



4Q | 2025

Executive Summary

Frank Lonegro

Chief Executive Officer

RESULTS

Dollars in Millions (except per share amounts)

| Metric | 4Q 2025 | 4Q 2024 | Chg. |
|--------------------|------------|------------|---------|
| Revenue | \$ 1,174.5 | \$ 1,209.3 | (2.9%) |
| Operating Income | \$ 29.6 | \$ 57.8 | (48.8%) |
| Earnings per Share | \$ 0.70 | \$ 1.31 | (46.6%) |

HIGHLIGHTS

4Q revenue performance

Strong performance in our services hauled by unsided/platform equipment

Overall truck revenue per load that outperformed pre-pandemic historical trends

Operating income and EPS

Negatively impacted by challenging insurance and claims environment (discrete insurance items of \$0.49 per share); and additional Metro impairment (\$0.05 per share)

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



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AI Strategy

Jim Applegate

Chief Corporate Sales, Strategy and
Specialized Freight Officer

AI For The Landstar Network of Entrepreneurs

In-flight AI Efforts

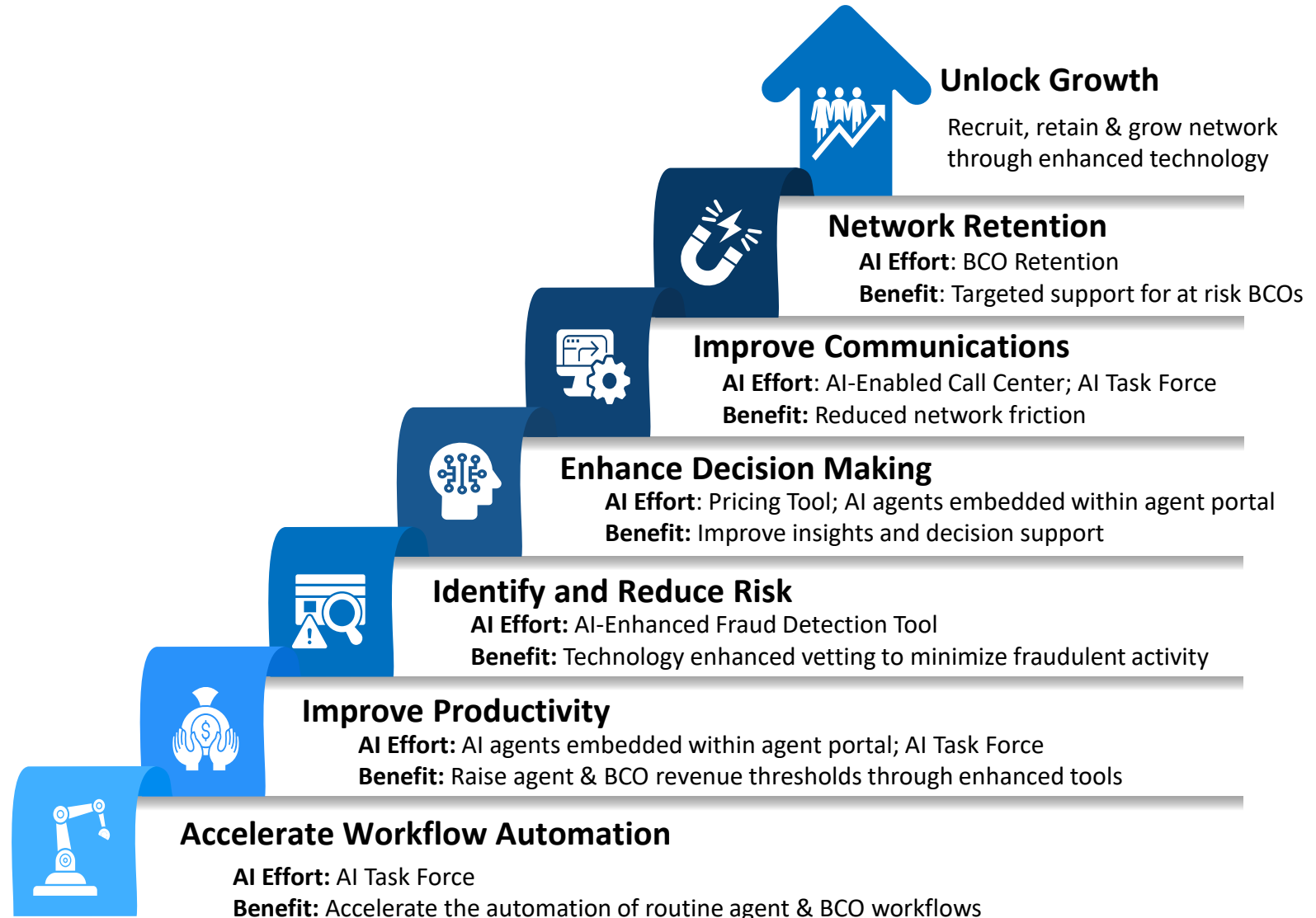


Improve productivity and unlock Agent & BCO growth

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

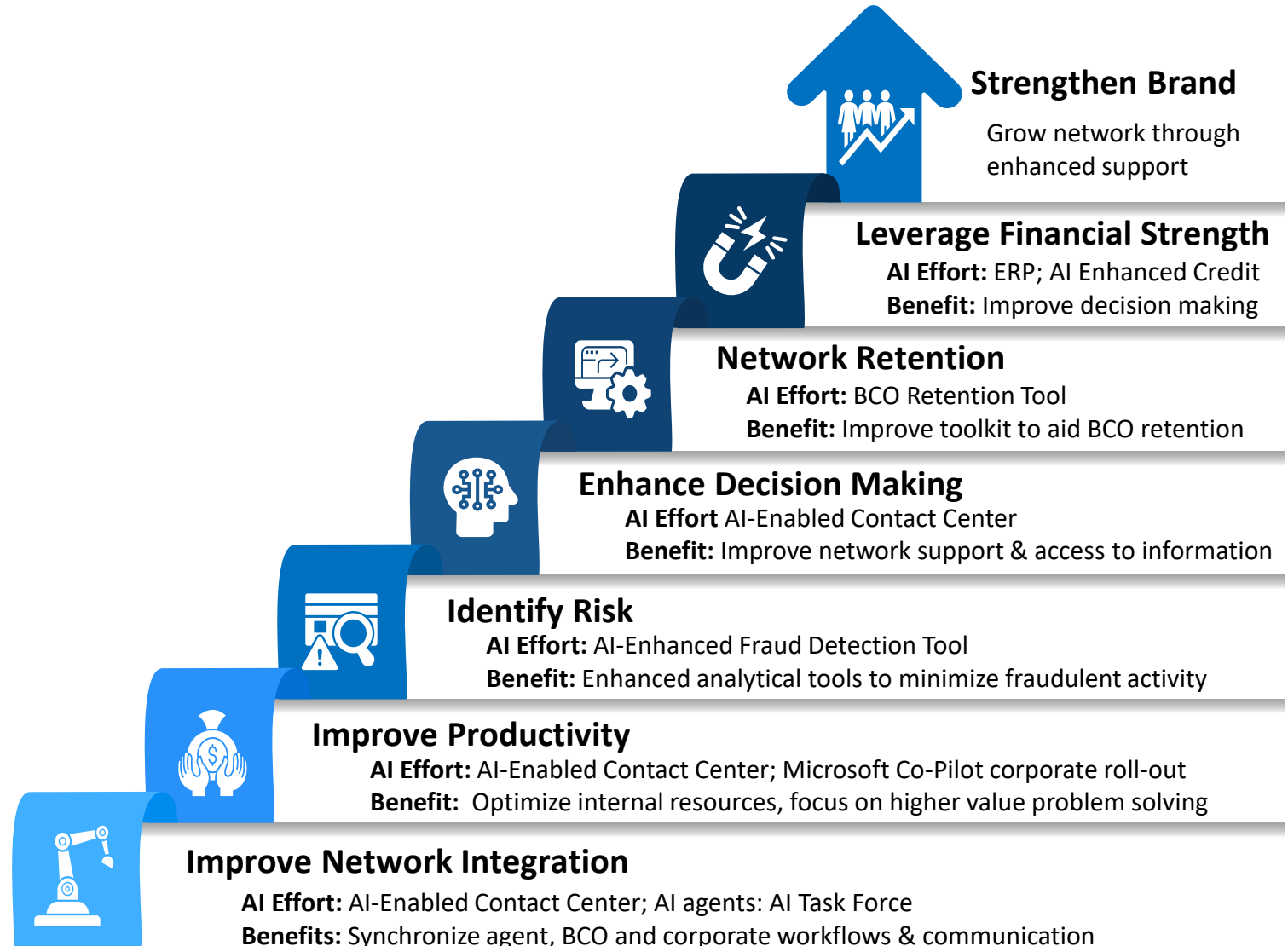
In-flight AI Efforts



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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Network and Capacity

Frank Lonegro

Chief Executive Officer

Landstar Network and 4Q Truckload Operating Results



LANDSTAR NETWORK

Agents
~960

Customers
20,000+

Capacity
70,000+

Employees*
~1,300

* Excluding LSTR Metro



4Q RESULTS

| | |
|---------|------------------------------------|
| \$1.08B | Truck Revenue |
| 473K | Truck Loadings |
| \$2,280 | Truck Revenue per Load |
| 457 | Million \$ Agents** |
| 8,514 | BCO Trucks |
| 62,790 | Carriers |
| 17,400+ | Trailers |
| 0.59 | DOT Accidents per Million Miles*** |

** Based on 2025 fiscal year *** 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 | Dec 27, 2025 | Dec 28, 2024 |
|---|---------------|---------------|
| BCO Independent Contractors | 7,712 | 8,082 |
| Truck Brokerage Carriers | | |
| Approved and Active ⁽¹⁾ | 36,852 | 43,718 |
| Other Approved | 25,938 | 26,527 |
| Total Truck Brokerage Carriers | 62,790 | 70,245 |
| <i>Total Available Truck Capacity Providers</i> | <i>70,502</i> | <i>78,327</i> |
| Trucks Provided by BCO Independent Contractors | 8,514 | 8,843 |

(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 \$228.9 million and \$252.6 million in the 2025 and 2024 fiscal year periods, respectively, and \$59.4 million and \$ 55.4 million in the 2025 and 2024 fourth quarters, respectively.



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Financial Results

Jim Todd

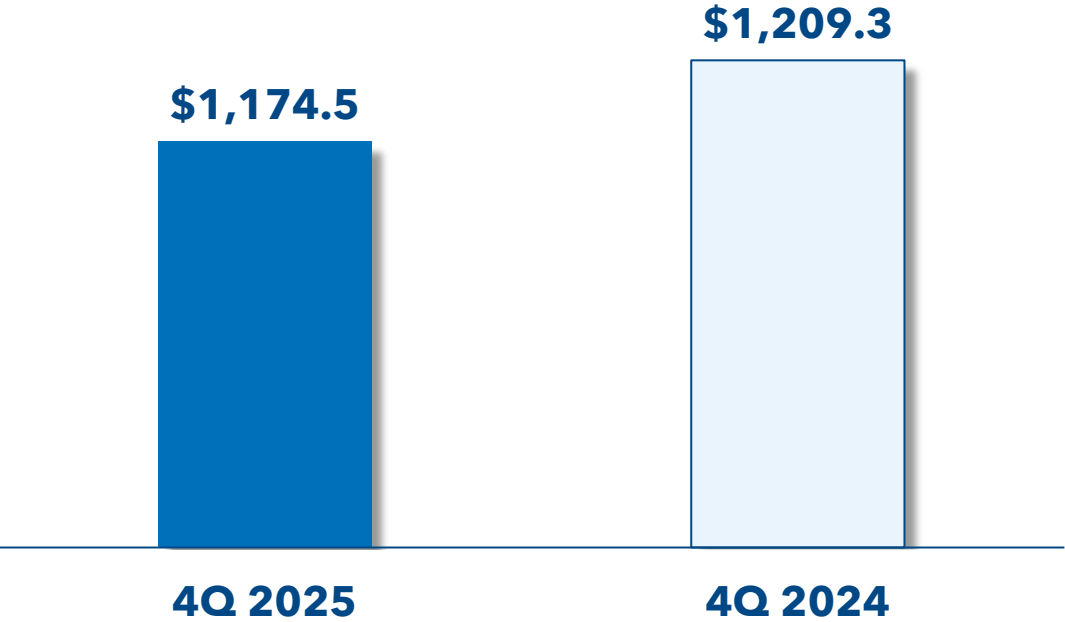
Chief Financial Officer

Revenue

Dollars in Millions



RESULTS



VARIANCE

| Revenue Source | Rate ⁽¹⁾ | Vol. ⁽²⁾ | Chg. |
|--------------------|---------------------|---------------------|---------|
| Truck | 0.5% | (0.8%) | (0.2%) |
| Rail Intermodal | 6.9% | 22.3% | 30.7% |
| Ocean/Air | (26.3%) | (18.9%) | (40.2%) |
| Insurance Premiums | N/A | N/A | (4.4%) |
| Total Revenue | — | — | (2.9%) |

(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 down 3% Y-O-Y

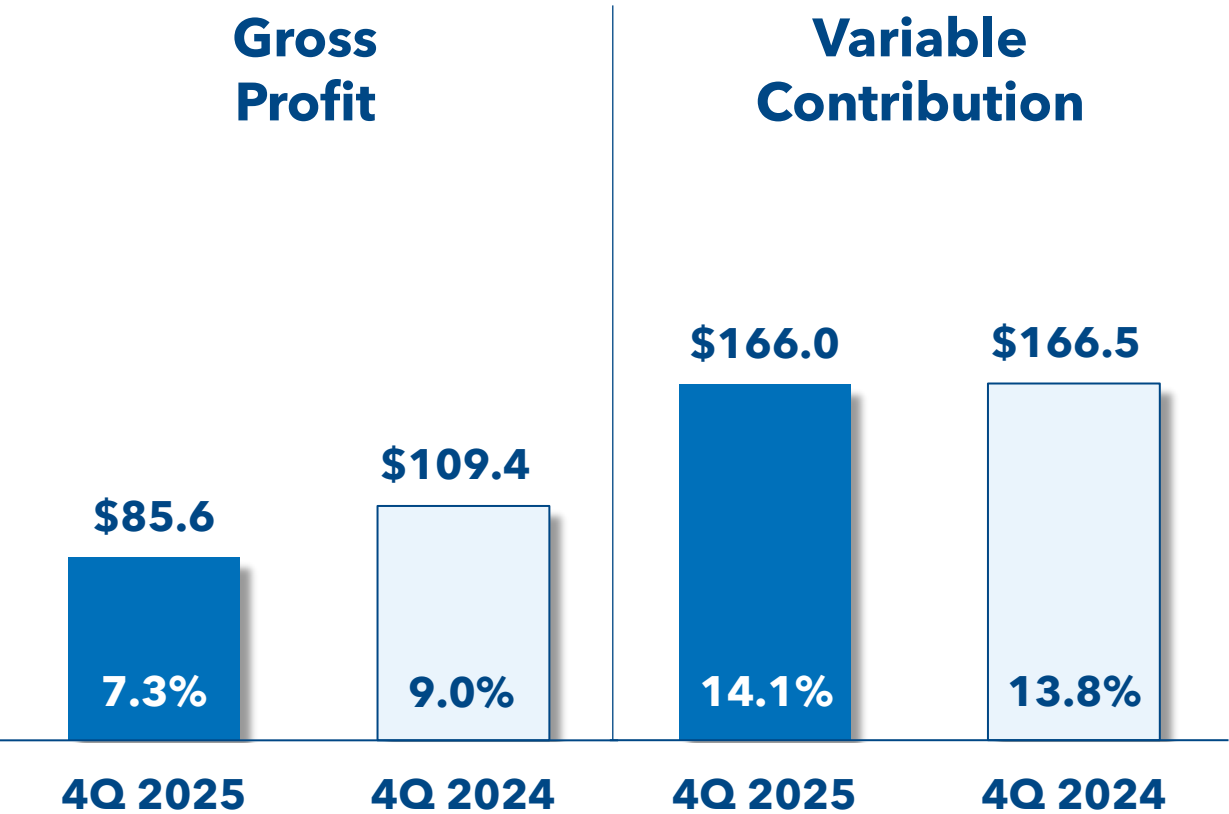
| Revenue Share | | Market Segment | Y-O-Y Change in Revenue |
|---------------|---------|----------------------|----------------------------|
| 4Q 2025 | 4Q 2024 | | |
| 27.8 | 27.4 | Consumer Durables | (2) |
| 16.1 | 13.7 | Machinery | 14 |
| 9.6 | 10.1 | Automotive | (7) |
| 9.4 | 9.4 | Building Products | (3) |
| 7.4 | 6.5 | AA&E, Hazmat | 10 |
| 7.3 | 7.0 | Electrical | 1 |
| 4.8 | 5.0 | Metals | (8) |
| 3.3 | 3.0 | Energy | 6 |
| 2.0 | 2.3 | Substitute Line Haul | (15) |
| 12.3 | 15.6 | Other | (22) |

Gross Profit ⁽¹⁾ and Variable Contribution ⁽²⁾

with Associated Margins
Dollars in Millions



RESULTS



CHANGE IN VC MARGIN

| Amounts in % | 4Q |
|--------------------------------|-------|
| 2024 | 13.8 |
| Revenue - Variable | 0.2 |
| Change in Mix/Other | 0.2 |
| Revenue - Fixed ⁽³⁾ | (0.1) |
| 2025 | 14.1 |

(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 44% and 42% of revenue in the 2025 and 2024 fourth quarters, respectively.

Operating Income

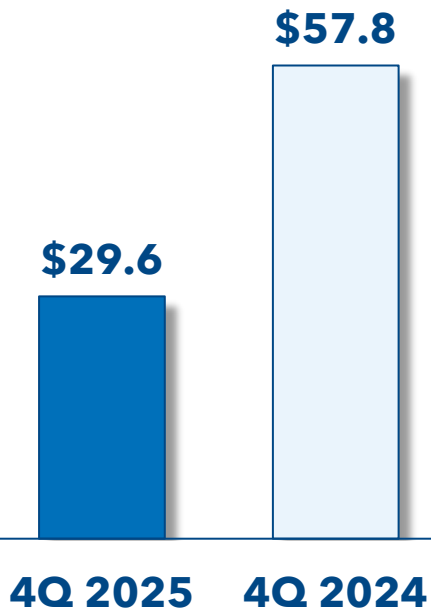
as a Percentage of Gross Profit and Variable Contribution

Dollars in Millions



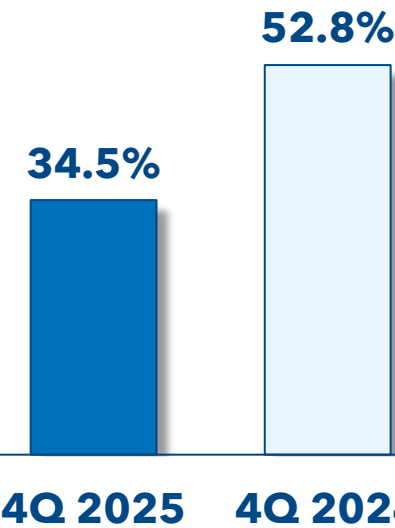
RESULTS

Operating Income

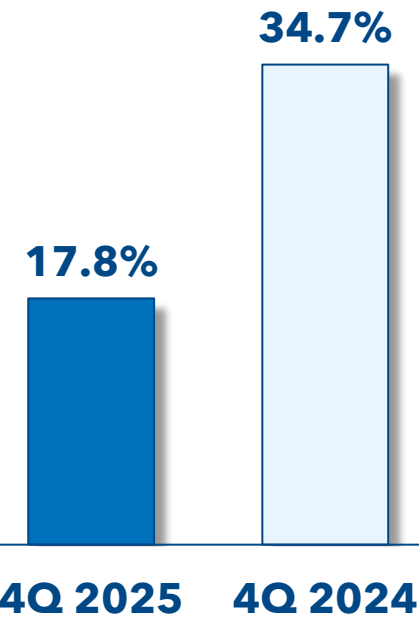


Percentage of

Gross Profit



Variable Contribution



CHANGE IN PERCENTAGE

of Variable Contribution

Amounts in %

4Q

2024 **34.7**

Insurance and claims (16.2)

Non-cash impairment charges (1.2)

SG&A (0.8)

Other operating costs 0.0

Depreciation and amortization 1.3

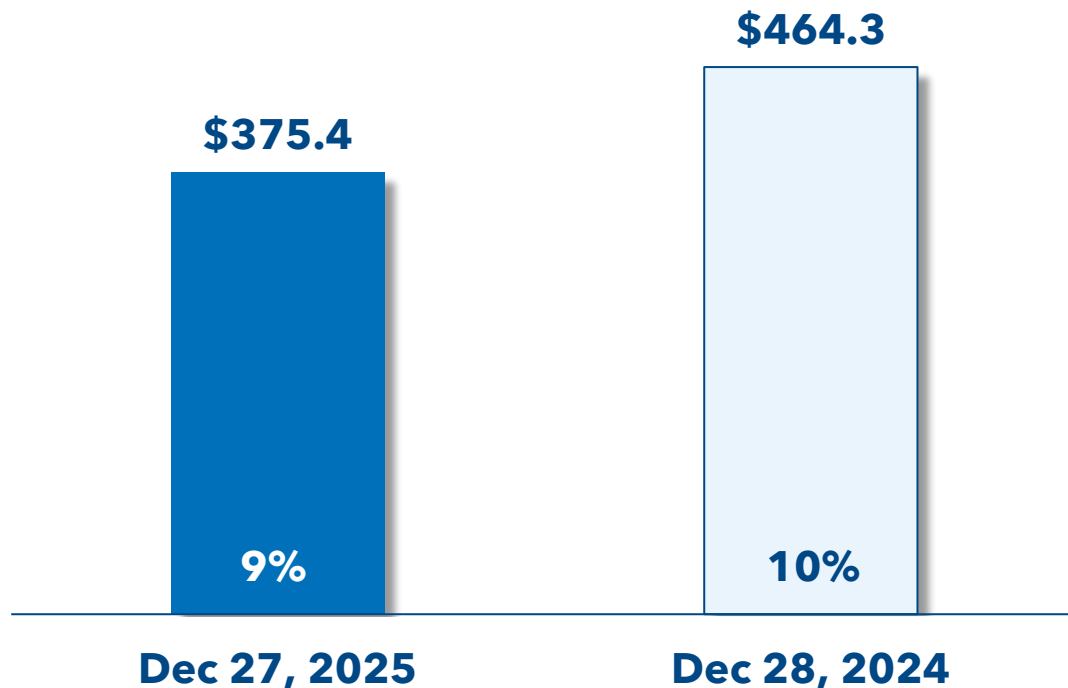
2025 **17.8**

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 | 4Q 2025 | 4Q 2024 |
|-------------------------------|----------|----------|
| Cash flow from operations | \$ 224.9 | \$ 286.6 |
| Capital expenditures | \$ 9.9 | \$ 31.0 |
| Free cash flow ⁽³⁾ | \$ 215.0 | \$ 255.6 |
| Share repurchases | \$ 179.9 | \$ 81.4 |
| Dividends paid | \$ 124.8 | \$ 120.5 |

RETURNS

Trailing 12 months as of date indicated

| Return Type | Dec 27, 2025 | Dec 28, 2024 |
|------------------|--------------|--------------|
| Equity | 13% | 20% |
| Invested Capital | 12% | 18% |
| Assets | 7% | 11% |

(1) Net cash is defined as cash and cash equivalents of \$396.7 million plus short term investments of \$55.5 million less outstanding debt of \$76.8 million as of December 27, 2025. As of December 28, 2024, net cash was cash and cash equivalents of \$515.0 million plus short term investments of \$51.6 million less outstanding debt of \$102.3 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.



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Closing Remarks

Frank Lonegro

Chief Executive Officer

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

- **Truck Loads:** January approximately 1% below January 2025
 - Essentially in line with typical December to January month-to-month historical trends
- **Truck Revenue per Load:** January approximately 4% above January 2025
 - Modestly above typical December to January month-to-month historical trends

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

- **Truck Revenue:** Mid-single digit to high-single digit decrease from 4Q to 1Q
- **Truck Loads:** 4% decline 4Q to 1Q
- **Truck Revenue per Load:** 4% decline 4Q to 1Q

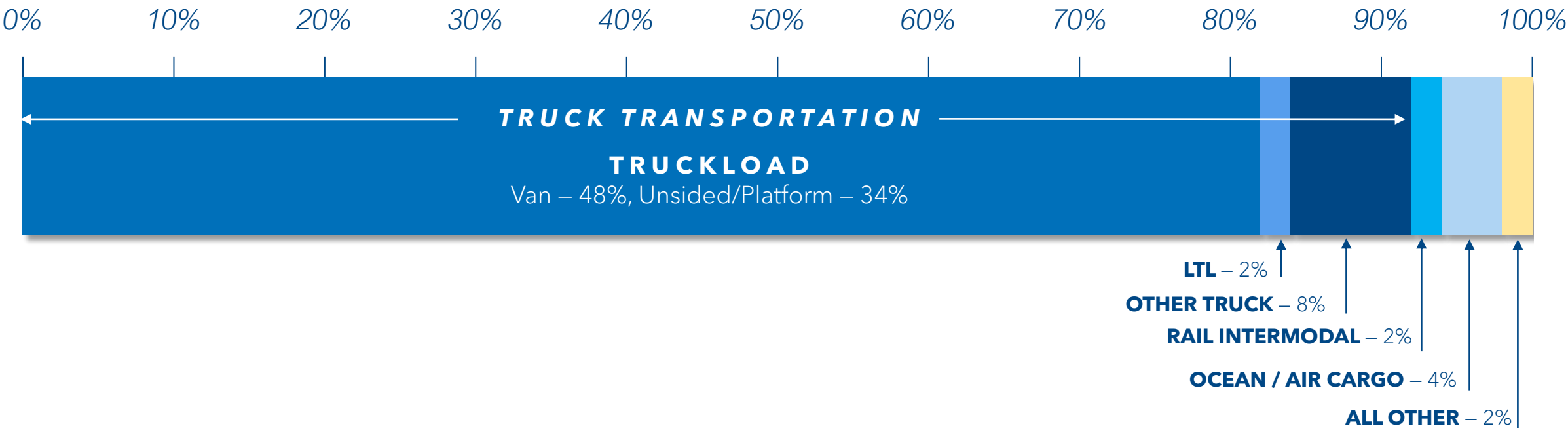


4Q | 2025

Appendix

PERCENTAGE OF REVENUE 4Q 2025

by Service Type



CHANGE IN SHARE SINCE 4Q 2024

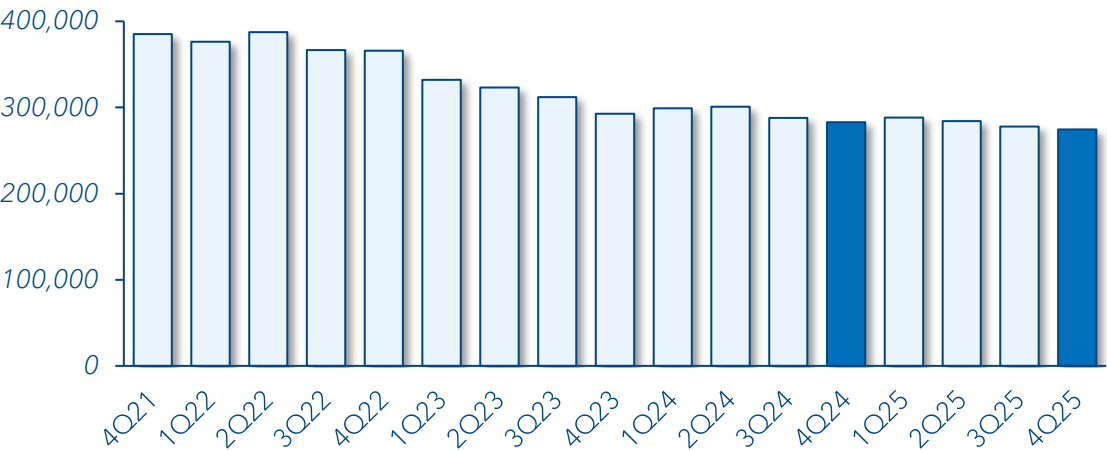
| Van Equipment | Unsided/ Platform Equipment | LTL | Other Truck Transportation | Rail Intermodal | Ocean/ Air cargo | All Other |
|---------------|-----------------------------|---------|----------------------------|-----------------|------------------|-----------|
| 49% ➡ 48% | 30% ➡ 34% | 2% ➡ 2% | 8% ➡ 8% | 2% ➡ 2% | 7% ➡ 4% | 2% ➡ 2% |

Truckload Loadings and Revenue per Truckload Trends

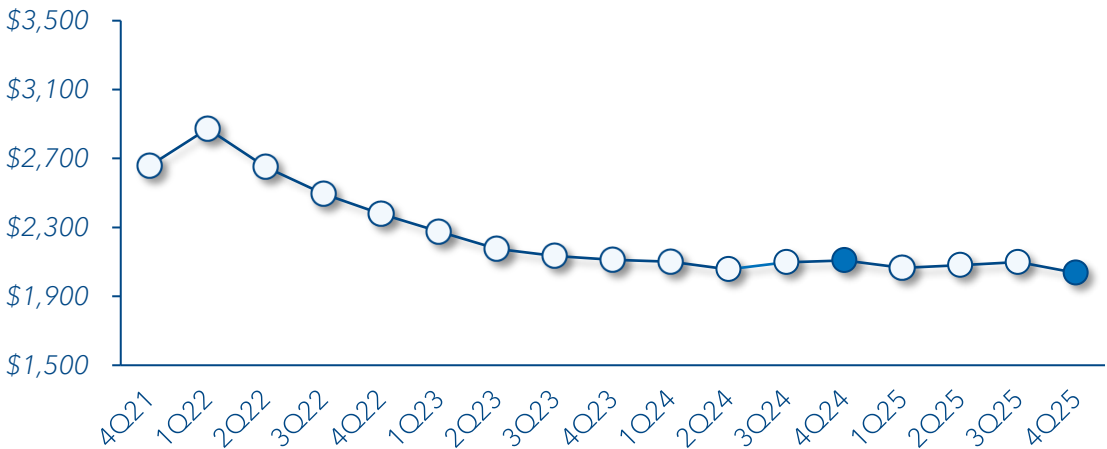


VAN

NUMBER OF LOADS

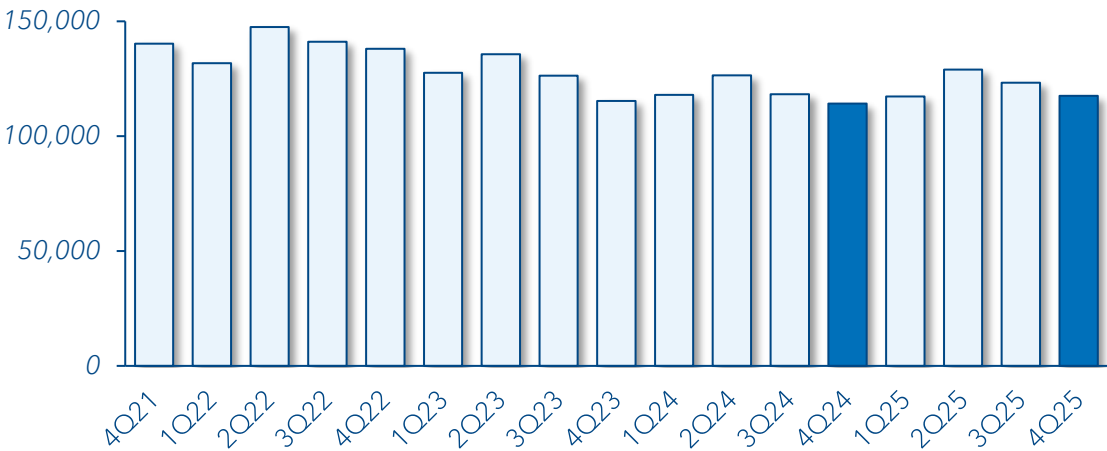


REVENUE PER LOAD

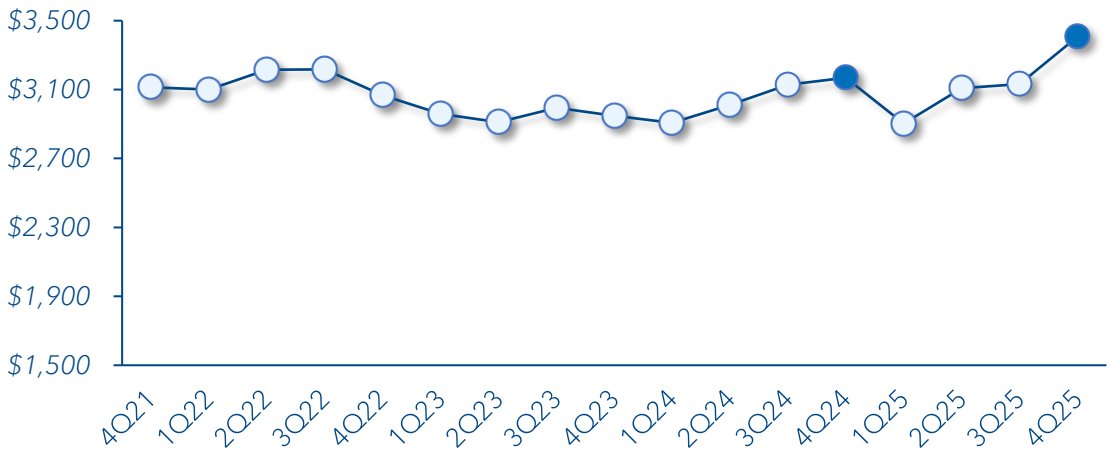


UNSIDED / PLATFORM

NUMBER OF LOADS



REVENUE PER LOAD

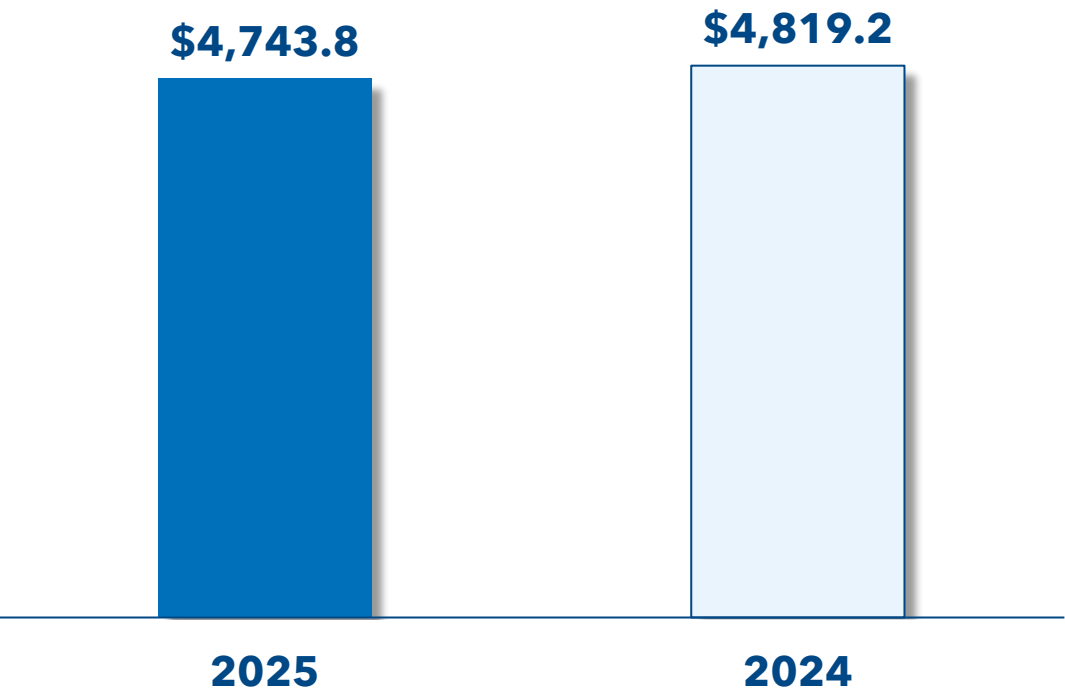


Revenue - Fiscal Year

Dollars in Millions



RESULTS



VARIANCE

| Revenue Source | Rate ⁽¹⁾ | Vol. ⁽²⁾ | Chg. |
|--------------------|---------------------|---------------------|---------|
| Truck | 0.6% | (0.9%) | (0.2%) |
| Rail Intermodal | (3.5%) | 7.2% | 3.4% |
| Ocean/Air | (7.8%) | (9.6%) | (16.7%) |
| Insurance Premiums | N/A | N/A | (7.3%) |
| Total Revenue | — | — | (1.6%) |

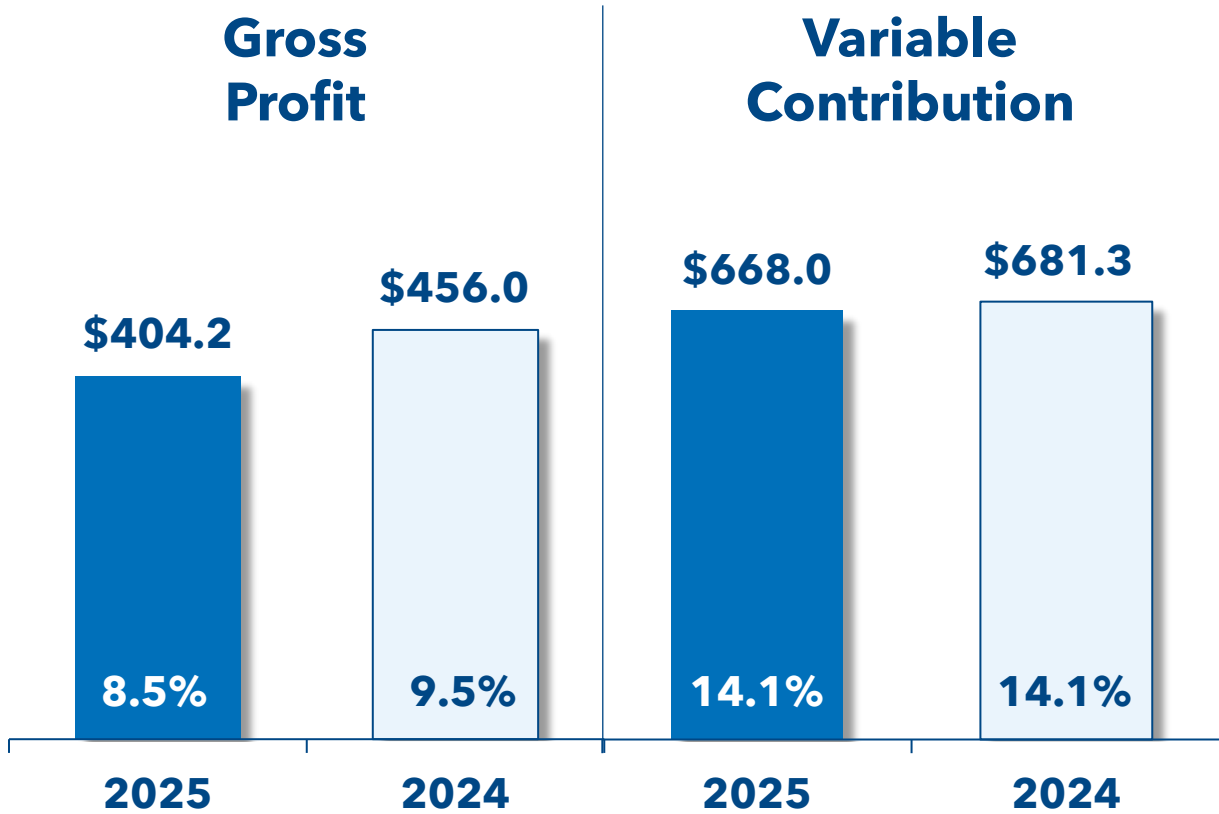
(1) Percentage change in rate is calculated on a revenue per load basis.
(2) Percentage change in volume is calculated on the number of loads hauled.

Gross Profit and Variable Contribution – Fiscal Year

with Associated Margins
Dollars in Millions



RESULTS



CHANGE IN VC MARGIN

| Amounts in % | 2025 |
|--------------------------------|------|
| 2024 | 14.1 |
| Revenue – Fixed ⁽¹⁾ | 0.0 |
| Revenue – Variable | 0.0 |
| Change in Mix/Other | 0.0 |
| 2025 | 14.1 |

(1) Revenue on transactions where the Company’s variable contribution margin was based on a contractually pre-determined percentage of revenue accounted for 43% of revenue in both the 2025 and 2024 fiscal year periods.

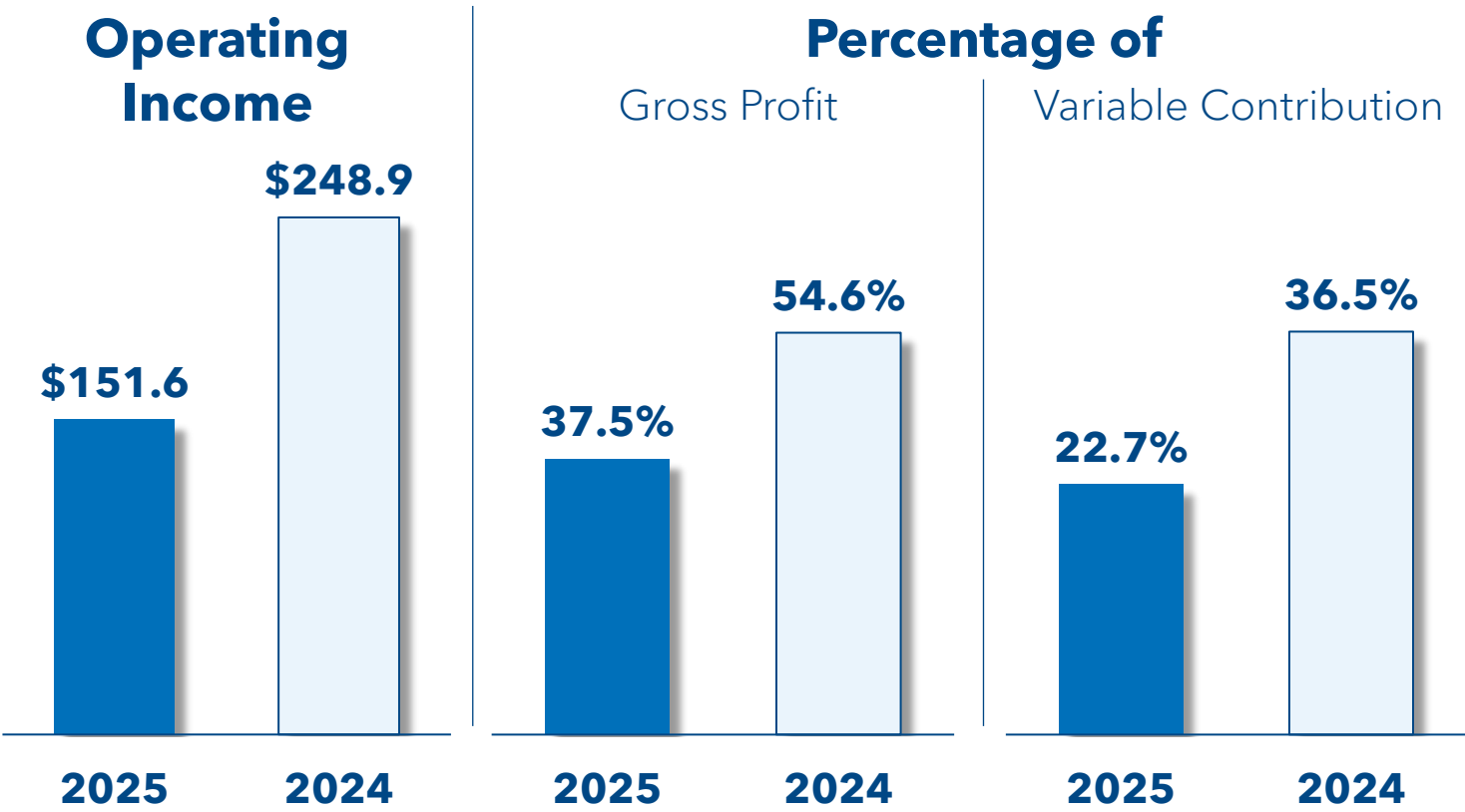
Operating Income - Fiscal Year

as a Percentage of Gross Profit and Variable Contribution

Dollars in Millions



RESULTS



CHANGE IN PERCENTAGE

of Variable Contribution

| Amounts in % | 2025 |
|-------------------------------|-------|
| 2024 | 36.5 |
| Insurance and claims | (7.3) |
| Non-cash impairment charges | (4.8) |
| SG&A | (2.5) |
| Other operating costs | (0.6) |
| Depreciation and amortization | 1.4 |
| 2025 | 22.7 |

Reconciliation of Gross Profit to Variable Contribution

Dollars in Thousands



| | Fiscal Years Ended | | Fiscal Quarters Ended | |
|----------------------------------|--------------------|-------------------|-----------------------|-------------------|
| | Dec 27, 2025 | Dec 28, 2024 | Dec 27, 2025 | Dec 28, 2024 |
| Revenue | \$ 4,743,760 | \$ 4,819,245 | \$ 1,174,469 | \$ 1,209,330 |
| Costs of revenue: | | | | |
| Purchased transportation | 3,688,343 | 3,745,241 | 912,582 | 945,857 |
| Commissions to agents | 387,397 | 392,751 | 95,868 | 96,950 |
| Variable costs of revenue | 4,075,740 | 4,137,992 | 1,008,450 | 1,042,807 |
| Trailing equipment depreciation | 27,195 | 27,950 | 6,366 | 7,186 |
| Information technology costs (1) | 13,675 | 22,744 | 2,747 | 4,629 |
| Insurance-related costs (2) | 161,370 | 115,764 | 56,748 | 30,642 |
| Other operating costs | 61,586 | 58,781 | 14,590 | 14,643 |
| Other costs of revenue | 263,826 | 225,239 | 80,451 | 57,100 |
| Total costs of revenue | 4,339,566 | 4,363,231 | 1,088,901 | 1,099,907 |
| Gross profit | \$ 404,194 | \$ 456,014 | \$ 85,568 | \$ 109,423 |
| Gross profit margin | 8.5% | 9.5% | 7.3% | 9.0% |
| Plus: other costs of revenue | 263,826 | 225,239 | 80,451 | 57,100 |
| Variable contribution | \$ 668,020 | \$ 681,253 | \$ 166,019 | \$ 166,523 |
| Variable contribution margin | 14.1% | 14.1% | 14.1% | 13.8% |

(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

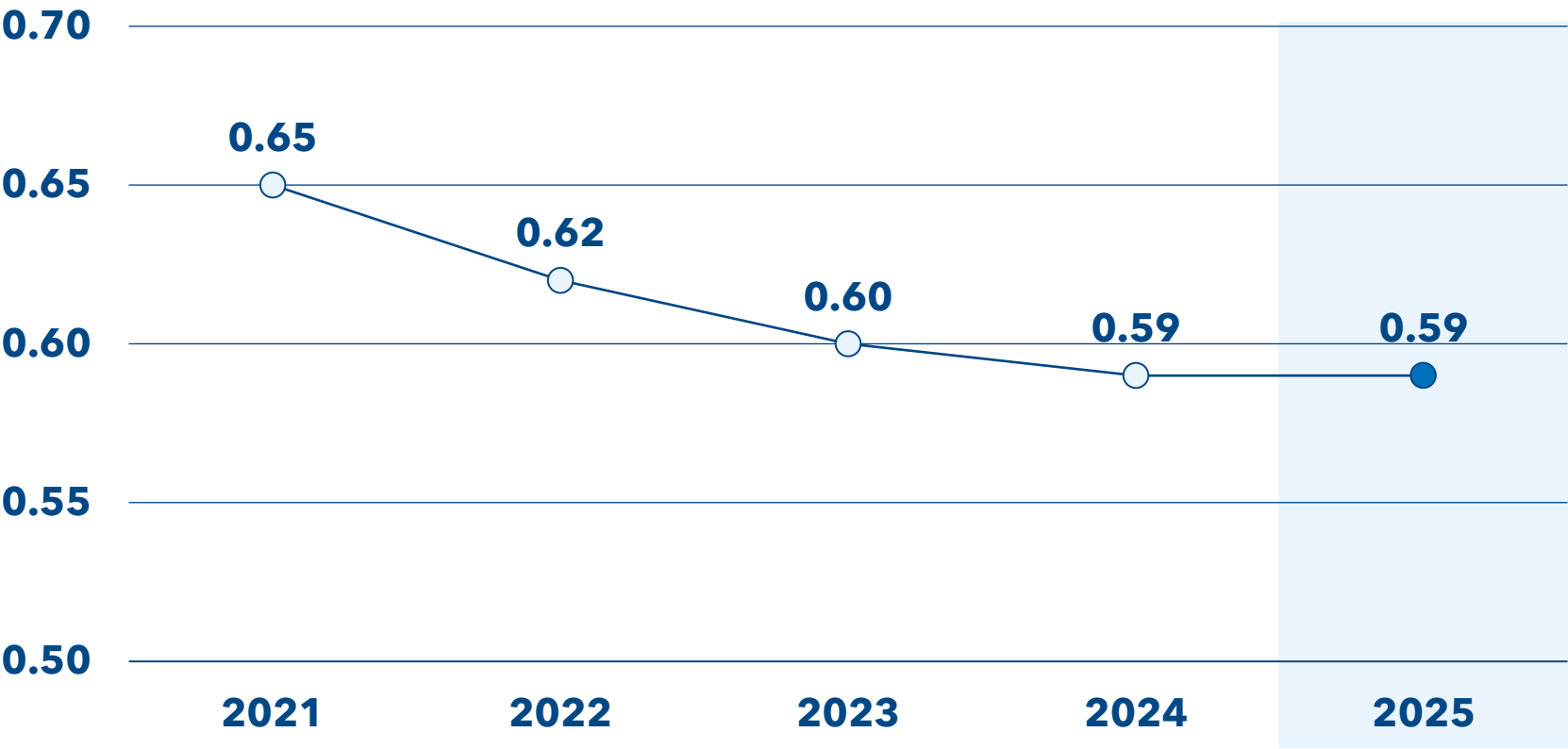
| Cash Flow Item | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------------------|--------|--------|--------|--------|--------|
| Cash flow from operations | \$ 277 | \$ 623 | \$ 394 | \$ 287 | \$ 225 |
| Cash capital expenditures | \$ 24 | \$ 26 | \$ 26 | \$ 31 | \$ 10 |
| Free cash flow | \$ 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.

LANDSTAR



Landstar System, Inc.

4Q | 2025

Earnings Conference Call

