the property of their respective owners.



Who We Are

Leading North American supply chain solutions provider offering Intermodal transportation and Logistics services to a wide range of shippers across the retail, consumer products, durable goods and automotive verticals

Core Values

- Service
- Integrity
- Innovation

Mission

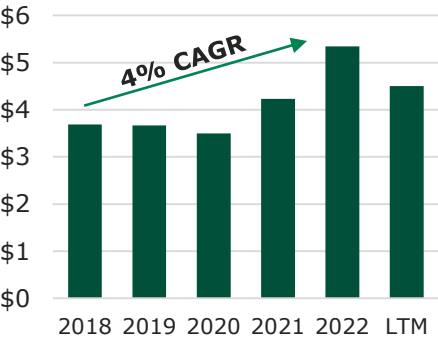
Drive performance through exceptional service and innovative solutions

Vision

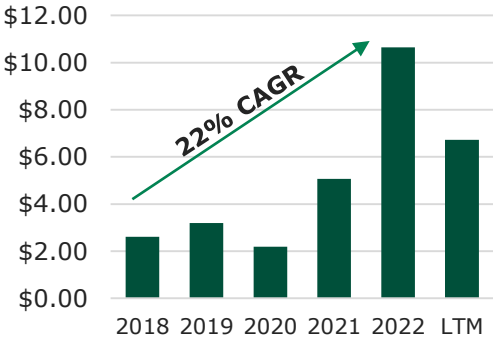
Deliver the premier supply chain solution

Revenue¹

(\$ in bn)

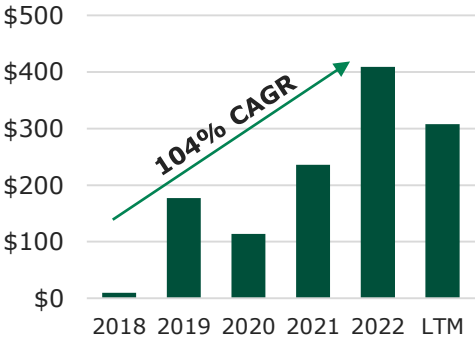


EPS¹



EBITDA-CapEx^{1,2}

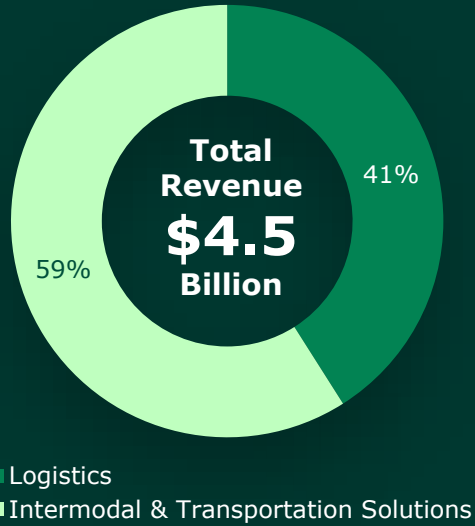
(\$ in mm)



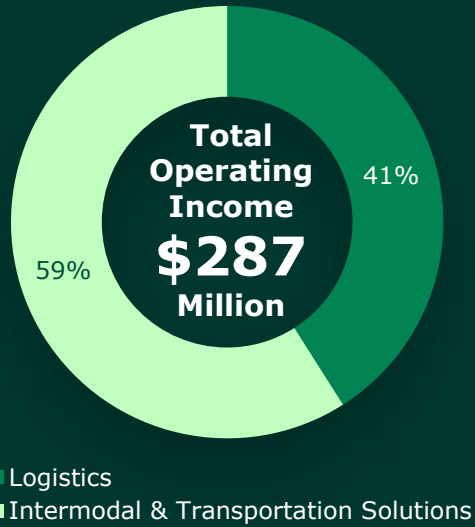
¹Trailing 12-months as of September 30, 2023
²Represents a non-GAAP financial measure; See Appendix for reconciliation to the most comparable measure under GAAP

Revenue by Segment¹

(% of total revenue)



Operating Income by Segment¹



Intermodal & Transportation Solutions

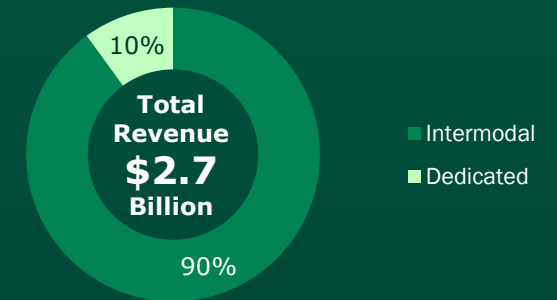
Business Highlights

- Leader in the intermodal industry with nearly 50,000 containers and award-winning service levels
- High service, nationwide door-to-door transportation offering value, visibility and reliability in both transcontinental and local lanes
- Long-term relationships with rail providers, primarily Union Pacific and Norfolk Southern
- Have grown in-house drayage to nearly 80% share – cost and service advantages
- Growing fleet of 900 refrigerated containers
- Top 20 Dedicated Trucking business offering high service and regional density
- Nearly 4,000 drivers and 3,000 tractors supporting Intermodal and Dedicated, as well as over 4,000 trailers
- Equipment, drivers and support services shared between drayage and dedicated operations, enabled by technology

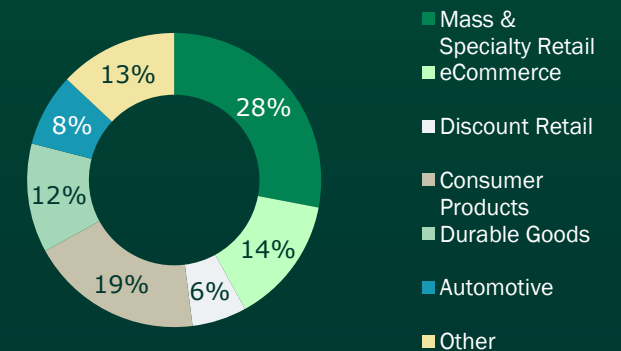
Strategy

- Deliver industry-leading service levels and compelling value to customers
- Secular growth profile driven by over-the-road conversions
 - 15-30% cost advantage relative to truckload
 - Environmentally friendly – over 3bn lbs. of CO₂ avoided in 2022
 - Rail partners investing for growth and service
- Drive improved asset utilization – tractors and containers
- Invest in container and tractor fleets to support growth opportunities
- Maintain in-house drayage at 80%
- Utilize density in Dedicated to cross-sell

Revenue by Service¹ (% of segment revenue)



Revenue by Industry² (% of segment revenue)



¹ LTM 9/30/23

² LTM 9/30/23, represents management estimates

OVERVIEW OF SEGMENTS

Logistics

Business Highlights

Brokerage

- Full range of offerings including dry van, refrigerated, expedited and LTL
- Superior service levels
- Focused on contract, spot and projects
- Best-in-class, proprietary operating technology

Consolidation & Fulfillment

- Multi-service offering including e-commerce fulfillment, transloading, consolidation and specialty warehousing
- Nationwide network with 10mm sq. ft. of capacity
- Offers high service and value to consumer goods businesses serving multiple channels
- Consolidates pallets into full truckloads, offering significant savings relative to traditional LTL

Managed Transportation

- Non-asset transportation management and technology solutions
- Contractual, high value add service with an attractive customer value proposition
- Delivers customers savings, visibility, technology and the benefits of scale
- Important source of freight for our Intermodal and Brokerage service lines
- \$1bn of LTL freight under management

Final Mile

- Delivers big and bulky goods to residences in every US zip code
- High service delivery offering
- Operates through a network of over 180 carriers nationwide

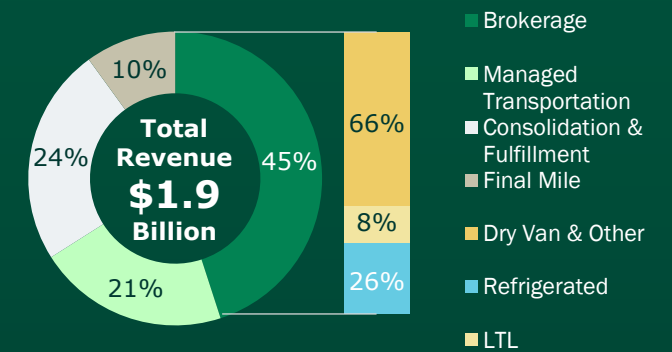
Strategy

- Continue to expand all service lines through cross-selling with other business lines
- Build on recent new customer wins, focusing on pipeline development
- Pursue acquisitions that offer service line expansion and opportunity to build scale
- Expand warehouse footprint into new markets and continue to insource
- Continue expansion of cross-dock network to facilitate growth of LTL consolidation offering

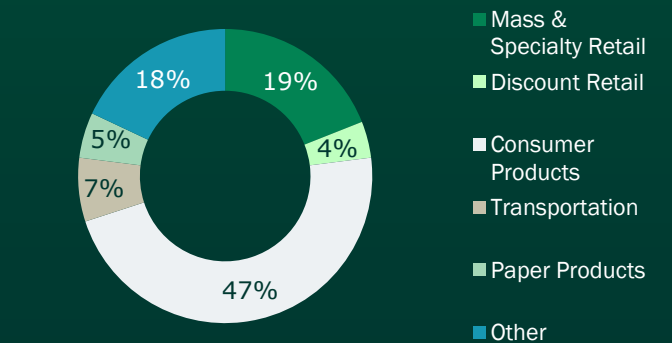
Acquisitions to Expand Offering and Build Scale



Revenue by Service¹ (% of segment revenue)



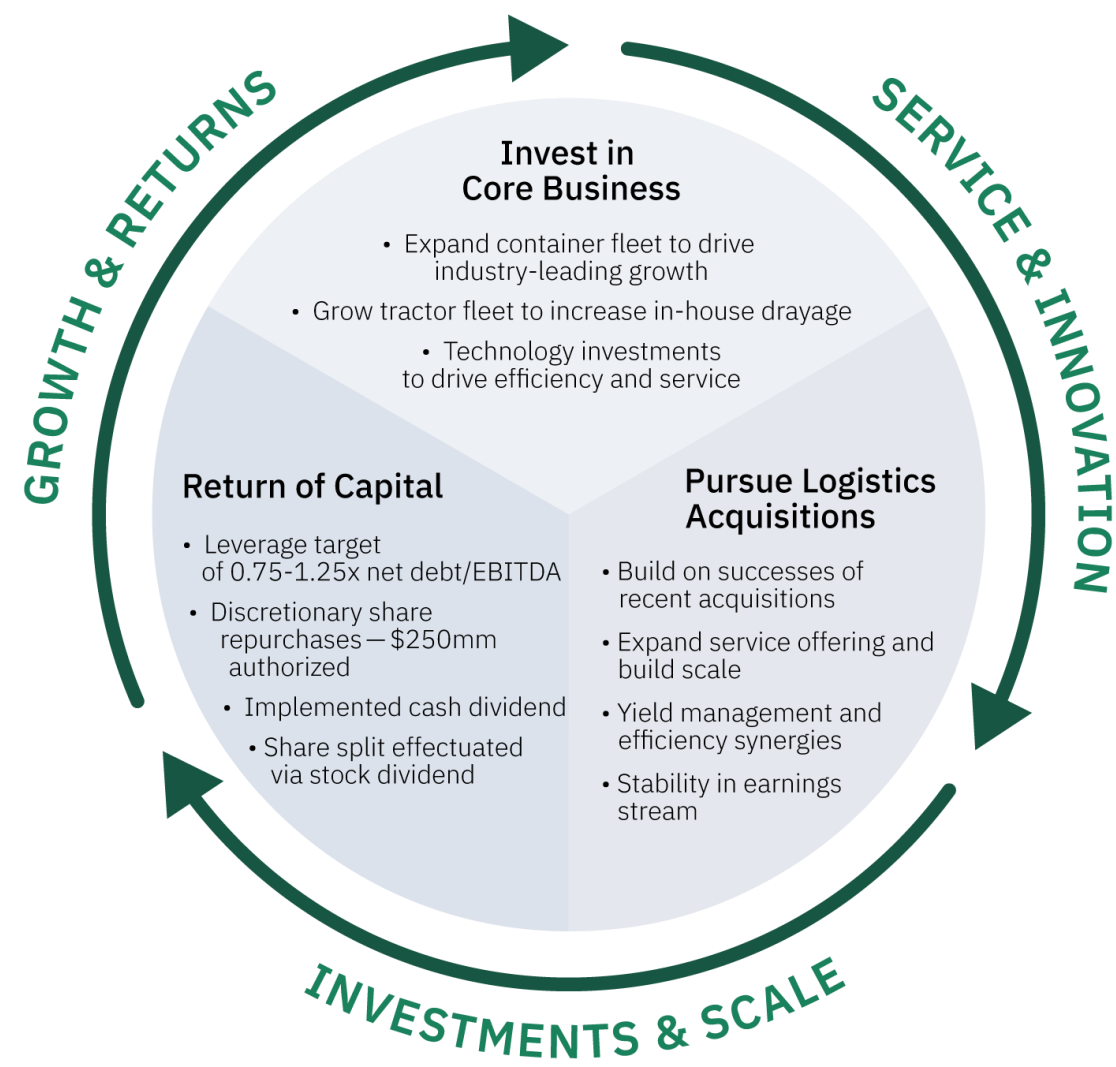
Revenue by Industry² (% of segment revenue)



¹ LTM 9/30/23

² LTM 9/30/23, represents management estimates

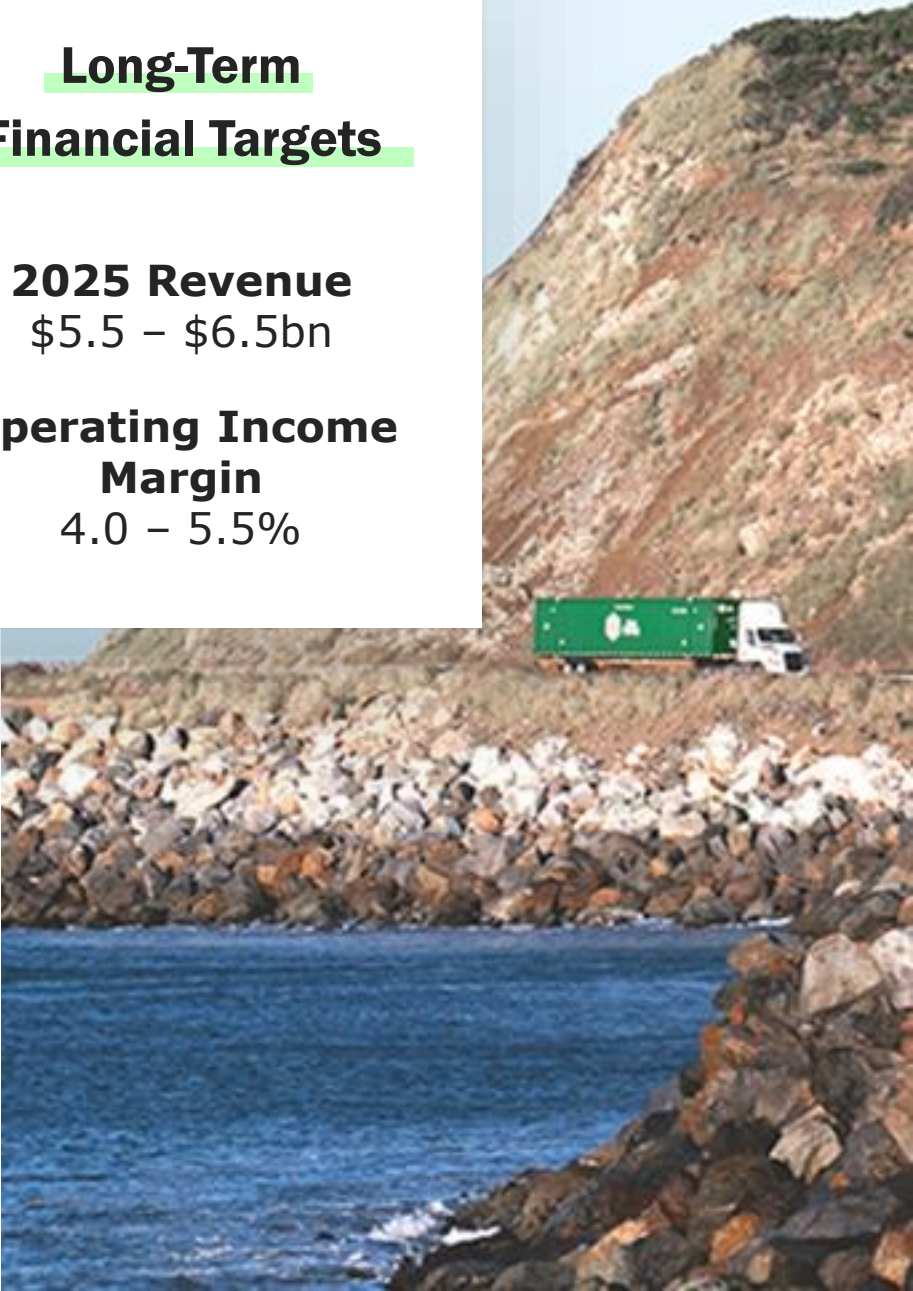
Where We Are Going



Long-Term Financial Targets

2025 Revenue
\$5.5 – \$6.5bn

**Operating Income
Margin**
4.0 – 5.5%



Q3 & YTD 2023 Highlights

Performing well in a difficult freight environment

Intermodal & Transportation Solutions Segment

(\$ in thousands)	Q3 2022	Q3 2023	YTD 2022	YTD 2023
Revenue	\$856,001	\$595,308	\$2,507,721	\$1,919,189
% Growth		(30.5)%		(23.5)%
Operating Income	\$86,773	\$13,484	\$273,070	\$94,639
% Margin	10.1%	2.3%	10.9%	4.9%

Logistics Segment

(\$ in thousands)	Q3 2022	Q3 2023	YTD 2022	YTD 2023
Revenue	\$525,178	\$460,309	\$1,614,775	\$1,382,999
% Growth		(12.4)%		(14.4)%
Operating Income	\$30,966	\$29,070	\$97,365	\$88,190
% Margin	5.9%	6.3%	6.0%	6.4%

Consolidated

(\$ in thousands)	Q3 2022	Q3 2023	YTD 2022	YTD 2023
Revenue	\$1,355,407	\$1,024,835	\$4,054,986	\$3,217,562
% Growth		(24.4)%		(20.7)%
Operating Income	\$117,739	\$42,554	\$370,435	\$182,829
% Margin	8.7%	4.2%	9.1%	5.7%
EBITDA ¹	\$156,846	\$87,668	\$481,400	\$319,523
EBITDA – CapEx ¹	\$85,124	\$47,636	\$323,736	\$213,856

¹Represents a non-GAAP financial measure; See Appendix for reconciliation to the most comparable measure under GAAP

Highlights

- Continued diversification with Logistics Segment accounting for 68% of total Operating Income in Q3
- Soft demand conditions being offset by reduced purchased transportation costs and operating expense efficiencies
- Executing on several new customer wins in Logistics including cross-dock facilities and full outsource Managed Transportation engagements
- Growing Brokerage volumes through cross-selling
- Strong free cash flow generation during the quarter



Balance Sheet Highlights

- Cash balance of over \$400mm
- Total debt of \$350mm¹
- Net debt (cash) of \$(51)mm¹
- Nearly \$350mm of availability on credit facility
- Capital efficient – net PP&E of \$790mm, or 19% of LTM revenue

¹Includes debt and finance leases

Assets

Cash & Equivalents	\$400,686
Other Current Assets	682,128
Total Current Assets	<u>\$1,082,814</u>

Property, Plant & Equipment, net	\$789,842
Goodwill & Intangible Assets	806,804
Other Assets	238,672
Total Assets	<u>\$2,918,132</u>

Liabilities & Shareholders' Equity

Accounts Payable	\$360,820
Accrued Expenses	150,947
Current portion of debt and leases	144,521
Total Current Liabilities	<u>\$656,288</u>

Non-current portion of leases	\$166,226
Non-current portion of debt	243,834
Other Liabilities	222,716
Total Liabilities	<u>\$1,289,064</u>

Total Stockholders' Equity	<u>1,629,068</u>
Total Liabilities & Stockholders' Equity	<u>\$2,918,132</u>

\$ in thousands



Outlook

2023 Guidance

- Assumes market conditions decline throughout the remainder of the year, with softness following the Thanksgiving holiday
 - Seasonal slowdown in Intermodal and Brokerage
 - Stability in our contractual service lines
- Revenue of approximately \$4.2 billion
- Full year tax rate of approximately 20%
- Diluted EPS of \$5.30 to \$5.40
- Capital expenditures of \$140-\$150mm to support growth of tractor fleet, technology investments and container replacements that have reached end of life

Long-Term Outlook

- Accelerating growth in Intermodal driven by high service positioning, investments in equipment and over-the-road conversions
- Expanded Logistics offering through cross-selling, innovative new service offerings, and acquisition-led growth opportunities
- Continued focus on yields and operating efficiency, enabled by technology investments
- Sustainable improvements in profit margins and return on invested capital
- Invest to grow our business while executing on return of capital strategy





HUB GROUP OVERVIEW

Appendix

hubgroup.com

Hub Group, Inc.

Reconciliation of Net Income to EBITDA

(\$ in 000s)

	12 MONTHS ENDED DECEMBER 31,					9 MONTHS ENDED SEPTEMBER 30,		3 MONTHS ENDED SEPTEMBER 30,		12 MONTHS ENDED SEPTEMBER 30,
	2018	2019	2020	2021	2022	2023	2022	2023	2022	2023
Net Income	\$87,661	\$107,171	\$73,559	\$171,474	\$356,948	\$138,743	\$277,674	\$30,459	\$87,325	\$218,017
Interest Expense, net	\$9,611	\$10,994	\$9,746	\$7,302	\$6,632	\$3,321	\$5,251	\$699	\$2,151	\$4,702
Depreciation & Amortization	\$83,910	\$116,888	\$123,679	\$130,629	\$153,726	\$136,775	\$111,413	\$45,301	\$39,491	\$180,088
Provision for Income Taxes	<u>\$29,064</u>	<u>\$36,699</u>	<u>\$22,541</u>	<u>\$59,436</u>	<u>\$111,010</u>	<u>\$40,684</u>	<u>\$87,062</u>	<u>\$11,209</u>	<u>\$27,879</u>	<u>\$64,531</u>
EBITDA	\$210,246	\$271,752	\$229,525	\$368,841	\$628,316	\$319,523	\$481,400	\$87,668	\$156,846	\$467,388
Capital Expenditures	\$199,791	\$94,847	\$115,306	\$132,952	\$219,140	\$105,667	\$157,664	\$40,032	\$71,722	\$167,143
EBITDA-CapEx	\$10,455	\$176,905	\$114,219	\$235,889	\$409,176	\$213,856	\$323,736	\$47,636	\$85,124	\$300,195





Thank you!