

For Immediate Release

May 13, 2025

**LANDSTAR SYSTEM REPORTS FIRST QUARTER
REVENUE OF \$1.153B AND EARNINGS PER SHARE OF \$0.85 AND
ANNOUNCES 11% INCREASE TO QUARTERLY DIVIDEND**

Jacksonville, FL - Landstar System, Inc. (NASDAQ: LSTR) (“Landstar” or the “Company”) today reported basic and diluted earnings per share (“EPS”) of \$0.85 in the 2025 first quarter on revenue of \$1.153 billion. “The Landstar team of independent business owners and employees continued to perform admirably, despite a highly unpredictable macro-economic backdrop,” said Landstar President and Chief Executive Officer Frank Lonegro. “I was encouraged by the number of loads hauled via truck in the quarter. Importantly, this was the first time in fifteen years that the number of loads hauled via truck during the first quarter exceeded the immediately preceding fourth quarter. Our network of Landstar BCOs, agents and employees are laser-focused on safety, security and delivering great service to our customers in an extremely fluid freight transportation environment.”

	1Q 2025	1Q 2024
Revenue	\$ 1,152,502	\$ 1,171,043
Gross profit	\$ 98,305	\$ 113,902
Variable contribution	\$ 161,310	\$ 168,240
Operating income	\$ 39,419	\$ 59,961
Basic and diluted earnings per share	\$ 0.85	\$ 1.32

(1) Dollars above in thousands, except per share amounts.

(2) Please refer to the Consolidated Statements of Income and Reconciliation of Gross Profit to Variable Contribution included below.

As previously disclosed in Current Reports on Form 8-K filed with the U.S. Securities and Exchange Commission on April 2, 2025 (the “April 2nd 8-K”), and subsequently on April 25, 2025 (the “April 25th 8-K”), during the last week of the Company’s 2025 first quarter, Landstar identified a supply chain fraud relating to the Company’s international freight forwarding operations that does not involve its core North American truckload services. While investigation, remediation and collection efforts continue, the 2025 first quarter results include a \$4.8 million pre-tax charge, or \$0.10 per share, relating to this matter.

LANDSTAR SYSTEM/2

This charge currently reflects the total anticipated adverse financial impact to Landstar relating to the fraud, net of certain actual and anticipated recoveries and before taking into account the cost of legal and other professional fees as well as additional potential recoveries in the future. This charge is reflected in selling, general & administrative costs.

Landstar continues to return capital to stockholders through the Company's stock purchase program and dividends. During the 2025 first quarter, Landstar purchased approximately 386,000 shares of its common stock at an aggregate cost of \$60.9 million and paid \$83.3 million to stockholders in the form of cash dividends. The Company is currently authorized to purchase up to an additional 2,161,663 shares of the Company's common stock under its longstanding share purchase program. Landstar also announced today that its Board of Directors declared a quarterly dividend of \$0.40 per share payable on June 24, 2025, to stockholders of record as of the close of business on June 5, 2025. This quarterly dividend includes a \$0.04 per share increase, or 11% over the amount of the Company's regular quarterly dividend declared following each of the prior three quarters.

Total revenue was \$1,153 million in the 2025 first quarter, compared to \$1,171 million in the 2024 first quarter. Truck transportation revenue hauled by independent business capacity owners ("BCOs") and truck brokerage carriers in the 2025 first quarter was \$1,050 million, or 91% of revenue, compared to \$1,069 million, or 91% of revenue, in the 2024 first quarter. Truckload transportation revenue hauled via van equipment in the 2025 first quarter was \$595 million, compared to \$628 million in the 2024 first quarter. Truckload transportation revenue hauled via unsided/platform equipment in the 2025 first quarter was \$340 million, compared to \$343 million in the 2024 first quarter. Revenue from other truck transportation, which is largely related to power-only services, in the 2025 first quarter was \$92 million, compared to \$72 million in the 2024 first quarter. Revenue hauled by rail, air and ocean cargo carriers was \$83 million, or 7% of revenue, in the 2025 first quarter, compared to \$77 million, or 7% of revenue, in the 2024 first quarter.

The number of loads hauled via truck declined 1.2% in the 2025 first quarter as compared to the 2024 first quarter. This performance was slightly better than the high-end of the Company's guidance range of 7% below to 2% below prior year included in its 2024 fourth

quarter earnings release slide presentation, dated January 29, 2025 (the “2025 First Quarter Guidance”). Truck revenue per load decreased 0.6% in the 2025 first quarter as compared to the 2024 first quarter, below the mid-point of the guidance range of 2% below to 3% above prior year provided in the 2025 First Quarter Guidance. As a result, first quarter revenue exceeded the mid-point of the range included in the Company’s 2025 First Quarter Guidance.

The April 25th 8-K announced that 2025 first quarter EPS was \$0.95, prior to giving effect to any potential adverse impact from the supply chain fraud matter referenced above. As also noted in the April 25th 8-K, the adverse financial impact to Landstar, before taking into account the cost of legal and other professional fees or any potential insurance and other recoveries, was not expected to exceed \$0.43 per share on an after-tax basis. As previously stated, 2025 first quarter EPS was \$0.85, inclusive of \$0.10 per share relating to the supply chain fraud matter. As previewed by the April 2nd 8-K, 2025 first quarter EPS also reflected highly elevated insurance and claim costs of 9.3% of BCO revenue, well above the Company’s average historical experience from the 2019 fiscal year through the 2024 fiscal year of 4.9%, primarily due to cargo theft and truck accident adverse prior year claim development.

Gross profit in the 2025 first quarter was \$98 million and variable contribution (defined as revenue less the cost of purchased transportation and commissions to agents) in the 2025 first quarter was \$161 million. Gross profit in the 2024 first quarter was \$114 million and variable contribution in the 2024 first quarter was \$168 million. Reconciliations of gross profit to variable contribution and gross profit margin to variable contribution margin for the 2025 and 2024 first quarters are provided in the Company’s accompanying financial disclosures.

The Company’s balance sheet continues to be very strong, with cash and short-term investments of approximately \$473 million as of March 29, 2025. Trailing twelve-month return on average shareholders’ equity was 18%, and return on invested capital, representing net income divided by the sum of average equity plus average debt, was 17%.

Landstar will provide a live webcast of its quarterly earnings conference call this morning at 8:30 a.m. ET. To access the webcast, visit www.investor.landstar.com; click on "Webcasts," then click on "Landstar's First Quarter 2025 Earnings Release Conference Call." A slide presentation to accompany the webcast presentation is also available on Landstar's investor relations website at <https://investor.landstar.com/>.

Contact:
Jim Todd
Chief Financial Officer
904-398-9400

About Landstar:

Landstar System, Inc., is a technology-enabled, asset-light provider of integrated transportation management solutions delivering safe, specialized transportation services to a broad range of customers utilizing a network of agents, third-party capacity providers and employees. Landstar transportation services companies are certified to ISO 9001:2015 quality management system standards and RC14001:2015 environmental, health, safety and security management system standards. Landstar System, Inc. is headquartered in Jacksonville, Florida. Its common stock trades on The NASDAQ Stock Market® under the symbol LSTR.

Non-GAAP Financial Measures:

In this earnings release and accompanying financial disclosures, the Company provides the following information that may be deemed non-GAAP financial measures: variable contribution and variable contribution margin. The Company 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. The Company 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.

Forward Looking Statements Disclaimer:

The following is a "safe harbor" statement under the Private Securities Litigation Reform Act of 1995. Statements contained in this press release that are not based on historical facts are "forward-looking statements." This press release contains 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," "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: U.S. trade relationships; an increase in the frequency or severity of accidents or other claims; unfavorable development of existing accident claims; dependence on third party insurance companies; dependence on independent commission sales agents; dependence on third party capacity providers; the impact of the Russian conflict with Ukraine on the operations of certain independent commission sales agents, including the Company's largest such agent by revenue in the 2024 fiscal year; decreased demand for transportation services; substantial industry competition; disruptions or failures in the Company's computer systems; cyber and other information security incidents; dependence on key vendors; potential changes in taxes; status of independent contractors; regulatory and legislative changes; regulations focused on diesel emissions and other air quality matters; regulations requiring the purchase and use of zero-emission vehicles; intellectual property; and other operational, financial or legal risks or uncertainties detailed in Landstar's Form 10-K for the 2024 fiscal year, described in Item 1A Risk Factors, and in 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.

Landstar System, Inc. and Subsidiary
Consolidated Statements of Income

(Dollars in thousands, except per share amounts)
(Unaudited)

	Thirteen Weeks Ended	
	March 29, 2025	March 30, 2024
Revenue	\$ 1,152,502	\$ 1,171,043
Investment income	3,598	3,412
Costs and expenses:		
Purchased transportation	897,878	905,521
Commissions to agents	93,314	97,282
Other operating costs, net of gains on asset sales/dispositions	11,829	14,859
Insurance and claims	39,852	26,268
Selling, general and administrative	61,582	56,422
Depreciation and amortization	12,226	14,142
	1,116,681	1,114,494
Operating income	39,419	59,961
Interest and debt (income) expense	(159)	(1,611)
	39,578	61,572
Income before income taxes	39,578	61,572
Income taxes	9,772	14,476
	29,806	47,096
Net income	\$ 29,806	\$ 47,096
Basic and diluted earnings per share	\$ 0.85	\$ 1.32
Average basic and diluted shares outstanding	35,203,000	35,750,000
Dividends per common share	\$ 0.36	\$ 0.33

Landstar System, Inc. and Subsidiary

Consolidated Balance Sheets

(Dollars in thousands, except per share amounts)

(Unaudited)

	March 29, 2025	December 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 417,420	\$ 515,018
Short-term investments	56,016	51,619
Trade accounts receivable, less allowance of \$16,316 and \$12,904	703,181	683,841
Other receivables, including advances to independent contractors, less allowance of \$16,998 and \$17,812	48,433	47,160
Other current assets	16,571	22,229
Total current assets	1,241,621	1,319,867
Operating property, less accumulated depreciation and amortization of \$456,072 and \$456,547	297,517	311,345
Goodwill	40,881	40,933
Other assets	136,159	141,166
Total assets	\$ 1,716,178	\$ 1,813,311
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Cash overdraft	\$ 59,359	\$ 61,033
Accounts payable	389,592	383,625
Current maturities of long-term debt	32,024	33,116
Insurance claims	37,638	40,511
Dividends payable	-	70,632
Other current liabilities	93,701	84,237
Total current liabilities	612,314	673,154
Long-term debt, excluding current maturities	61,944	69,191
Insurance claims	75,436	62,842
Deferred income taxes and other non-current liabilities	35,729	35,685
Shareholders' equity:		
Common stock, \$0.01 par value, authorized 160,000,000 shares, issued 68,581,772 and 68,559,269	686	686
Additional paid-in capital	257,296	255,260
Retained earnings	2,877,034	2,859,916
Cost of 33,635,595 and 33,243,196 shares of common stock in treasury	(2,193,265)	(2,131,413)
Accumulated other comprehensive loss	(10,996)	(12,010)
Total shareholders' equity	930,755	972,439
Total liabilities and shareholders' equity	\$ 1,716,178	\$ 1,813,311

Landstar System, Inc. and Subsidiary
Supplemental Information
(Unaudited)

	Thirteen Weeks Ended	
	March 29, 2025	March 30, 2024
Revenue generated through (in thousands):		
Truck transportation		
Truckload:		
Van equipment	\$ 594,795	\$ 628,304
Unsided/platform equipment	340,408	343,045
Less-than-truckload	22,436	25,617
Other truck transportation ⁽¹⁾	92,079	71,966
Total truck transportation	1,049,718	1,068,932
Rail intermodal	17,487	22,695
Ocean and air cargo carriers	65,637	54,074
Other ⁽²⁾	19,660	25,342
	\$ 1,152,502	\$ 1,171,043
Revenue on loads hauled via BCO Independent Contractors ⁽³⁾ included in total truck transportation	\$ 427,057	\$ 452,561
 Number of loads:		
Truck transportation		
Truckload:		
Van equipment	288,063	299,014
Unsided/platform equipment	117,245	117,947
Less-than-truckload	35,580	40,233
Other truck transportation ⁽¹⁾	44,012	33,526
Total truck transportation	484,900	490,720
Rail intermodal	6,150	7,150
Ocean and air cargo carriers	9,120	8,720
	500,170	506,590
Loads hauled via BCO Independent Contractors ⁽³⁾ included in total truck transportation	194,070	208,740
 Revenue per load:		
Truck transportation		
Truckload:		
Van equipment	\$ 2,065	\$ 2,101
Unsided/platform equipment	2,903	2,908
Less-than-truckload	631	637
Other truck transportation ⁽¹⁾	2,092	2,147
Total truck transportation	2,165	2,178
Rail intermodal	2,843	3,174
Ocean and air cargo carriers	7,197	6,201
Revenue per load on loads hauled via BCO Independent Contractors ⁽³⁾	\$ 2,201	\$ 2,168
 Revenue by capacity type (as a % of total revenue):		
Truck capacity providers:		
BCO Independent Contractors ⁽³⁾	37%	39%
Truck Brokerage Carriers	54%	53%
Rail intermodal	2%	2%
Ocean and air cargo carriers	6%	5%
Other	2%	2%
	March 29, 2025	March 30, 2024
Truck Capacity Providers		
BCO Independent Contractors ⁽³⁾	7,871	8,619
Truck Brokerage Carriers:		
Approved and active ⁽⁴⁾	47,323	45,919
Other approved	33,275	26,320
	80,598	72,239
Total available truck capacity providers	88,469	80,858
Trucks provided by BCO Independent Contractors ⁽³⁾	8,620	9,410

(1) Includes power-only, expedited, straight truck, cargo van, and miscellaneous other truck transportation revenue generated by the transportation logistics segment. Power-only refers to shipments where the Company furnishes a power unit and an operator but not trailing equipment, which is typically provided by the shipper or consignee.

(2) Includes primarily reinsurance premium revenue generated by the insurance segment and intra-Mexico transportation services revenue generated by Landstar Metro.

(3) BCO Independent Contractors are independent contractors who provide truck capacity to the Company under exclusive lease arrangements.

(4) Active refers to Truck Brokerage Carriers who moved at least one load in the 180 days immediately preceding the fiscal quarter end.

Landstar System, Inc. and Subsidiary
Reconciliation of Gross Profit to Variable Contribution

(Dollars in thousands)
(Unaudited)

	Thirteen Weeks Ended	
	March 29, 2025	March 30, 2024
Revenue	\$ 1,152,502	\$ 1,171,043
Costs of revenue:		
Purchased transportation	897,878	905,521
Commissions to agents	93,314	97,282
Variable costs of revenue	991,192	1,002,803
Trailing equipment depreciation	6,977	6,897
Information technology costs (1)	3,675	5,804
Insurance-related costs (2)	40,524	26,778
Other operating costs	11,829	14,859
Other costs of revenue	63,005	54,338
Total costs of revenue	1,054,197	1,057,141
Gross profit	\$ 98,305	\$ 113,902
Gross profit margin	8.5%	9.7%
Plus: other costs of revenue	63,005	54,338
Variable contribution	\$ 161,310	\$ 168,240
Variable contribution margin	14.0%	14.4%

(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.

LANDSTAR



Landstar System, Inc.

1Q | 2025

Earnings Conference Call



LANDSTAR



1Q | 2025

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. 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 2024 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.

LANDSTAR



1Q | 2025

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 2025 and 2024 first quarters is included in this slide presentation within the Appendix.



1Q | 2025

Executive Summary

Frank Lonegro

Chief Executive Officer

RESULTS

Dollars in Millions (except per share amounts)

Metric	1Q 2025	1Q 2024	Chg.
Revenue	\$ 1,152.5	\$ 1,171.0	(1.6%)
Operating Income	\$ 39.4	\$ 60.0	(34.3%)
Earnings per Share	\$ 0.85	\$ 1.32	(35.6%)

HIGHLIGHTS

1Q revenue performance

- Stronger than mid-point of guidance
- For the first time in 15 years, the number of loads hauled via truck in 1Q exceeded the immediately preceding 4Q

Operating income and EPS

- Negatively impacted by elevated insurance and claims costs and previously disclosed supply chain fraud

Strong balance sheet

- Continuing to return meaningful capital to stockholders
- Announced 11% increase to regular quarterly dividend one quarter earlier than normal cadence

Investing through the cycle

- Supporting our network of entrepreneurs with continued investment

LANDSTAR NETWORK

Agents
~1,030

Customers
23,000+

Capacity
88,000+

Employees
~1,400



1Q RESULTS

\$1.05B

Truck Revenue

485K

Truck Loadings

\$2,165

Truck Revenue per Load

485

Million \$ Agents*

8,620

BCO Trucks

80,598

Carriers

17,300+

Trailers

0.69

DOT Accidents
per Million Miles**

* Based on 2024 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 29, 2025	Dec 28, 2024	Mar 30, 2024
BCO Independent Contractors	7,871	8,082	8,619
Truck Brokerage Carriers			
Approved and Active ⁽¹⁾	47,323	43,718	45,919
Other Approved	33,275	26,527	26,320
Total Truck Brokerage Carriers	80,598	70,245	72,239
Total Available Truck Capacity Providers	88,469	78,327	80,858
<i>Trucks Provided by BCO Independent Contractors</i>	<i>8,620</i>	<i>8,843</i>	<i>9,410</i>

(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 \$54.2 million and \$67.5 million in the 2025 and 2024 first quarters, respectively.



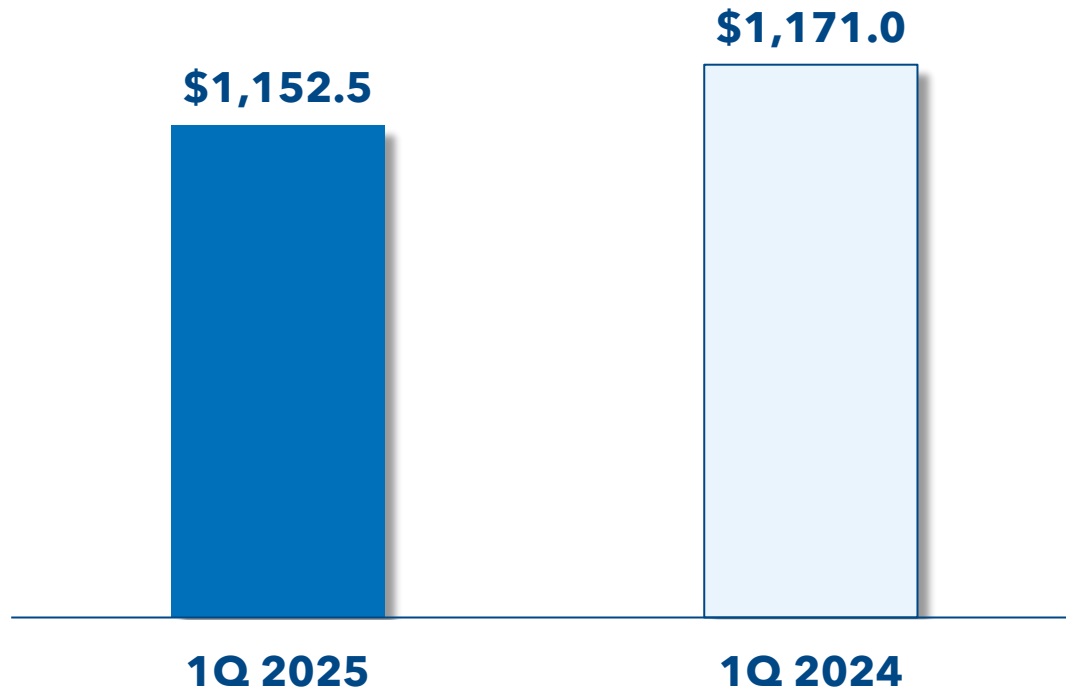
1Q | 2025

Financial Results

Jim Todd

Chief Financial Officer

RESULTS



VARIANCE

Revenue Source	Rate ⁽¹⁾	Vol. ⁽²⁾	Chg.
Truck	(0.6%)	(1.2%)	(1.8%)
Rail Intermodal	(10.4%)	(14.0%)	(22.9%)
Ocean/Air	16.1%	4.6%	21.4%
Insurance Premiums	N/A	N/A	(10.6%)
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 down 1% Y-O-Y

Revenue Share		Market Segment	Y-O-Y Change in Revenue
1Q 2025	1Q 2024		
29.0	28.1	Consumer Durables	2
14.4	13.5	Machinery	5
9.1	11.7	Automotive	(23)
8.7	8.6	Building Products	0
7.3	5.6	Electrical	29
7.2	8.3	AA&E, Hazmat	(15)
5.1	5.2	Metals	(3)
2.9	1.9	Energy	51
2.0	1.6	Substitute Line Haul	23
14.3	15.5	Other	(8)

Gross Profit ⁽¹⁾ and Variable Contribution ⁽²⁾

with Associated Margins

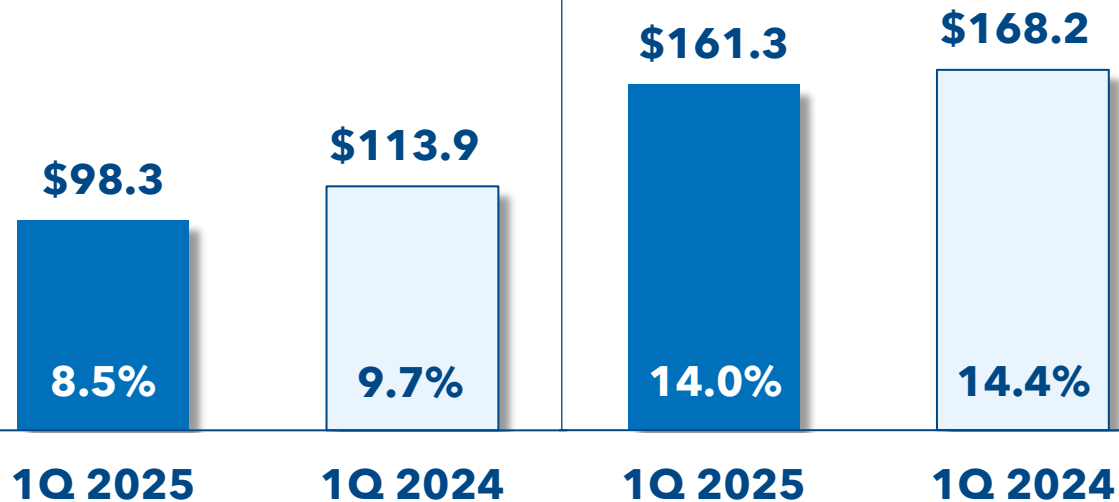
Dollars in Millions



RESULTS

Gross Profit

Variable Contribution



CHANGE IN VC MARGIN

Amounts in %

1Q

2024	14.4
Change in Mix/Other	(0.3)
Revenue - Fixed ⁽³⁾	(0.2)
Revenue - Variable	0.1
2025	14.0

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

Operating Income

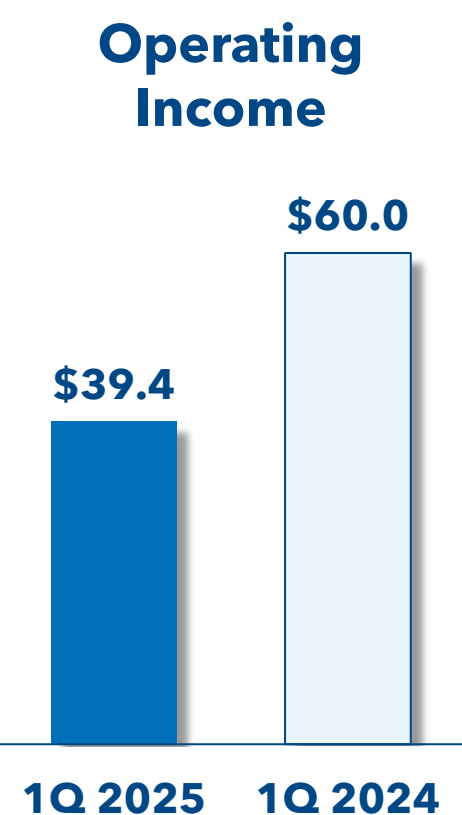
as a Percentage of Gross Profit and Variable Contribution

Dollars in Millions



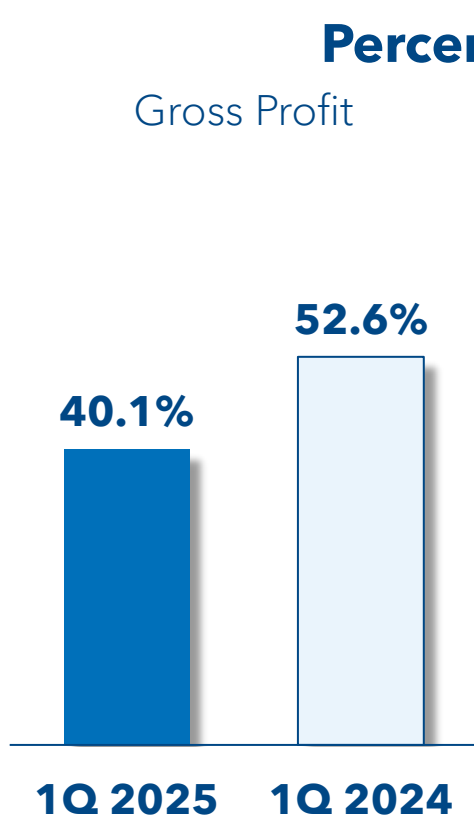
RESULTS

Operating Income

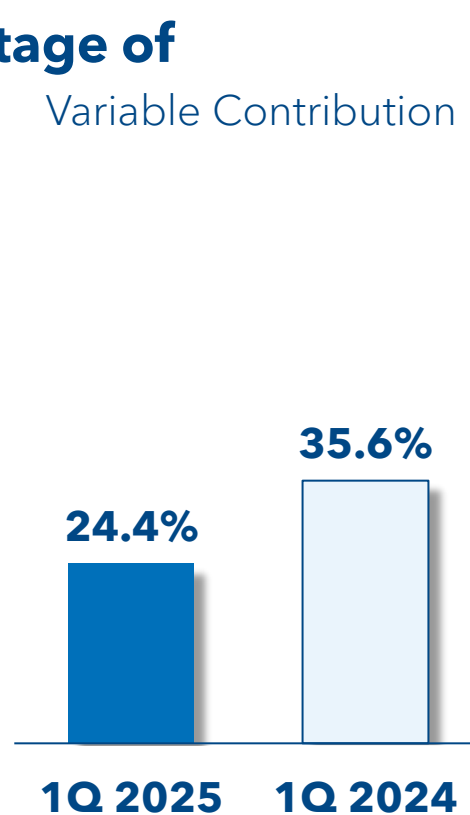


Percentage of

Gross Profit



Variable Contribution



CHANGE IN PERCENTAGE

of Variable Contribution

Amounts in %

1Q

2024

35.6

Insurance and claims

(8.9)

SG&A

(4.6)

Depreciation and amortization

0.8

Other operating costs

1.5

2025

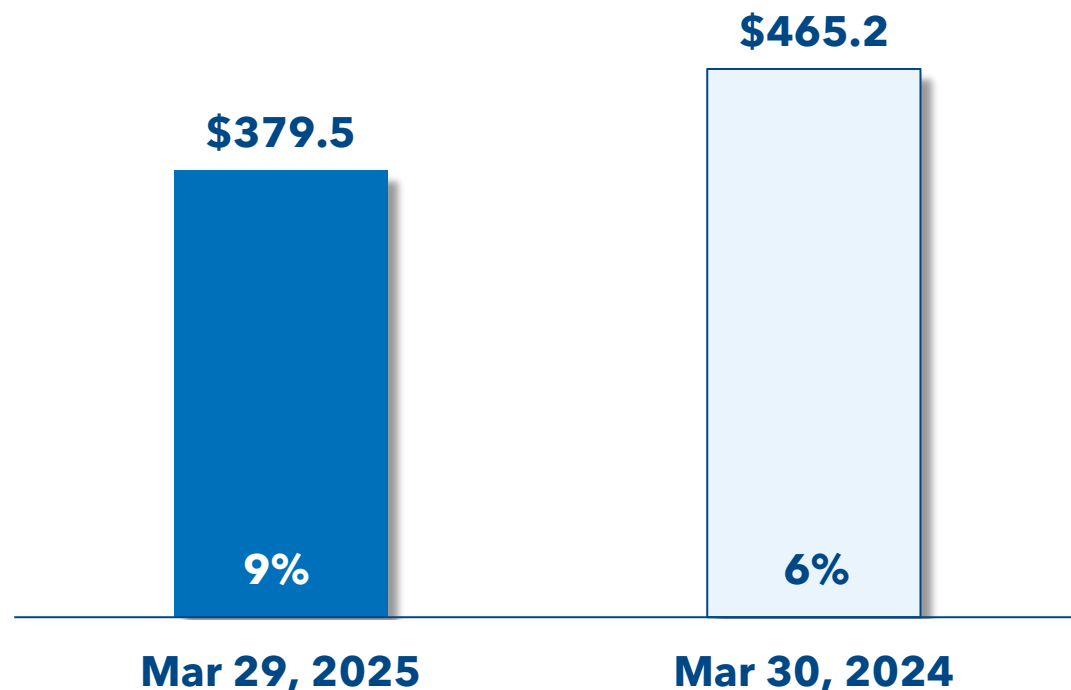
24.4

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

Cash Flow Type	1Q 2025	1Q 2024
Cash flow from operations	\$ 55.7	\$ 94.2
Capital expenditures	\$ 1.9	\$ 9.3
Free cash flow ⁽³⁾	\$ 53.8	\$ 84.9
Share repurchases	\$ 60.4	\$ —
Dividends paid	\$ 83.3	\$ 83.2

RETURNS

Trailing 12 months as of date indicated

Return Type	Mar 29, 2025	Mar 30, 2024
Equity	18%	23%
Invested Capital	17%	22%
Assets	10%	13%

(1) Net cash is defined as cash and cash equivalents of \$417.4 million plus short term investments of \$56.0 million less outstanding debt of \$94.0 million as of March 29, 2025. As of March 30, 2024, net cash was cash and cash equivalents of \$467.7 million plus short term investments of \$62.8 million less outstanding debt of \$65.2 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 | 2025

2Q Closing Remarks

Frank Lonegro

Chief Executive Officer

2Q Current Market Update and Historical Trends

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

- **Truck Loads:** April approximately 2% below April 2024
 - Modestly below typical March to April month-to-month historical trends
- **Truck Revenue per Load:** April approximately 1% above April 2024
 - Slightly ahead of typical March to April month-to-month historical trends

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

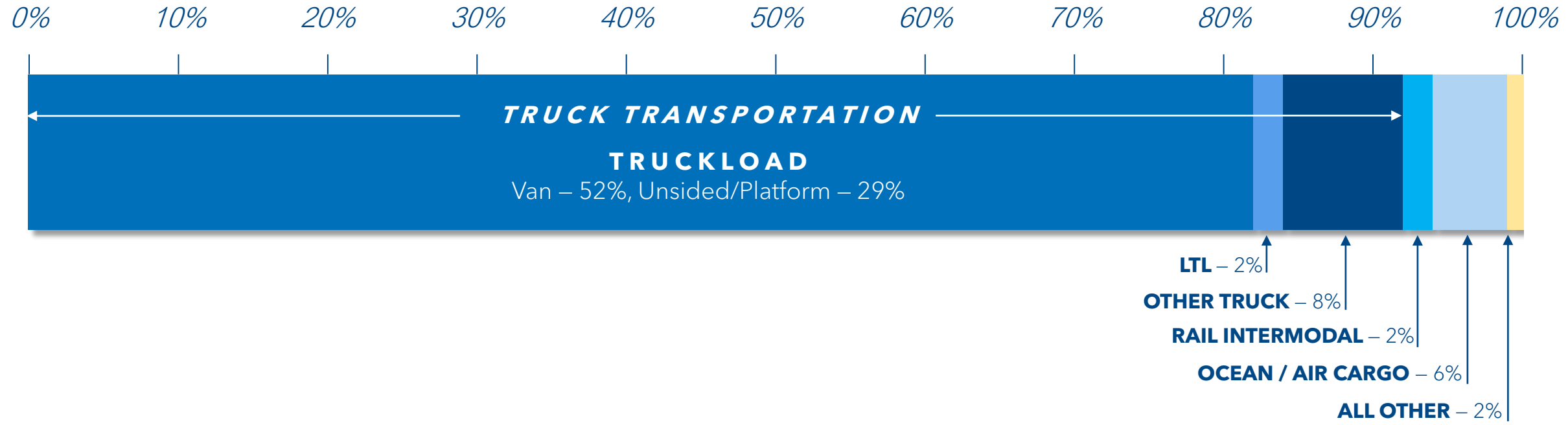
- **Truck Revenue:** High single-digit sequential step-up from 1Q to 2Q
- **Truck Loads:** 8% sequential increase 1Q to 2Q
- **Truck Revenue per Load:** 2% sequential increase 1Q to 2Q



1Q | 2025

Appendix

PERCENTAGE OF REVENUE 1Q 2025 by Service Type



CHANGE IN SHARE SINCE 1Q 2024

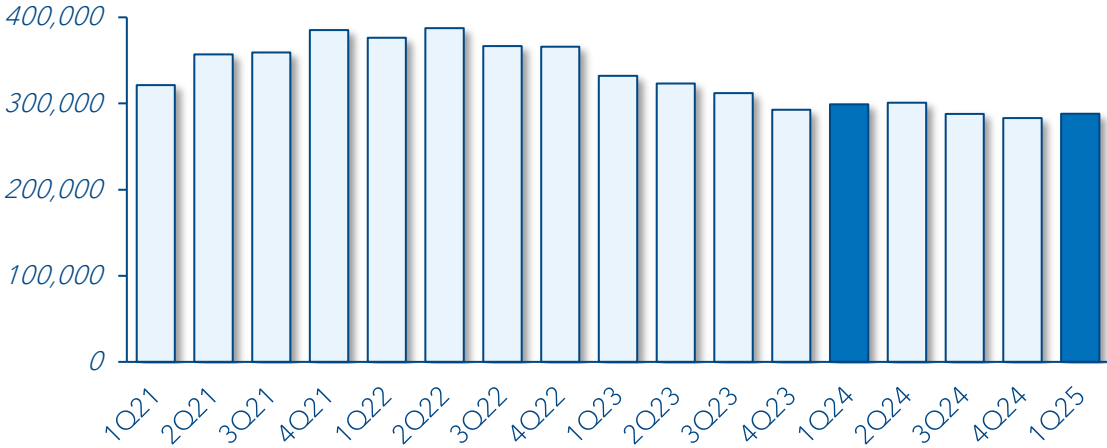
Van Equipment	Unsided/ Platform Equipment	LTL	Other Truck Transportation	Rail Intermodal	Ocean/ Air cargo	All Other
54% ↻ 52%	29% ↻ 29%	2% ↻ 2%	6% ↻ 8%	2% ↻ 2%	5% ↻ 6%	2% ↻ 2%

Truckload Loadings and Revenue per Truckload Trends

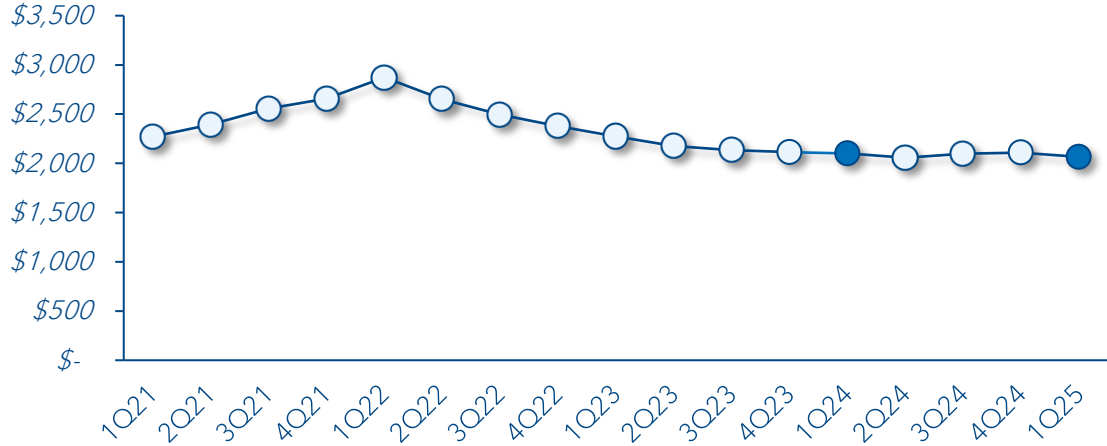


VAN

NUMBER OF LOADS

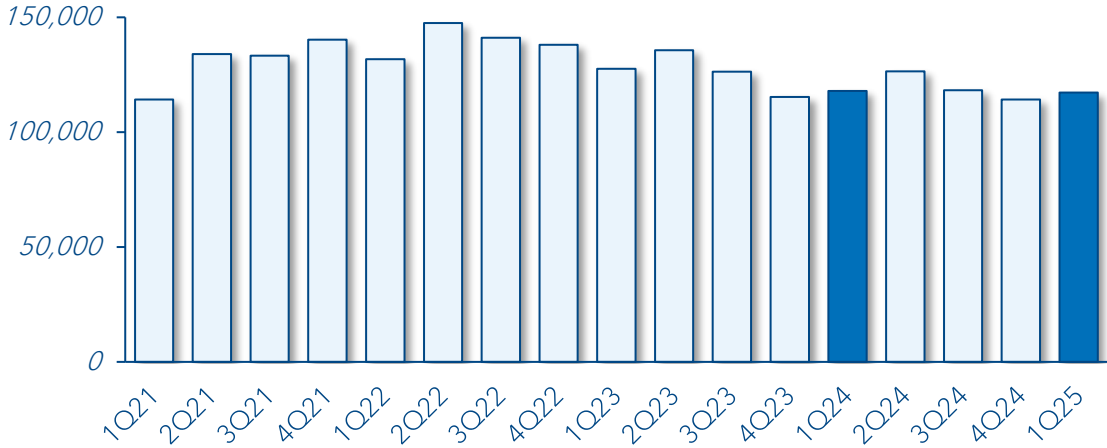


REVENUE PER LOAD

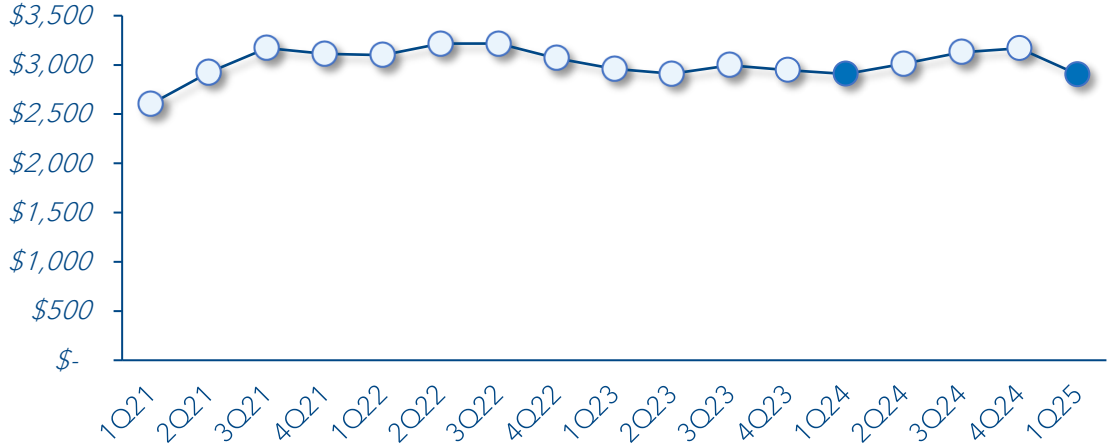


UNSIDED / PLATFORM

NUMBER OF LOADS



REVENUE PER LOAD



Reconciliation of Gross Profit to Variable Contribution

Dollars in Thousands



	Thirteen Weeks Ended	
	March 29, 2025	March 30, 2024
Revenue	\$ 1,152,502	\$ 1,171,043
Costs of revenue:		
Purchased transportation	897,878	905,521
Commissions to agents	93,314	97,282
Variable costs of revenue	<u>991,192</u>	<u>1,002,803</u>
Trailing equipment depreciation	6,977	6,897
Information technology costs (1)	3,675	5,804
Insurance-related costs (2)	40,524	26,778
Other operating costs	<u>11,829</u>	<u>14,859</u>
Other costs of revenue	63,005	54,338
Total costs of revenue	<u>1,054,197</u>	<u>1,057,141</u>
Gross profit	<u>\$ 98,305</u>	<u>\$ 113,902</u>
Gross profit margin	8.5%	9.7%
Plus: other costs of revenue	63,005	54,338
Variable contribution	<u>\$ 161,310</u>	<u>\$ 168,240</u>
Variable contribution margin	14.0%	14.4%

(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	2020	2021	2022	2023	2024
Cash flow from operations	\$ 211	\$ 277	\$ 623	\$ 394	\$ 287
Cash capital expenditures ⁽¹⁾	\$ 34	\$ 24	\$ 26	\$ 26	\$ 31
Free cash flow	\$ 177	\$ 253	\$ 597	\$ 368	\$ 256
Share repurchases	\$ 116	\$ 123	\$ 286	\$ 54	\$ 81
Dividends paid	\$ 110	\$ 112	\$ 116	\$ 117	\$ 120
Common share count ⁽²⁾	38.4	37.7	35.9	35.7	35.3

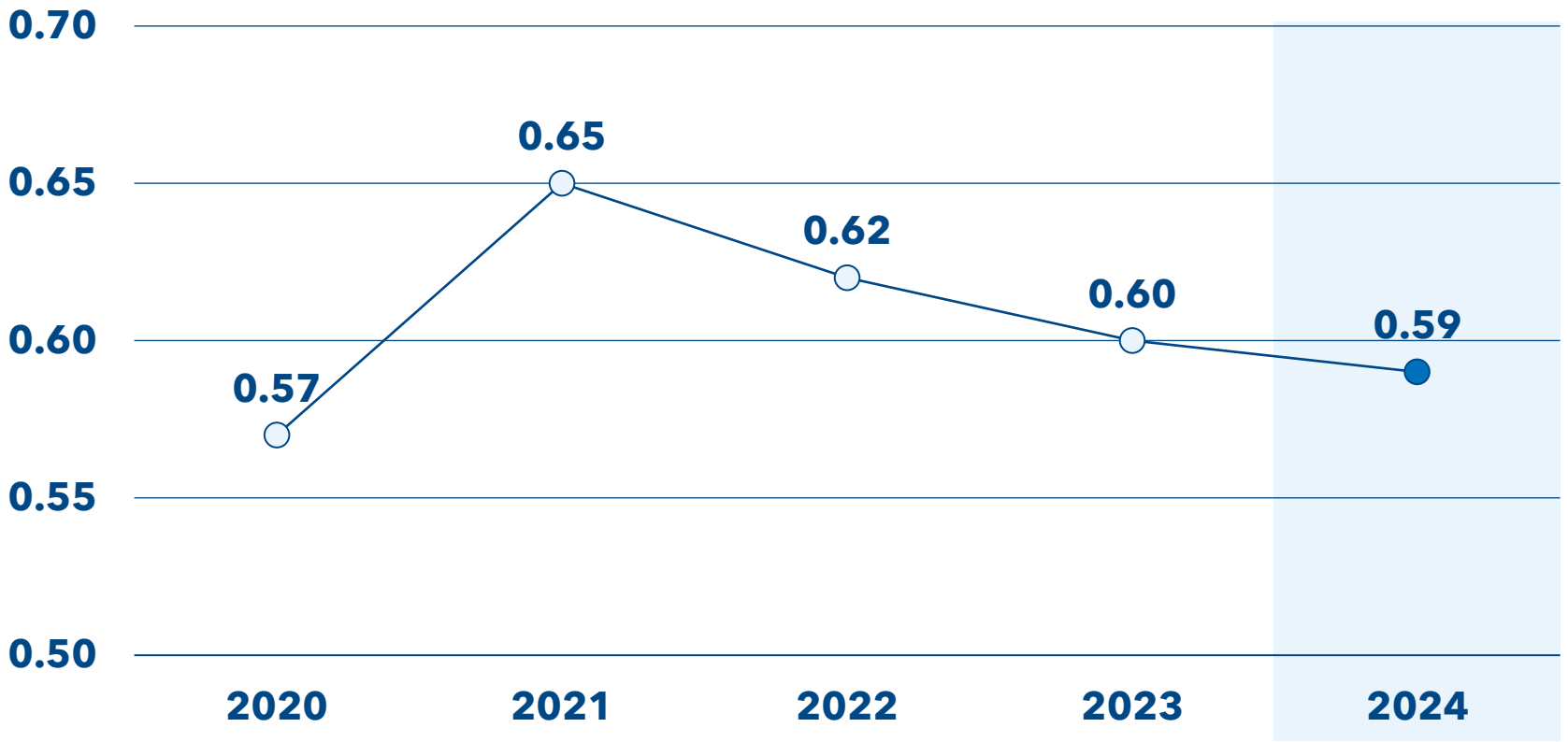
(1) Cash capital expenditures includes purchases of operating property and, for fiscal year 2020, consideration paid for acquisition of a business.

(2) 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.

1Q | 2025

Earnings Conference Call

