

LANDSTAR



Landstar System, Inc.

1Q | 2026

Earnings Conference Call



LANDSTAR



1Q | 2026

Forward-Looking Statements Disclaimer

The following is a “safe harbor” statement under the Private Securities Litigation Reform Act of 1995. Statements made in this slide presentation that are not based on historical facts are “forward-looking statements.” This presentation may make certain statements containing forward-looking statements, such as statements which relate to Landstar’s business objectives, plans, strategies and expectations. Terms such as “anticipates,” “believes,” “estimates,” “intention,” “expects,” “plans,” “predicts,” “may,” “should,” “could,” “would,” “will,” the negative thereof and similar expressions are intended to identify forward-looking statements. Such statements are by nature subject to uncertainties and risks, including but not limited to: the operational, financial or legal risks or uncertainties detailed in Landstar’s Form 10-K for the 2025 fiscal year, described in the section Risk Factors, and other SEC filings from time to time. These risks and uncertainties could cause actual results or events to differ materially from historical results or those anticipated. Investors should not place undue reliance on such forward-looking statements, and the Company undertakes no obligation to publicly update or revise any forward-looking statements.

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1Q | 2026

Non-GAAP Financial Measures

In this slide presentation, the Company provides the following information that may be deemed a non-GAAP financial measure: variable contribution, variable contribution margin and operating income as a percentage of variable contribution.

Management believes variable contribution and variable contribution margin are useful measures of the variable costs that we incur at a shipment-by-shipment level attributable to our transportation network of third-party capacity providers and independent agents in order to provide services to our customers. Management believes that operating income as a percentage of variable contribution is a useful measure as: (i) variable costs of revenue for a significant portion of the Company's business are highly influenced by short-term market-based trends in the freight transportation industry, whereas other costs, including other costs of revenue, are much less impacted by short-term freight market trends; and (ii) this measure is meaningful to investors' evaluations of the Company's management of costs attributable to operations other than the purely variable costs associated with purchased transportation and commissions to agents that the Company incurs to provide services to our customers.

Management also believes that it is appropriate to present each of the financial measures that may be deemed a non-GAAP financial measure, as referred to above, for the following reasons: (1) disclosure of these matters will allow investors to better understand the underlying trends in the Company's financial condition and results of operations; (2) this information will facilitate comparisons by investors of the Company's results as compared to the results of peer companies; and (3) management considers this financial information in its decision making.

A tabulation of the expenses identified as costs of revenue as well as a reconciliation of gross profit to variable contribution and gross profit margin to variable contribution margin for the 2026 and 2025 first quarters is included in this slide presentation within the Appendix.



1Q | 2026

Executive Summary

Frank Lonegro

Chief Executive Officer

RESULTS

Dollars in Millions (except per share amounts)

Metric	1Q 2026	1Q 2025	Chg.
Revenue	\$ 1,171.3	\$ 1,152.5	1.6%
Operating Income	\$ 53.2	\$ 39.4	35.1%
Earnings per Share	\$ 1.16	\$ 0.85	36.5%

HIGHLIGHTS

1Q revenue performance

3% increase in truck transportation revenue over 1Q 2025, primarily attributable to an 8% increase in unsided/platform revenue

Improving financial metrics and EPS

14% increase in gross profit and a 7% increase in variable contribution over 1Q 2025

- 10% increase in BCO utilization over 1Q 2025
- First year over year increase in variable contribution since the third quarter of 2022

Improved earnings per share performance

Strong balance sheet

Continuing to return meaningful capital to stockholders

Investing through the cycle

Supporting our network of entrepreneurs with continued investment in trailing equipment and technology, including AI



1Q | 2026

Network and Capacity

Frank Lonegro

Chief Executive Officer

Landstar Network and 1Q Truckload Operating Results

LANDSTAR NETWORK

Agents
~980

Customers
20,000+

Capacity
72,000+

Employees*
~1,300

* Excluding LSTR Metro



1Q RESULTS

\$1.08B	Truck Revenue
474K	Truck Loadings
\$2,285	Truck Revenue per Load
457	Million \$ Agents*
8,476	BCO Trucks
65,067	Carriers
17,200+	Trailers
0.64	DOT Accidents per Million Miles**

* Based on 2025 fiscal year **See definition of DOT accidents within the Appendix

Truck Capacity

All information is provided as of the end of the applicable period



AVAILABLE TRUCK CAPACITY PROVIDERS

Type of Capacity	Mar 28, 2026	Dec 27, 2025	Mar 29, 2025
BCO Independent Contractors	7,663	7,712	7,871
Truck Brokerage Carriers			
Approved and Active ⁽¹⁾	37,647	36,852	47,323
Other Approved	27,420	25,938	33,275
Total Truck Brokerage Carriers	65,067	62,790	80,598
<i>Total Available Truck Capacity Providers</i>	<i>72,730</i>	<i>70,502</i>	<i>88,469</i>
Trucks Provided by BCO Independent Contractors	8,476	8,514	8,620

(1) Active refers to truck brokerage carriers who hauled freight for Landstar in the 180-day period immediately preceding the period end.

Note: Fuel surcharges billed to customers on freight hauled by BCO Independent Contractors, which are paid 100% to the BCO and not included in either revenue or the cost of purchased transportation, were \$60.4 million and \$54.2 million in the 2026 and 2025 first quarters, respectively.



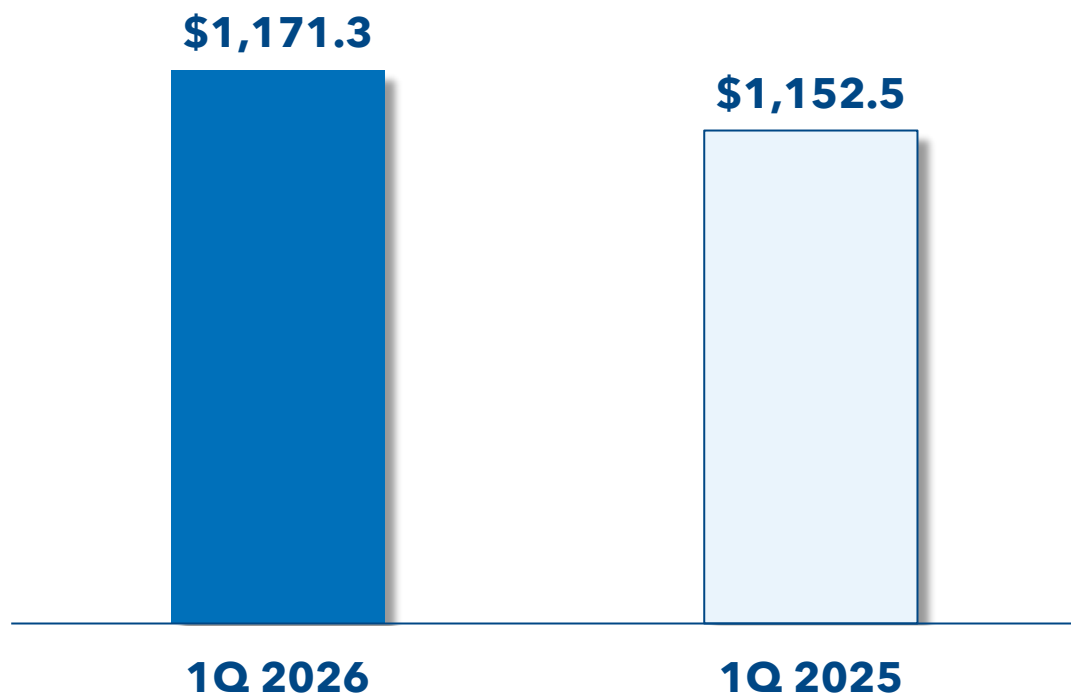
1Q | 2026

Financial Results

Jim Todd

Chief Financial Officer

RESULTS



VARIANCE

Revenue Source	Rate ⁽¹⁾	Vol. ⁽²⁾	Chg.
Truck	5.6%	(2.3%)	3.1%
Rail Intermodal	3.1%	7.2%	10.4%
Ocean/Air	(0.7%)	(26.4%)	(26.9%)
Insurance Premiums	N/A	N/A	(3.2%)
Total Revenue	–	–	1.6%

(1) Percentage change in rate is calculated on a revenue per load basis.

(2) Percentage change in volume is calculated on the number of loads hauled.

Revenue Variances

by Industry Served with Revenue Share Indicated

Amounts in Percent



Transportation logistics revenue up 2% Y-O-Y

Revenue Share		Market Segment	Y-O-Y Change in Revenue
1Q 2026	1Q 2025		
28.9	29.0	Consumer Durables	1
16.3	14.4	Machinery	16
9.2	8.7	Building Products	7
8.5	9.1	Automotive	(6)
7.3	7.2	AA&E, Hazmat	3
7.0	7.3	Electrical	(2)
4.9	5.1	Metals	(2)
2.6	2.7	Foodstuffs	(1)
1.7	2.0	Substitute Line Haul	(13)
13.6	14.5	Other	(5)

Gross Profit ⁽¹⁾ and Variable Contribution ⁽²⁾

with Associated Margins

Dollars in Millions



RESULTS

Gross Profit

Variable Contribution

\$112.5

\$98.3

\$172.2

\$161.3

9.6%

8.5%

14.7%

14.0%

1Q 2026

1Q 2025

1Q 2026

1Q 2025

CHANGE IN VC MARGIN

Amounts in %

1Q

2025

14.0

Change in Mix/Other

0.5

Revenue - Variable

0.1

Revenue - Fixed ⁽³⁾

0.1

2026

14.7

(1) Gross profit equals revenue less the cost of purchased transportation, commissions to agents and other costs of revenue. Gross profit margin equals gross profit divided by revenue.

(2) Variable contribution (VC) equals revenue less the cost of purchased transportation and commissions to agents. Variable contribution margin equals VC divided by revenue.

(3) Revenue on transactions where the Company's variable contribution margin was based on a contractually pre-determined percentage of revenue accounted for 45% and 42% of revenue in the 2026 and 2025 first quarters, respectively.

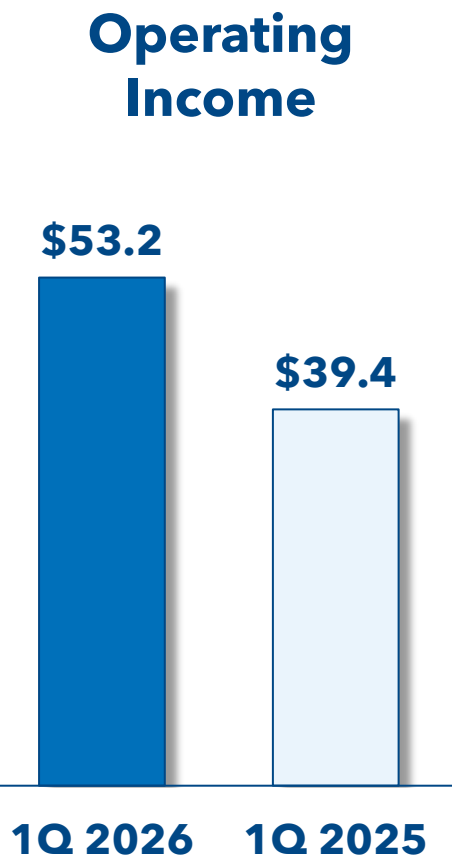
Operating Income

as a Percentage of Gross Profit and Variable Contribution
Dollars in Millions



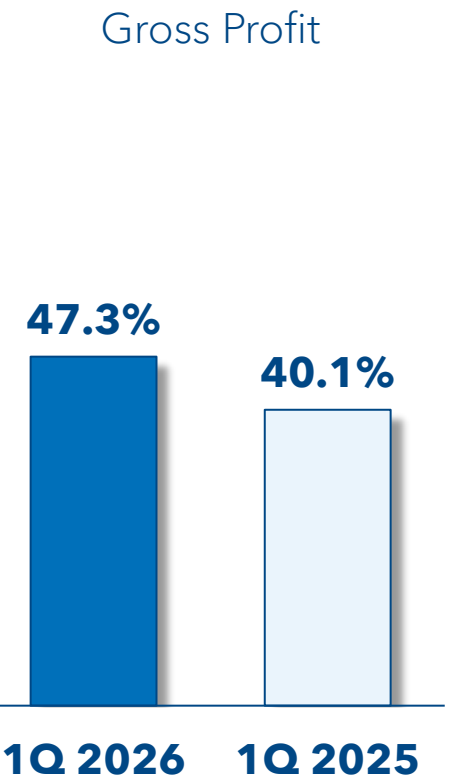
RESULTS

Operating Income

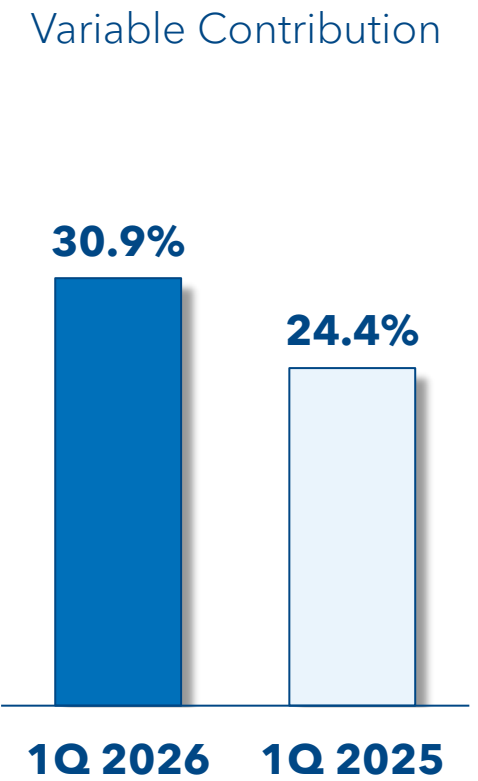


Percentage of

Gross Profit



Variable Contribution



CHANGE IN PERCENTAGE

of Variable Contribution

Amounts in %

1Q

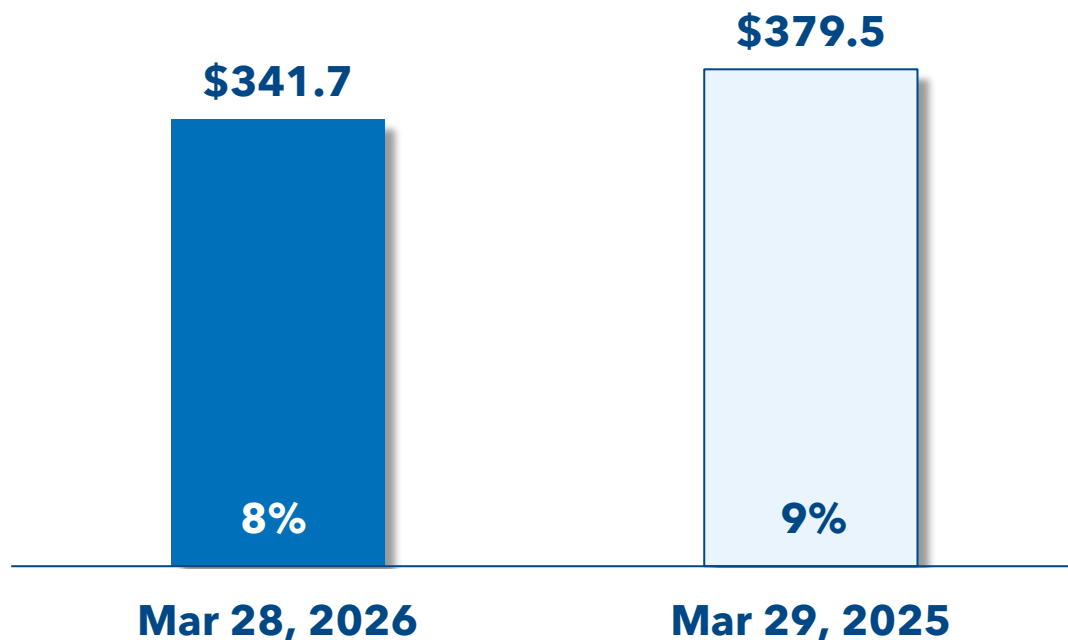
2025	24.4
Insurance and claims	3.5
SG&A	2.8
Depreciation and amortization	1.5
Other operating costs	(1.3)
2026	30.9

Key Balance Sheet and Cash Flow Statistics

Dollars in Millions



NET CASH ⁽¹⁾ with Debt to Capital ⁽²⁾ as of date indicated



SOURCES / USES OF CASH

Year-to-date as of date indicated

Cash Flow Type	1Q 2026	1Q 2025
Cash flow from operations	\$ 78.2	\$ 55.7
Capital expenditures	\$ 5.8	\$ 1.9
Free cash flow ⁽³⁾	\$ 72.4	\$ 53.8
Share repurchases	\$ 22.4	\$ 60.4
Dividends paid	\$ 81.7	\$ 83.3

RETURNS

Trailing 12 months as of date indicated

Return Type	Mar 28, 2026	Mar 29, 2025
Equity	14%	18%
Invested Capital	13%	17%
Assets	7%	10%

- (1) Net cash is defined as cash and cash equivalents of \$353.3 million plus short term investments of \$57.7 million less outstanding debt of \$69.3 million as of March 28, 2026. As of March 29, 2025, net cash was cash and cash equivalents of \$417.4 million plus short term investments of \$56.0 million less outstanding debt of \$94.0 million.
- (2) Capital is defined as total debt plus total shareholders' equity.
- (3) Free cash flow is defined as cash flow from operations less cash capital expenditures.



1Q | 2026

Closing Remarks

Frank Lonegro

Chief Executive Officer

➔ **Current Market Update** - April 2026 business activity:

- **Truck Loads:** April approximately equal to April 2025
 - Essentially in-line with typical March to April month-to-month historical trends
- **Truck Revenue per Load:** April approximately 13% above April 2025
 - Significantly above typical March to April month-to-month historical trends

➔ **Historical Trends** - Pre-pandemic historical seasonality patterns would normally yield:

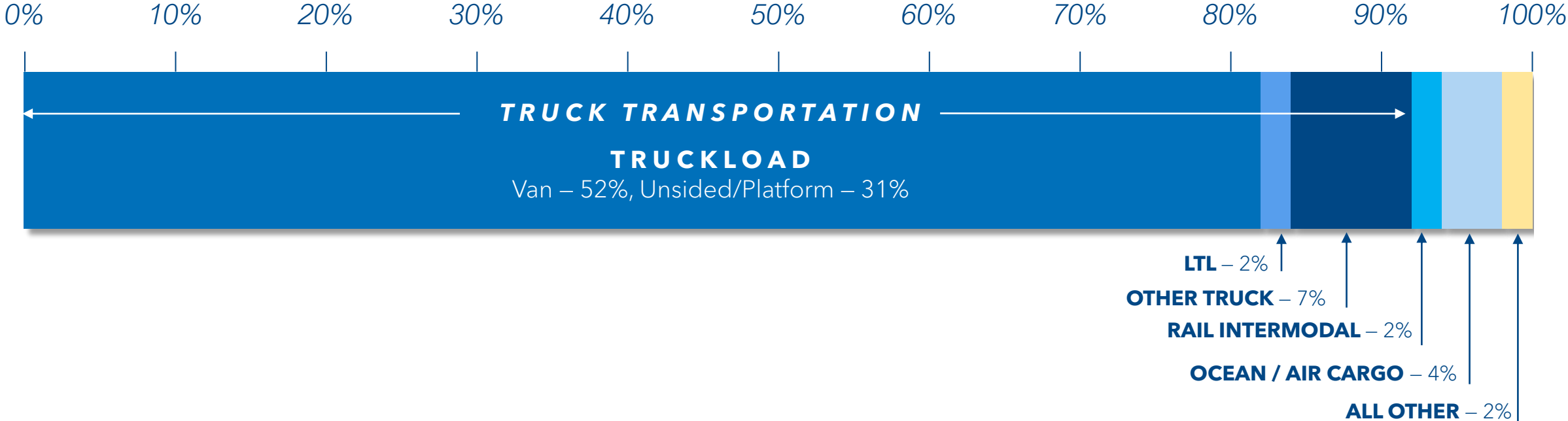
- **Truck Revenue:** Mid-single digit to high-single digit increase from 1Q to 2Q
- **Truck Loads:** 7% increase 1Q to 2Q
- **Truck Revenue per Load:** 2% increase 1Q to 2Q



1Q | 2026

Appendix

PERCENTAGE OF REVENUE 1Q 2026 by Service Type



CHANGE IN MIX SINCE 1Q 2025

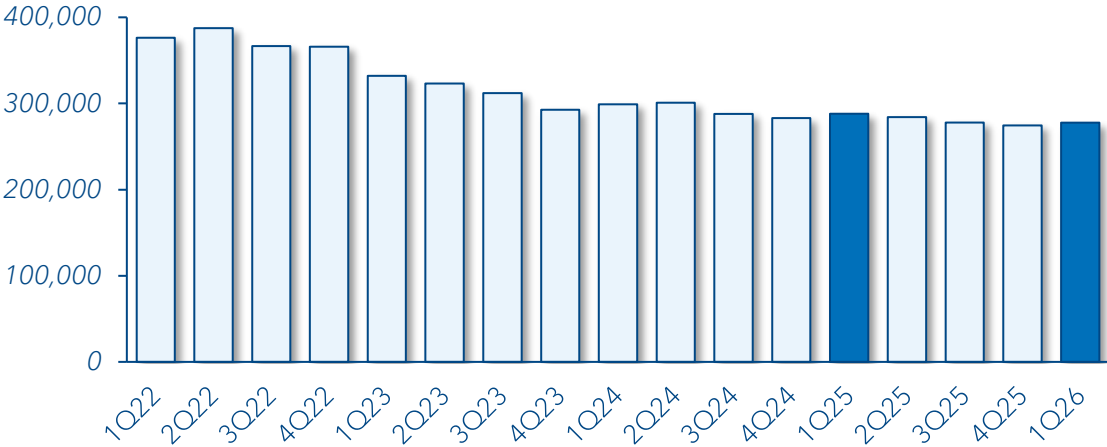
Van Equipment	Unsided/ Platform Equipment	LTL	Other Truck Transportation	Rail Intermodal	Ocean/ Air cargo	All Other
52% → 52%	30% → 31%	2% → 2%	8% → 7%	2% → 2%	6% → 4%	2% → 2%

Truckload Loadings and Revenue per Truckload Trends

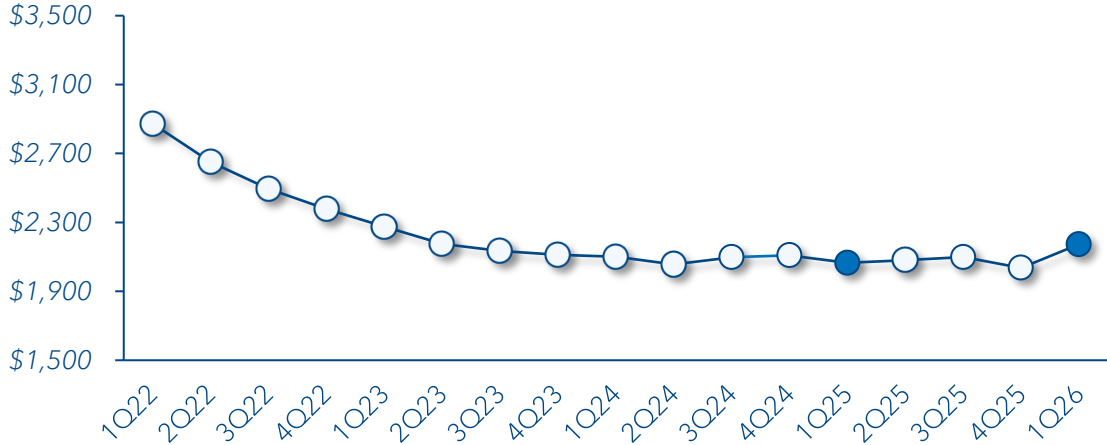


VAN

NUMBER OF LOADS

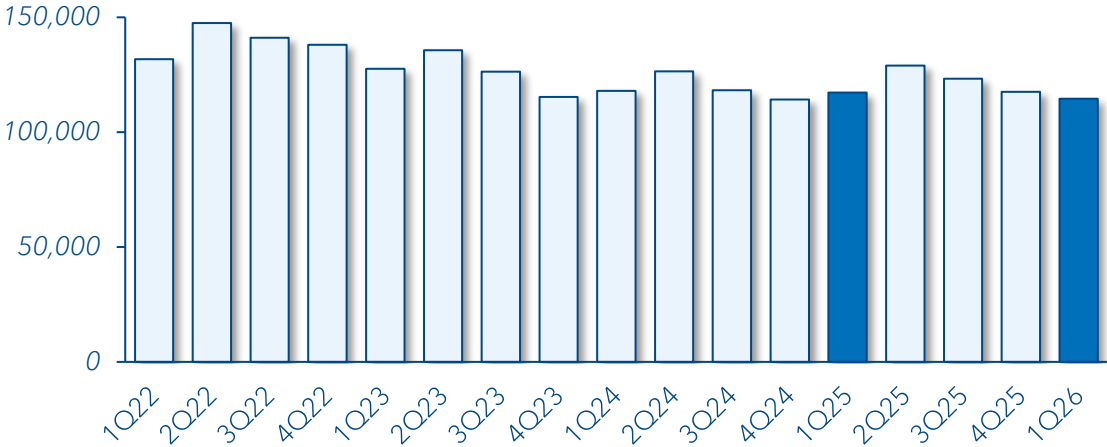


REVENUE PER LOAD

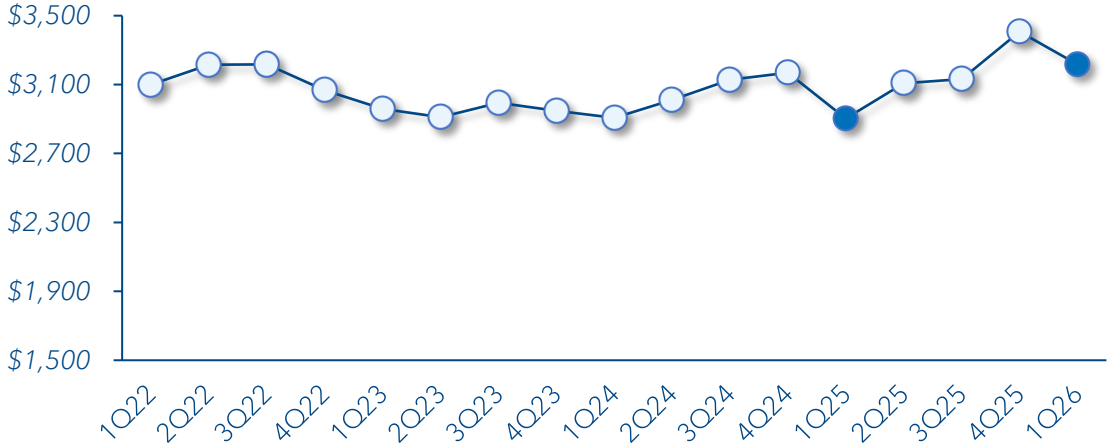


UNSIDED / PLATFORM

NUMBER OF LOADS



REVENUE PER LOAD



Reconciliation of Gross Profit to Variable Contribution

Dollars in Thousands



	Thirteen Weeks Ended	
	March 28, 2026	March 29, 2025
Revenue	\$ 1,171,291	\$ 1,152,502
Costs of revenue:		
Purchased transportation	906,997	897,878
Commissions to agents	92,143	93,314
Variable costs of revenue	999,140	991,192
Trailing equipment depreciation	6,268	6,977
Information technology costs (1)	2,603	3,675
Insurance-related costs (2)	35,938	40,524
Other operating costs	14,800	11,829
Other costs of revenue	59,609	63,005
Total costs of revenue	1,058,749	1,054,197
Gross profit	\$ 112,542	\$ 98,305
Gross profit margin	9.6%	8.5%
Plus: other costs of revenue	59,609	63,005
Variable contribution	\$ 172,151	\$ 161,310
Variable contribution margin	14.7%	14.0%

(1) Includes costs of revenue incurred related to internally developed software including ASC 350-40 amortization, implementation costs, hosting costs and other support costs utilized to support the Company's independent commission sales agents, third party capacity providers, and customers, included as a portion of depreciation and amortization and of selling, general and administrative in the Company's Consolidated Statements of Income.

(2) Primarily includes (i) insurance premiums paid for commercial auto liability, general liability, cargo and other lines of coverage related to the transportation of freight; (ii) the related cost of claims incurred under those programs; and (iii) brokerage commissions and other fees incurred relating to the administration of insurance programs available to BCO Independent Contractors that are reinsured by the Company, which are included in selling, general and administrative in the Company's Consolidated Statements of Income.

Free Cash Flow with Stock Purchases and Dividends

Dollars and Shares in Millions



5 - YEAR SUMMARY

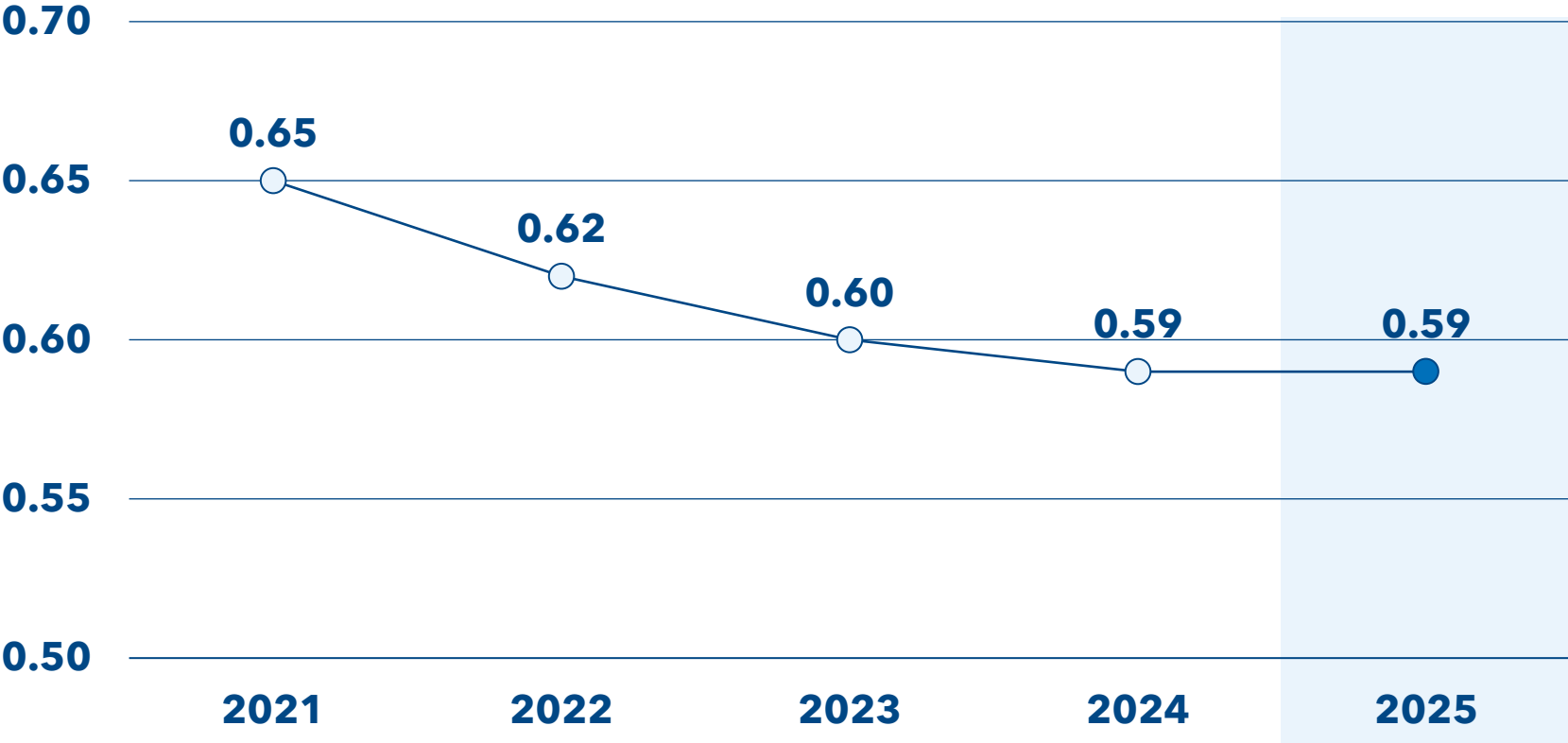
Cash Flow Item	2021	2022	2023	2024	2025
Cash flow from operations	\$ 277	\$ 623	\$ 394	\$ 287	\$ 225
Cash capital expenditures	\$ 24	\$ 26	\$ 26	\$ 31	\$ 10
Free cash flow	\$ 253	\$ 597	\$ 368	\$ 256	\$ 215
Share repurchases	\$ 123	\$ 286	\$ 54	\$ 81	\$ 180
Dividends paid	\$ 112	\$ 116	\$ 117	\$ 120	\$ 125
Common share count ⁽¹⁾	37.7	35.9	35.7	35.3	34.1

(1) Common share count as of the end of the applicable period.

DOT Accident ⁽¹⁾ Frequency per Million Miles Traveled by BCOs



5 - YEAR SUMMARY



(1) A "DOT Accident" is defined, consistent with U.S. 49 CFR 390.5T, as an occurrence involving a commercial motor vehicle operating on a highway in interstate or intrastate commerce that results in a fatality, a bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident, or one or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle(s) to be transported away from the scene by a tow truck or by other motor vehicle, but does not include an occurrence involving only boarding and alighting from a stationary motor vehicle or an occurrence involving only the loading or unloading of cargo.

AI For The Landstar Network of Entrepreneurs

In-flight AI Efforts

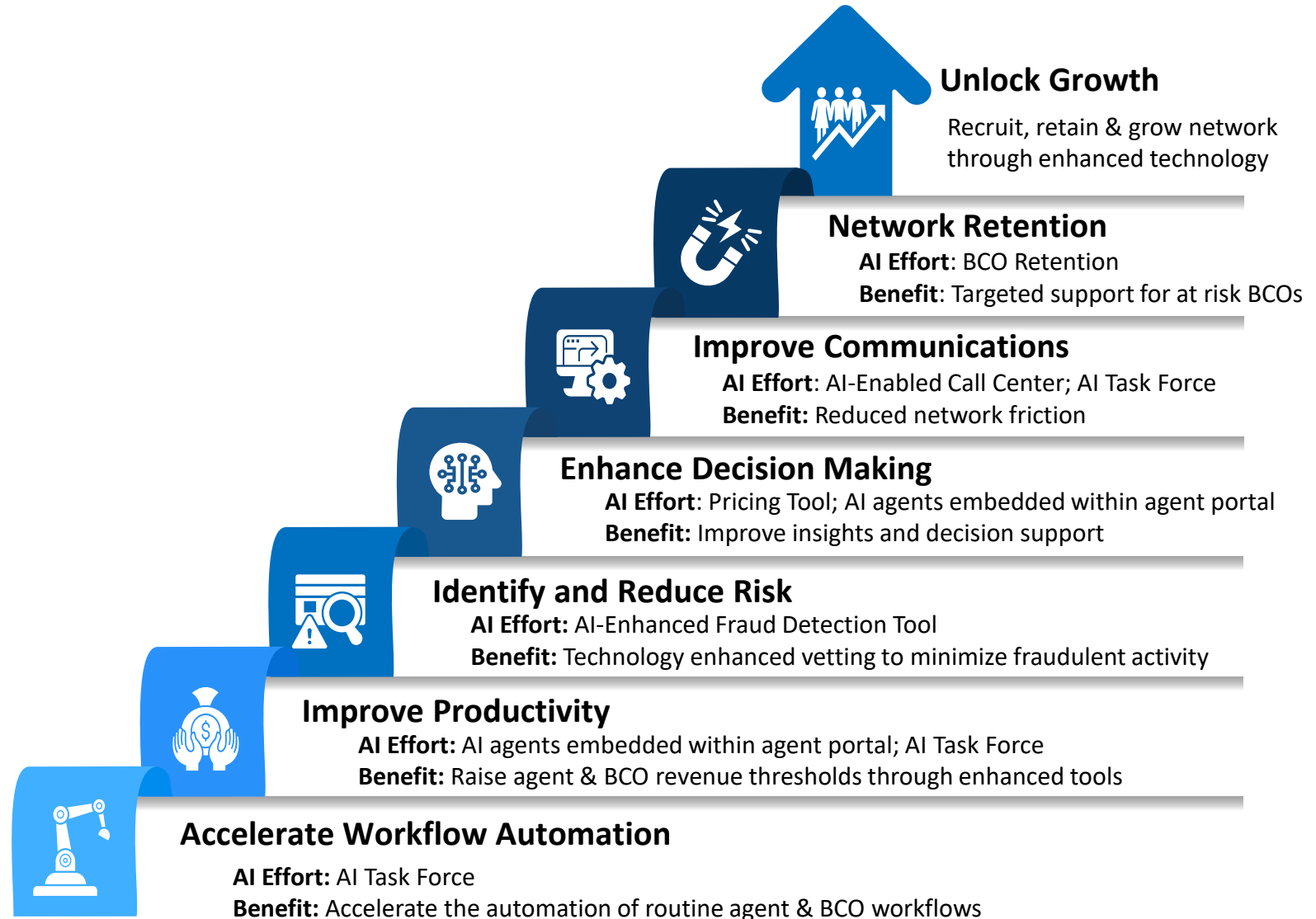


Improve productivity and unlock Agent & BCO growth

Attract & retain Agents & BCOs

Strengthen reputation as the leader in Safety, Security and Service

AI related projects account for half of Landstar's 2026 IT capital budget



AI For Landstar Corporate

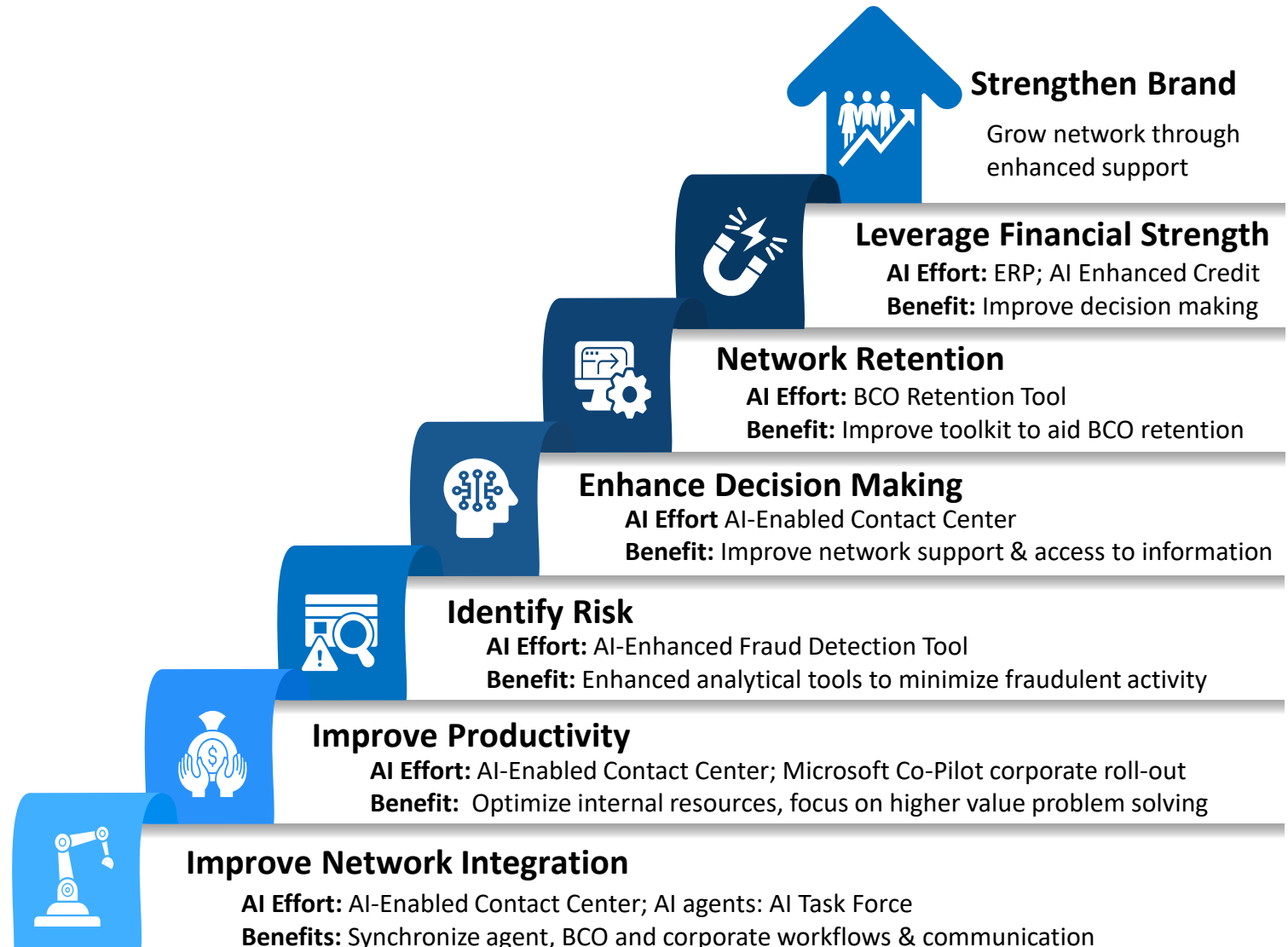
In-flight AI Efforts



Improve the experience for all Landstar Network stakeholders

Optimize the deployment of resources

Minimize risk and reduce friction throughout the Landstar Network



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