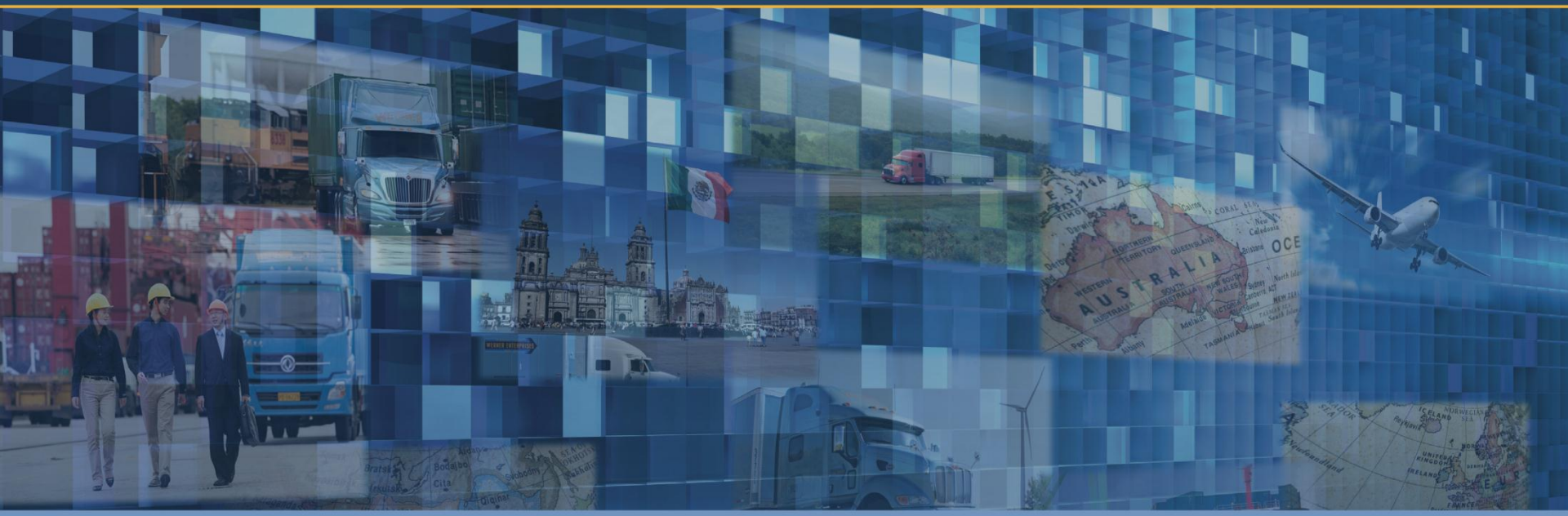

STIFEL NICOLAUS

2013 Transportation Conference

February 12, 2013

WERNER ENTERPRISES
SPECIALIZED CARRIER
SM

WERNER GLOBAL LOGISTICS
Local Logistics, Applied Worldwide

Disclosure Statement



This presentation includes forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on Werner Enterprises' current plans, and are not guarantees of future performance. They are subject to risk and uncertainties, that could cause actual results, and company plans and objectives, to differ materially from those expressed in the forward-looking statements. Such risks and uncertainties are discussed in the Company's Annual Report, on Form 10-K, filed with the SEC.

About Werner Enterprises

Premium Truckload Transportation and Logistics Services Provider

2012 Revenue: $2.0 Billion

2012 Net Income: $103 Million

NASDAQ: WERN

Market cap: $1.7 Billion

2012 Quest for Quality Multiple Award Winner in Truckload and 3PL Logistics



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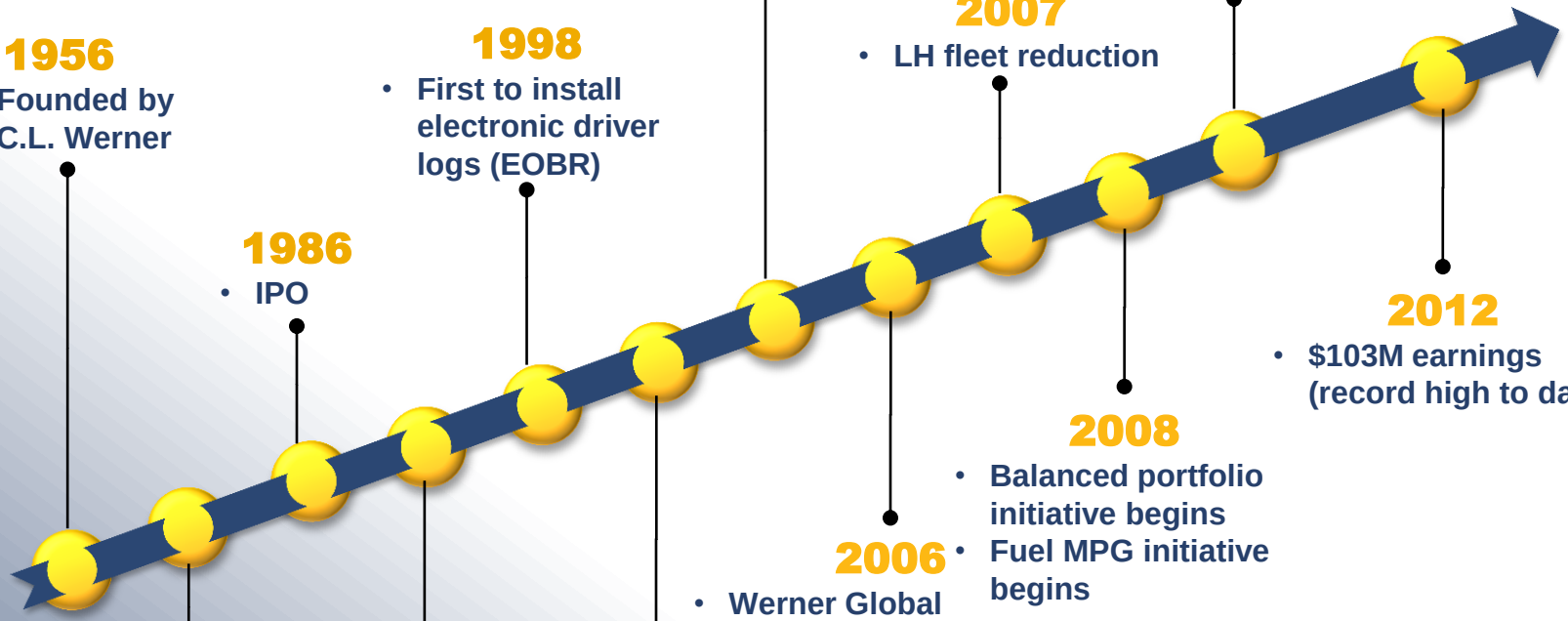
The Path of Werner Progress



1956
- Founded by C.L. Werner

1980
- Deregulation

1986
- IPO

1992
- GPS on all trucks
- Dedicated, Regional and TC fleets formed

1998
- First to install electronic driver logs (EOBR)

1999
- Mexico launch
- Canada designated fleet formed

2003
- Brokerage and Intermodal expansion

2006
- Werner Global Logistics formed
- China launch

2007
- LH fleet reduction

2008
- Balanced portfolio initiative begins
- Fuel MPG initiative begins

2009
- Safety improvement initiative begins
- Australia launch

2012
- $103M earnings (record high to date)

WERNER ENTERPRISES SPECIALIZED CARRIER

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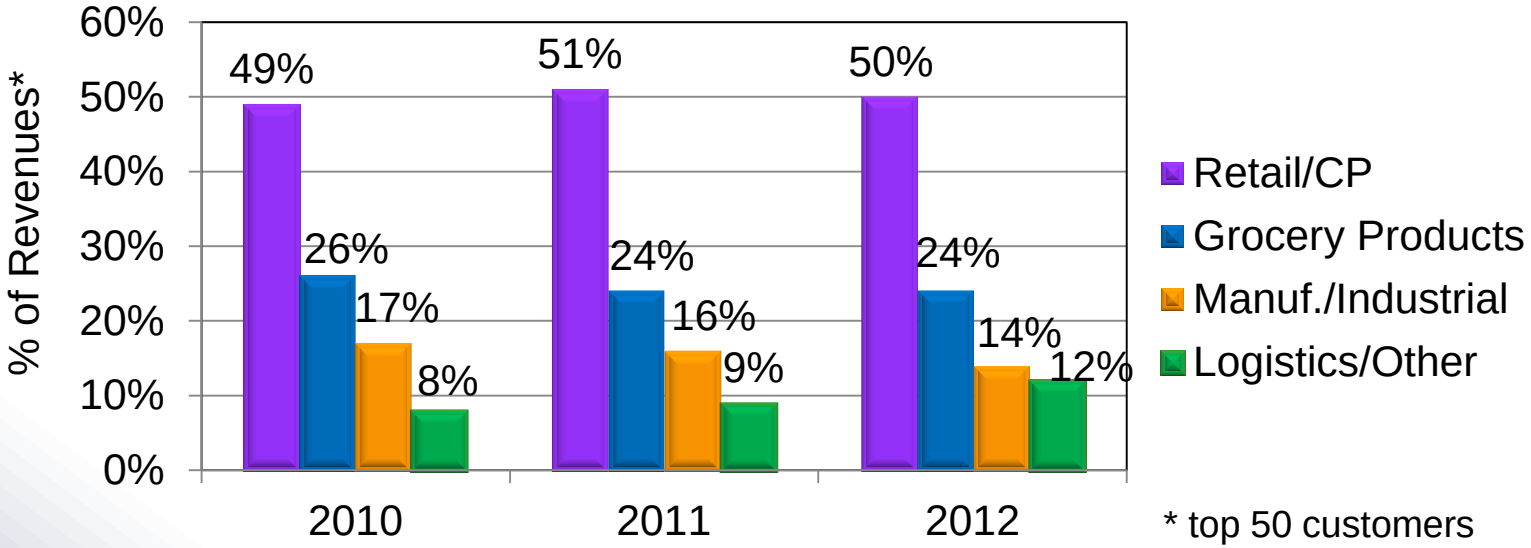
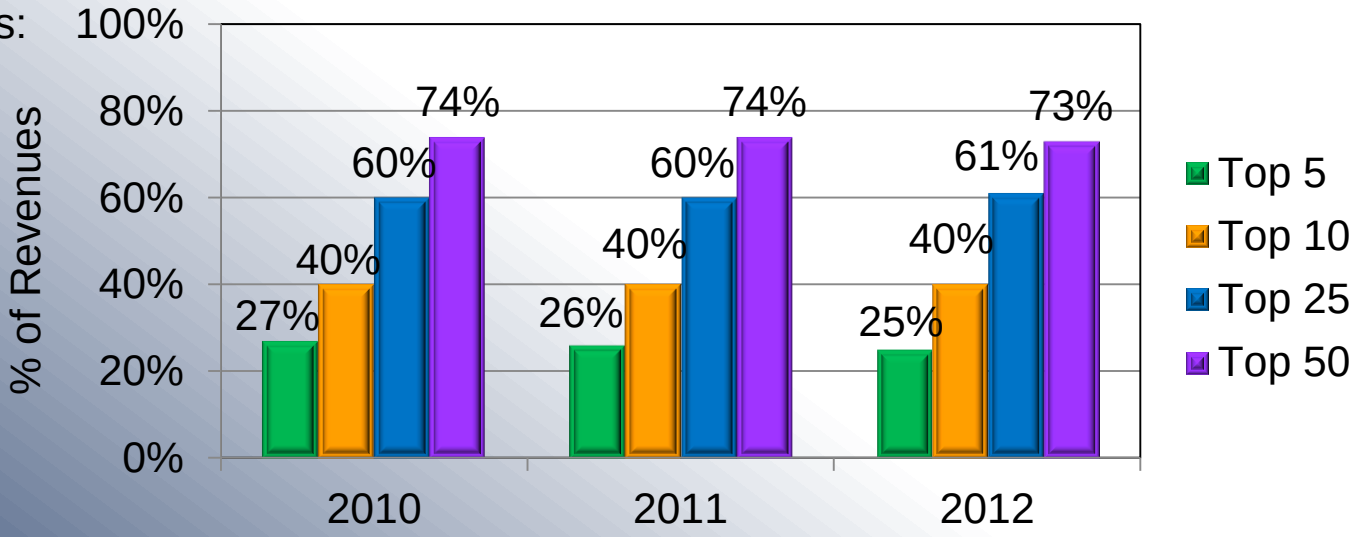
Revenue Sources

Vertical:



* top 50 customers

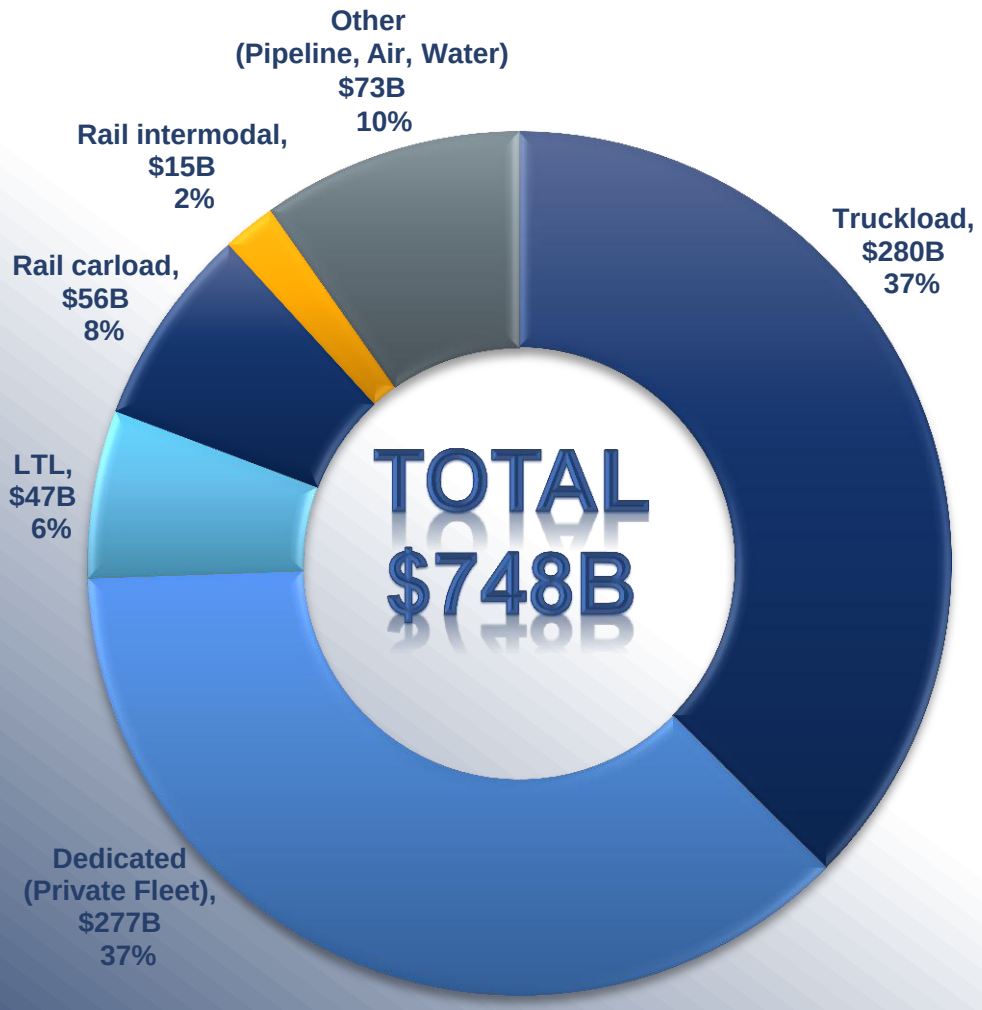
Customers:



Domestic Freight Market: Market Share & Growth Opportunities

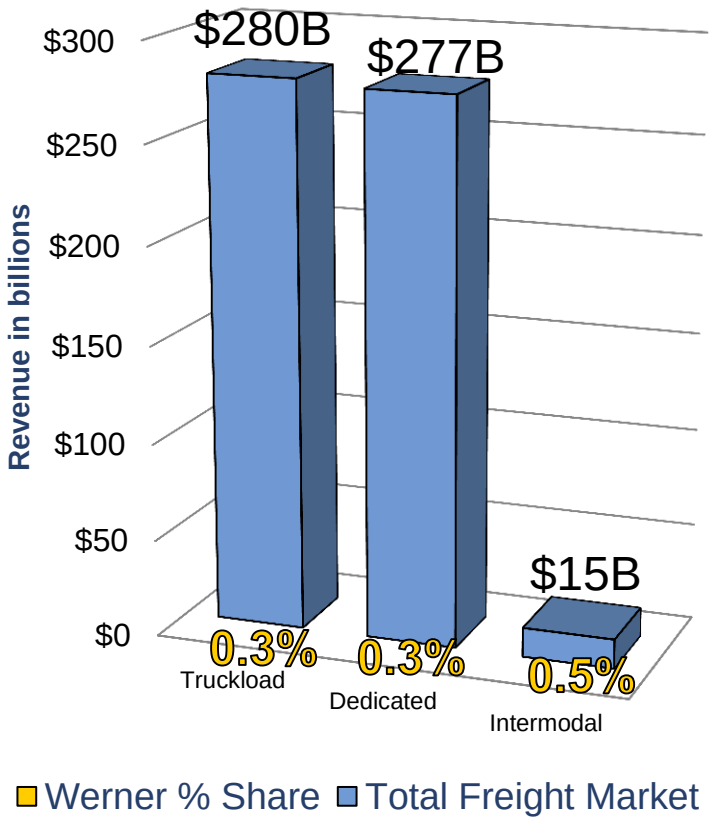
U.S. Freight Market Revenues

in billions of $*

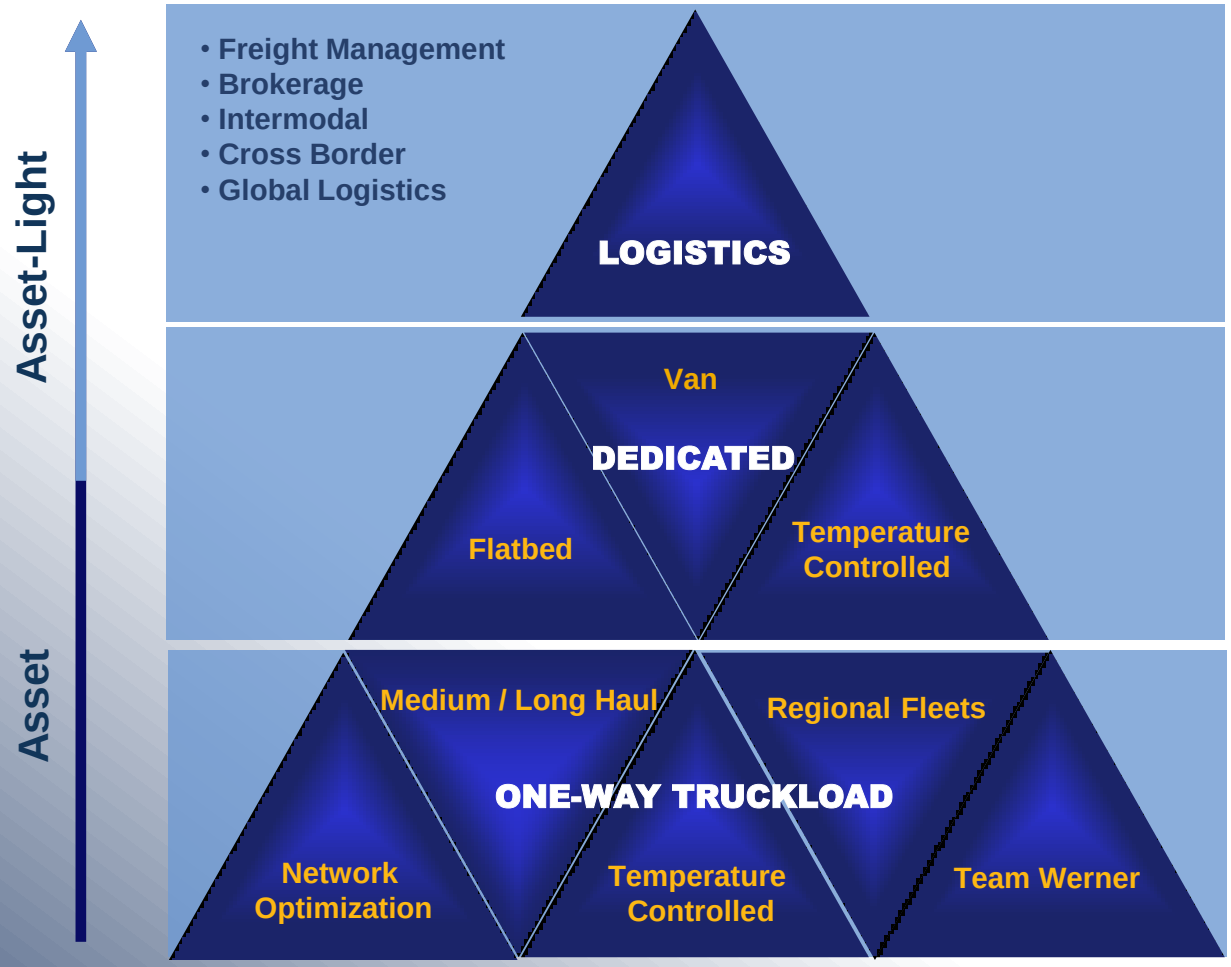


* Sources: ATA and Stifel Nicolaus estimates

Werner Enterprises Growth Opportunities



Revenue Profile



	Goal	4Q12
LOGISTICS	1/3	26%*
DEDICATED	1/3	38%
ONE-WAY TRUCKLOAD	1/3	36%

* Includes Cross Border Asset-Light (MX, CAN) >10% of Revenues

FREIGHT MARKET UPDATE

ONE-WAY TRUCKLOAD









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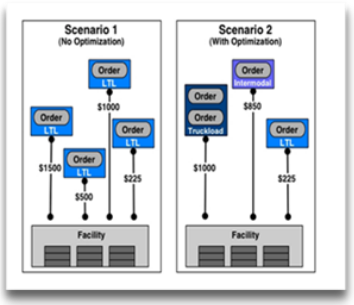
Comprehensive Solutions

Freight Management



Werner provides complete 3PL supply chain solutions across all shipping modes and geographies, from network design through implementation.

Freight Movement



With an asset-backed network of 7,150 trucks, 9,500 alliance carriers and ocean, air and rail companies, Werner provides unsurpassed delivery solutions worldwide.

Global Implementation



Providing door-to-door services for companies of all sizes and industries as they compete in today's global marketplace, sets us apart from our competition.

Technological Advantages



Sophisticated technology tools provide our customers instant visibility across their supply chain, which enables them to better manage their business.

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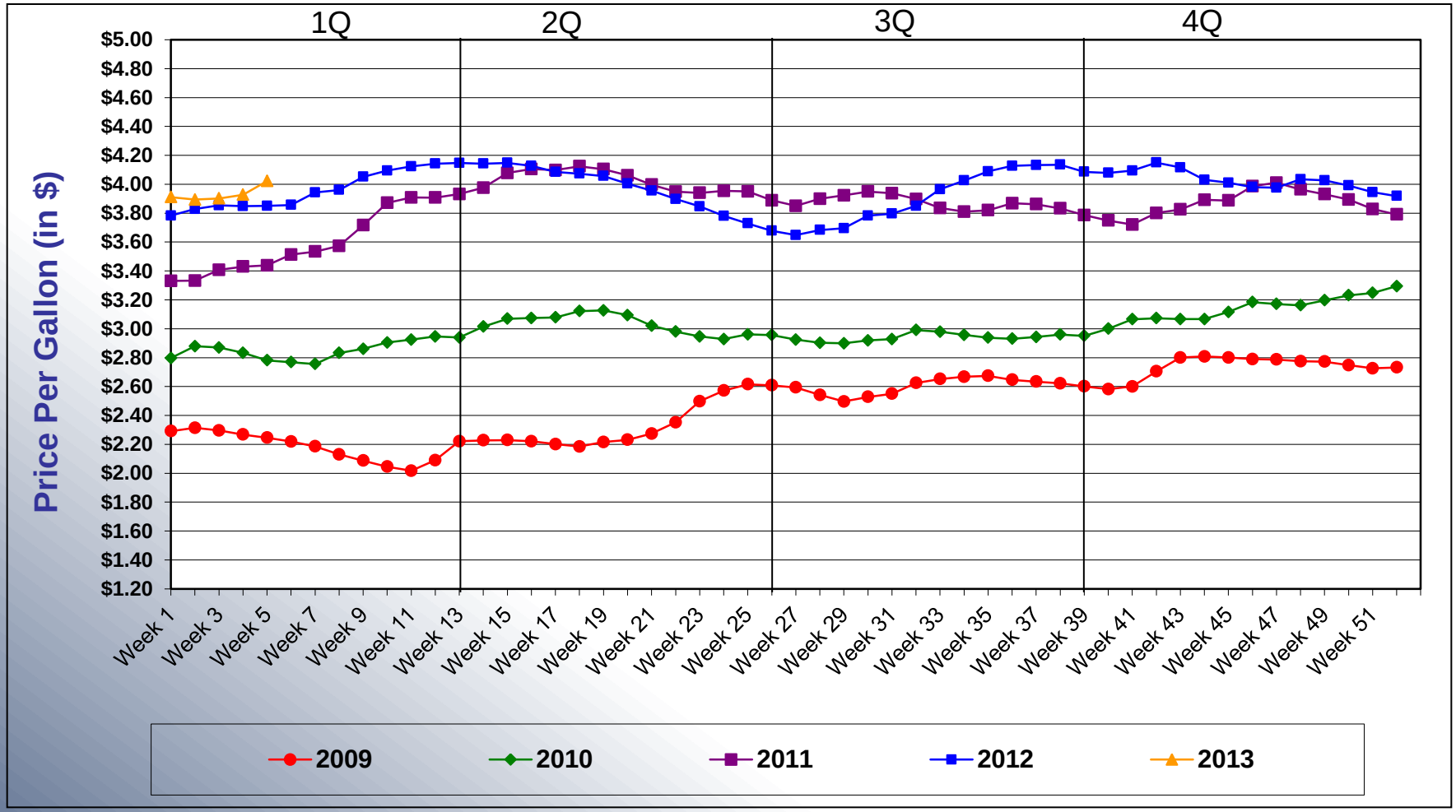
Fuel Price Trends



*Dept. of Energy (DOE) fuel price survey (Nat'l avg.) of truck stops used by shippers/carriers for billing fuel surcharges. Fuel price includes fuel taxes.

GREEN INITIATIVES

Werner Enterprises is a SmartWay℠ Transport partner. SmartWay is a collaboration between the EPA and the freight industry, to increase energy efficiency and reduce air pollution. Werner has earned a Shipper Index Factor score (SIF) of 1.25, the highest possible score.

Fuel Efficiency Initiatives:

- Aerodynamic Trucks
- Installation of fuel idling reduction equipment, including Espar heaters and APU's
- MPH optimization
- Out of route mile and empty mile reduction
- Trailer skirts
- Tire-inflation systems

Alternate Fuel Initiatives:

- Testing LNG and CNG trucks

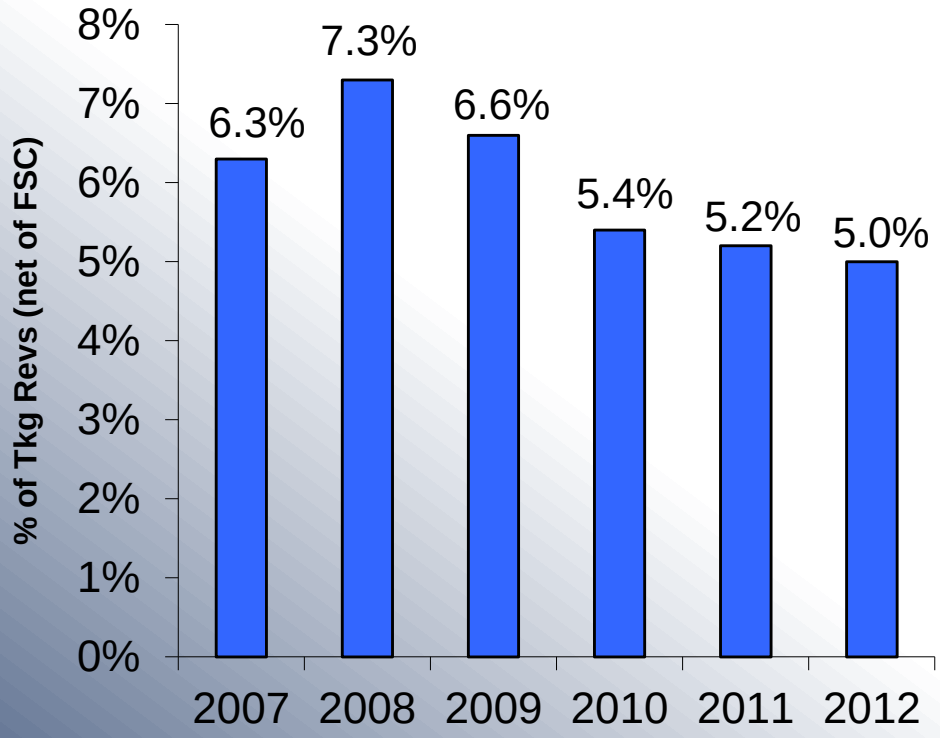
SmartWay℠ Transport Partner
Getting There With Cleaner Air

Werner's Impact:

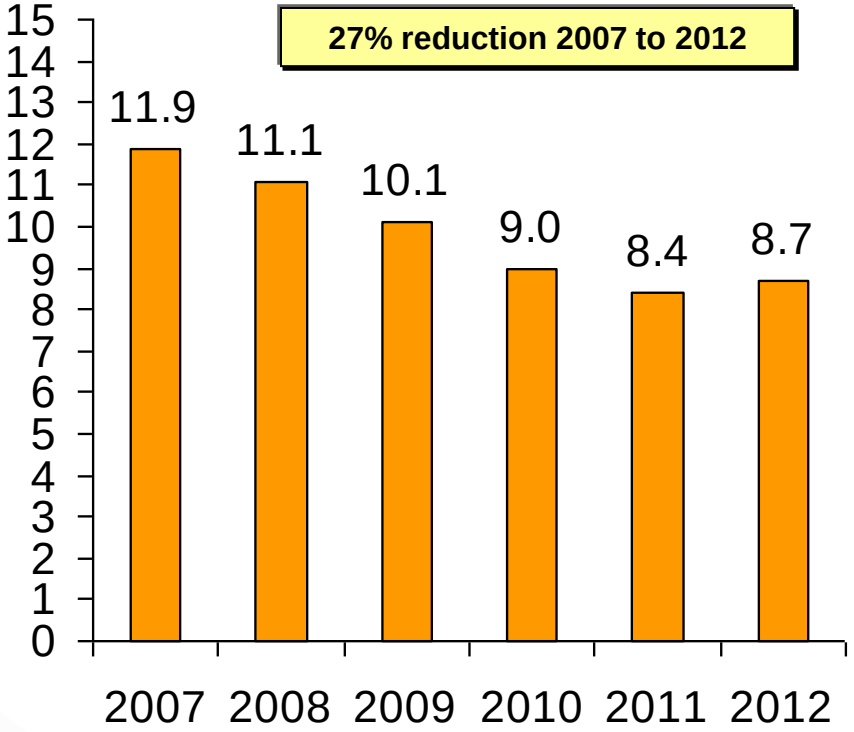
- 5 years of MPG improvement
- Continued MPG improvement opportunities
- 150,000 ton reduction in carbon footprint from MPG improvement, last 3 years

WERN SAFETY IMPROVEMENTS

INS/CLAIMS % of REVENUES*



ACCIDENTS PER MM



* Trucking revenues, less fuel surcharge revenues
MM – Million miles

Regulatory – HOS and EOBR

The FMCSA announced various changes effective February 2012, with a compliance date of July 2013.

<u>Primary rule changes</u> 34 hour restarts will now need to include two consecutive periods between 1 a.m. and 5 a.m. Mandatory break period.

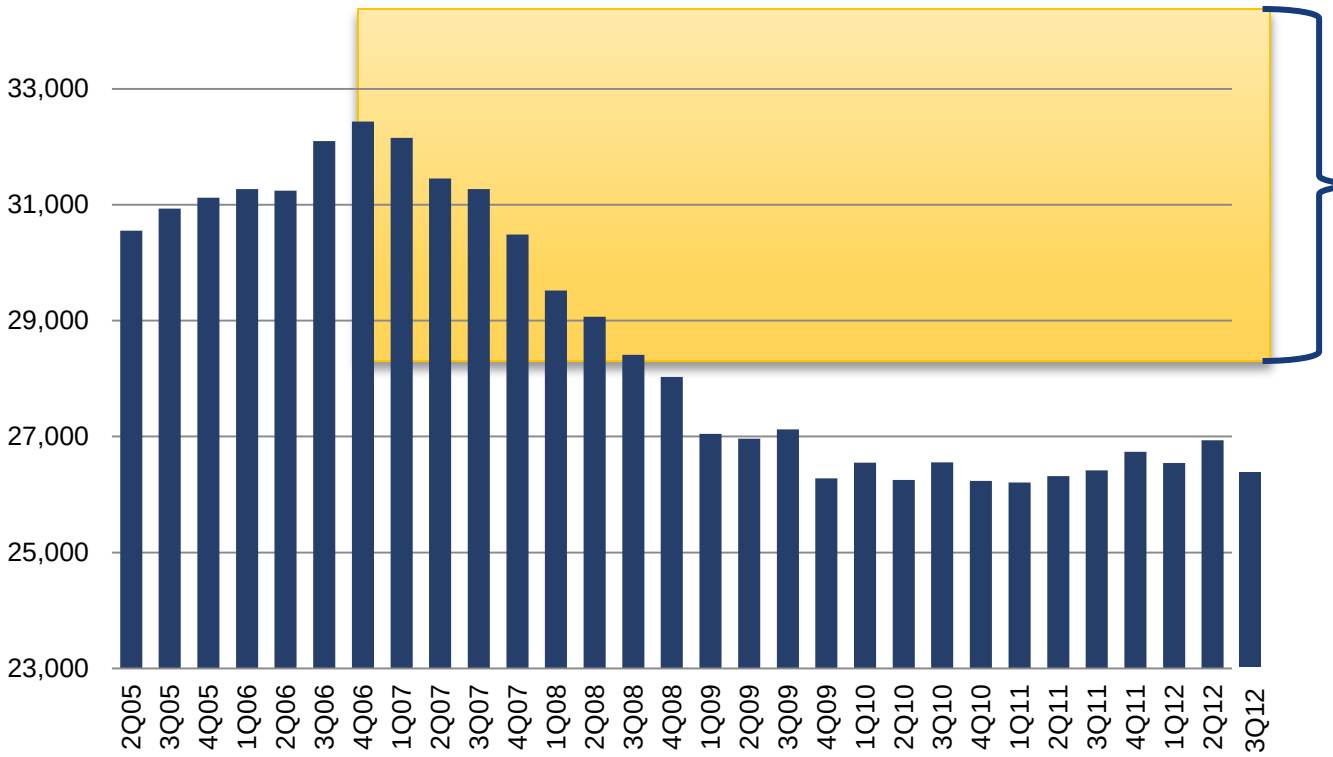
HOS impact on shippers	
	Utilization decrease per tractor in the market
	Decreased driver wage potential
	Decreases capacity, increases the number of tractors needed to haul the same amount of goods
	Overall impact, higher transportation costs



The latest highway reauthorization bill dubbed Moving Ahead for Progress in the 21st Century Act (MAP 21) was passed June 2012. EOBR mandates in this bill states that all motor carriers that must file a record of duty status (RODS), and will be required to do so with an electronic logging device.

SUPPLY – CAPACITY

Total Public Truckload Fleet Capacity

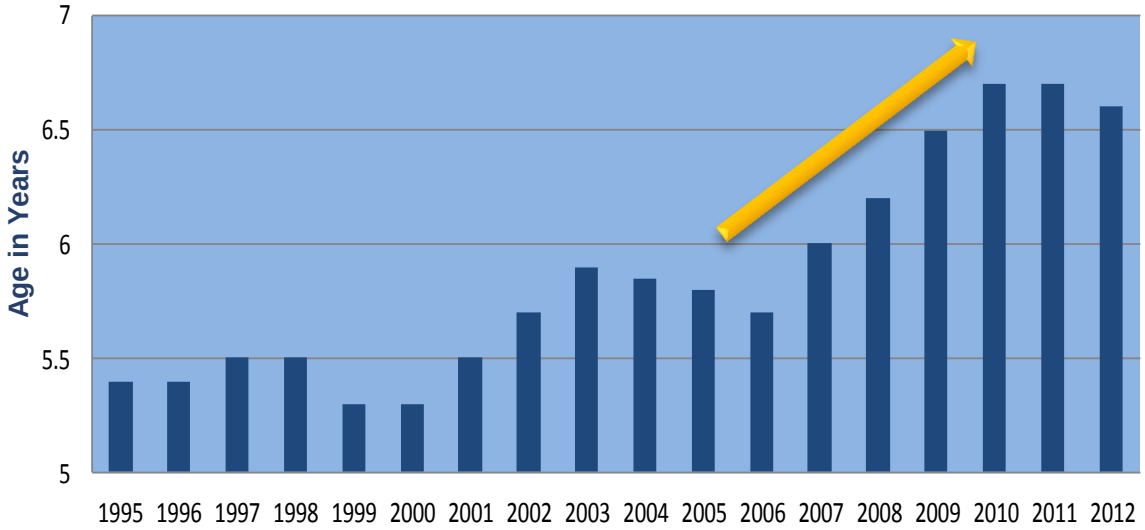


Including owner operators, truckload capacity at public fleets is nearly 20 percent below peak 4Q06 levels

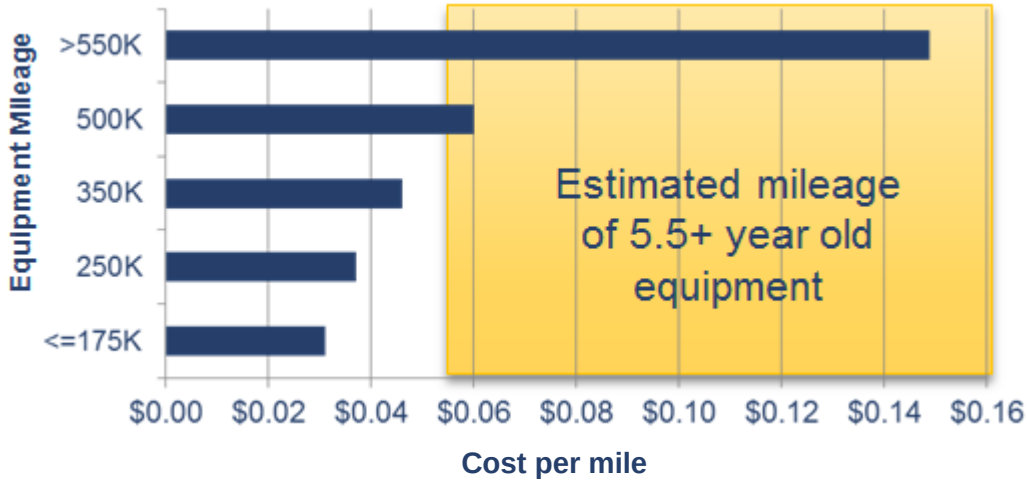
Source: KeyBanc

Supply – Aging Fleets

U.S. Class 8 Trucks Average Age

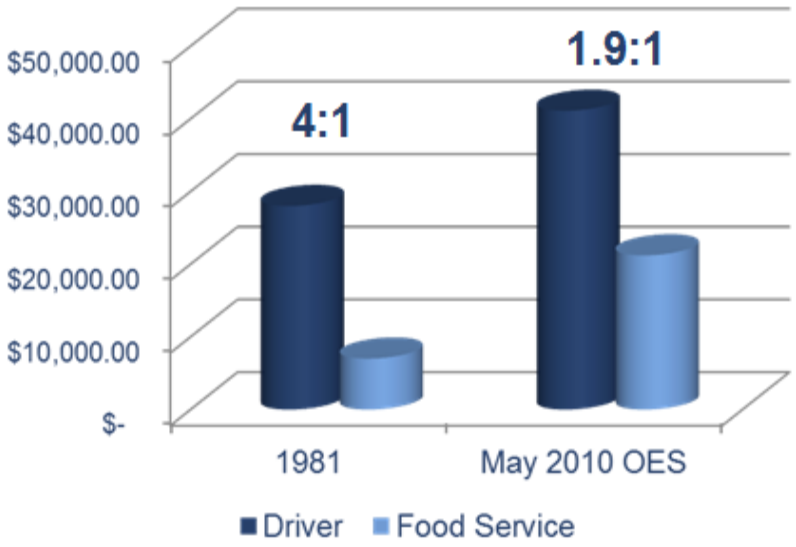


Class 8 Tractor Maintenance Expense



Sources: ACT Research Co. and Wards

Driver Wages Relative to Food Prep Workers



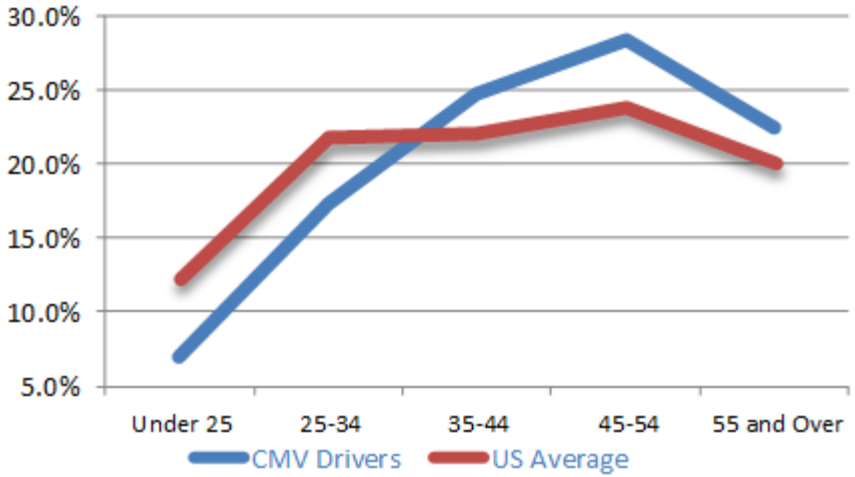
"Roughly 25 percent of the driver workforce has been eliminated from the industry during the past 10 years as a result of demographic and health issues... the largest group of drivers are aged 35 to 54."

- Logistics Management

"…to attract the higher share of workers needed for the 10 year growth projection, the trucking industry must return to the wage position that prevailed in the 1990s."

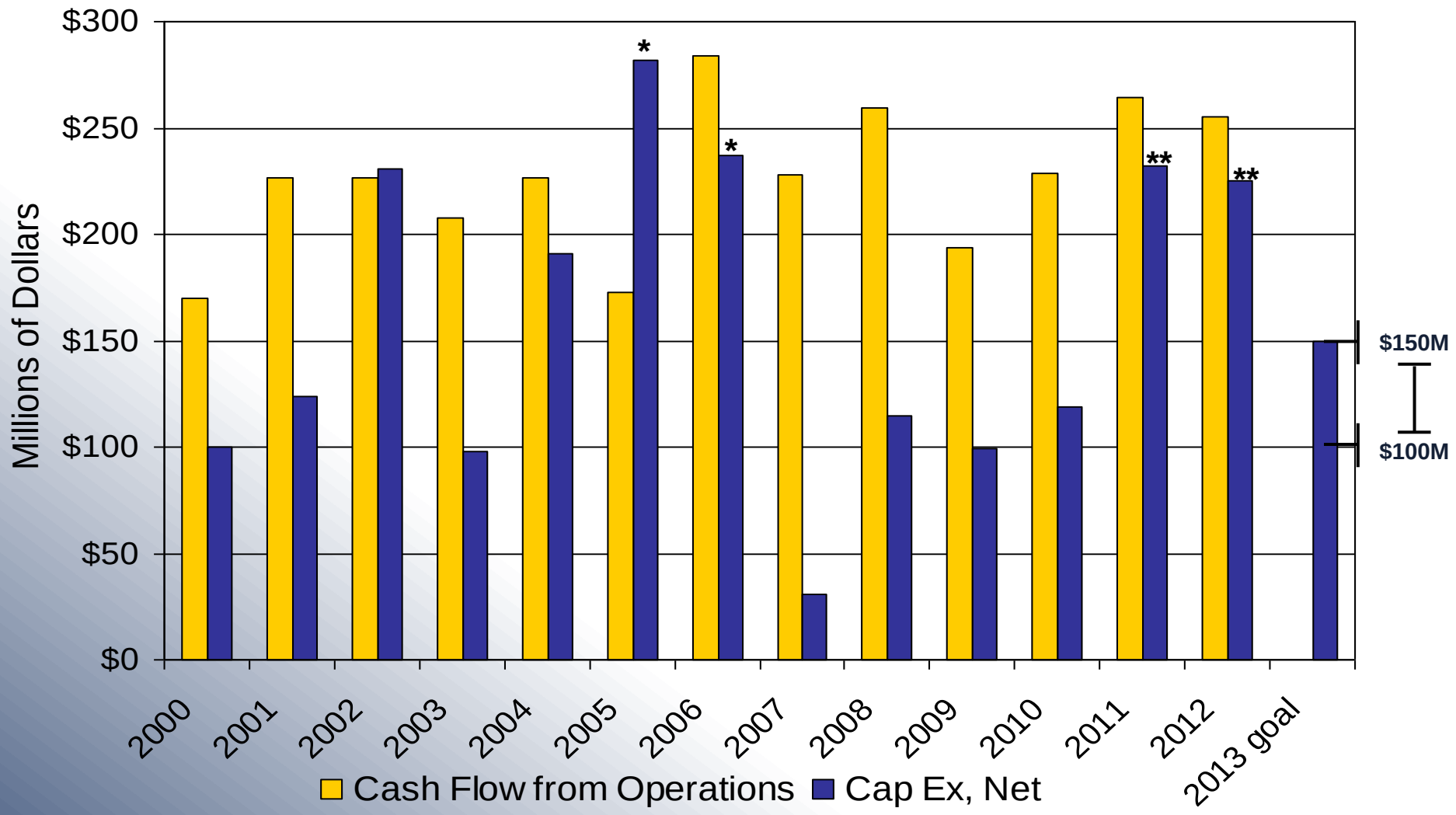
- ATA

2010 U.S. Census Driver Age



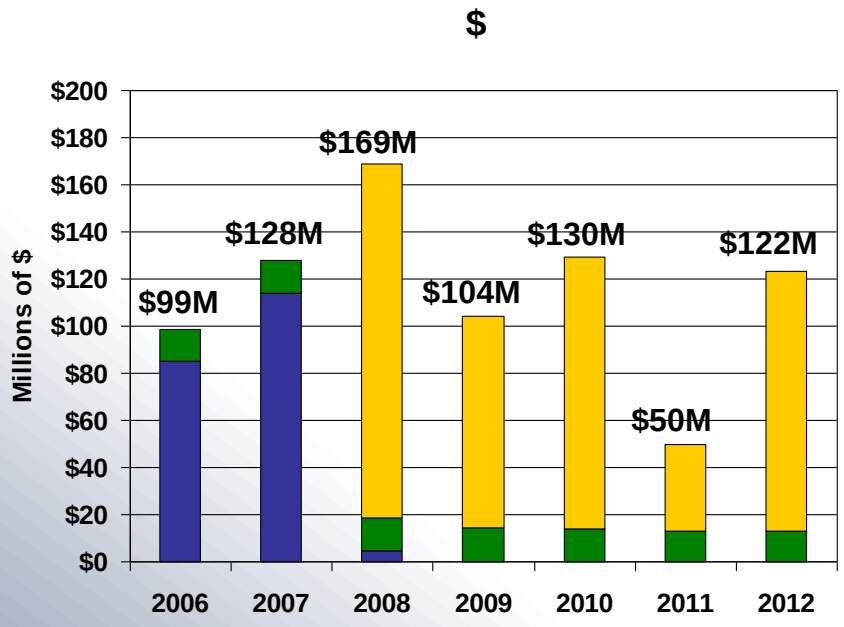
Sources: BLS OES, ACT Research Co.

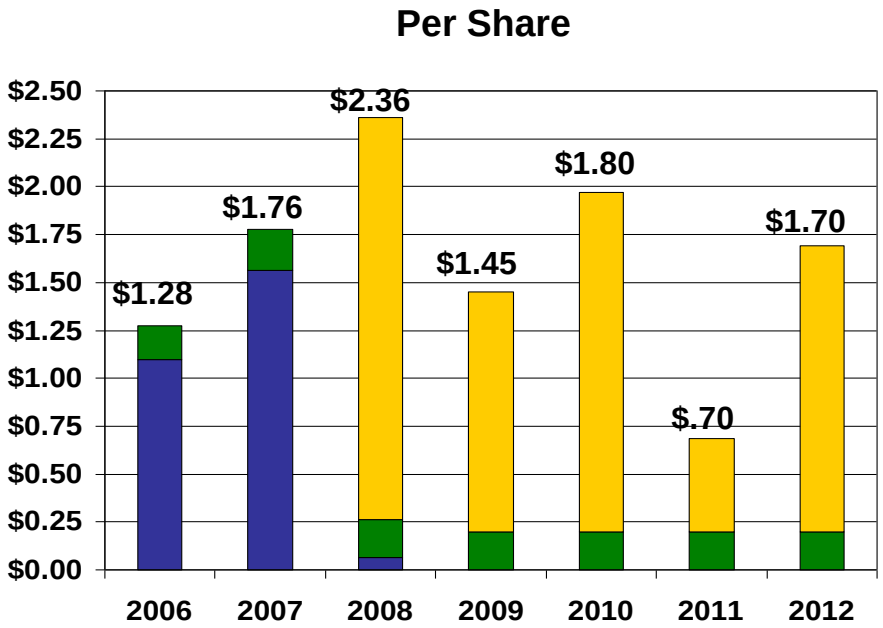
Cash Flow and Cap Ex



* Increased cap ex in 2006 and 2007 prior to 2007 EPA engine emission change.
**Higher cap ex in 2011 and 2012 as we reduced the average age of our fleet from 2.8 years to 2.3 years.

ENHANCING SHAREHOLDER RETURN





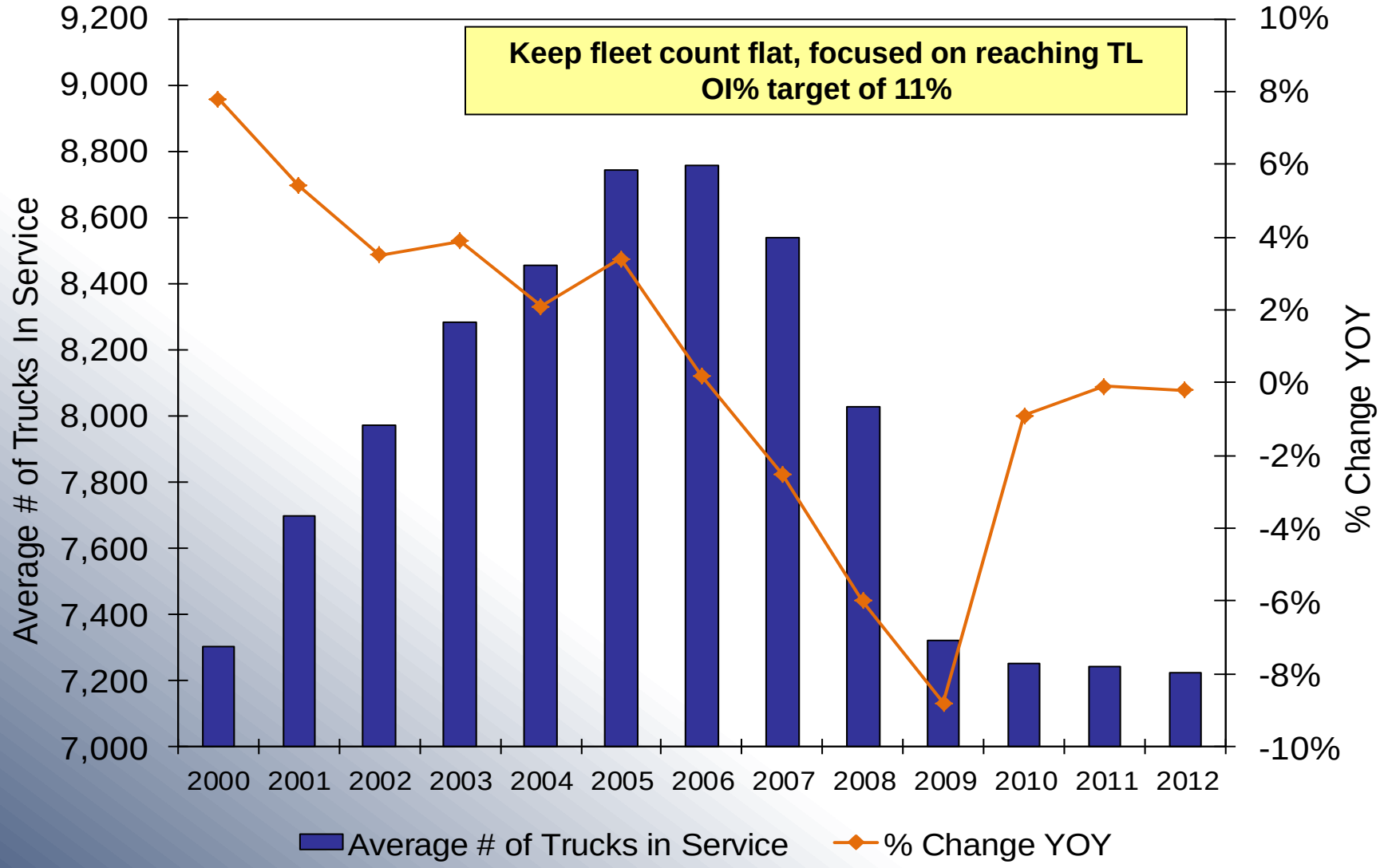
Total 2006 - 2012:	$	Per Share
Share repurchases	$203M	$2.72
Dividends	$98M	$1.38
Special Dividends	$501M	$6.95
	$802M	$11.05

Share repurchases

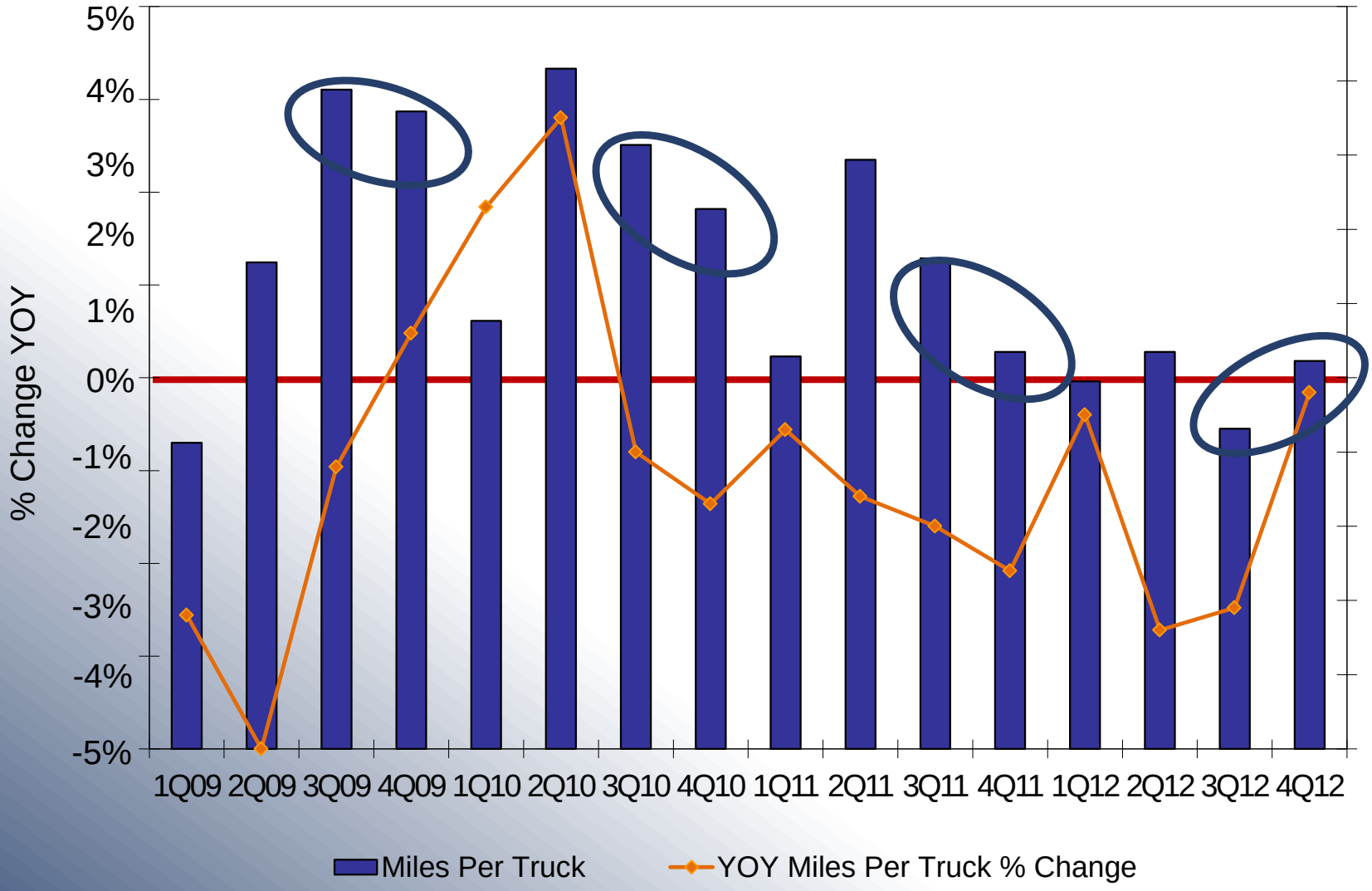
Dividends

Special dividends

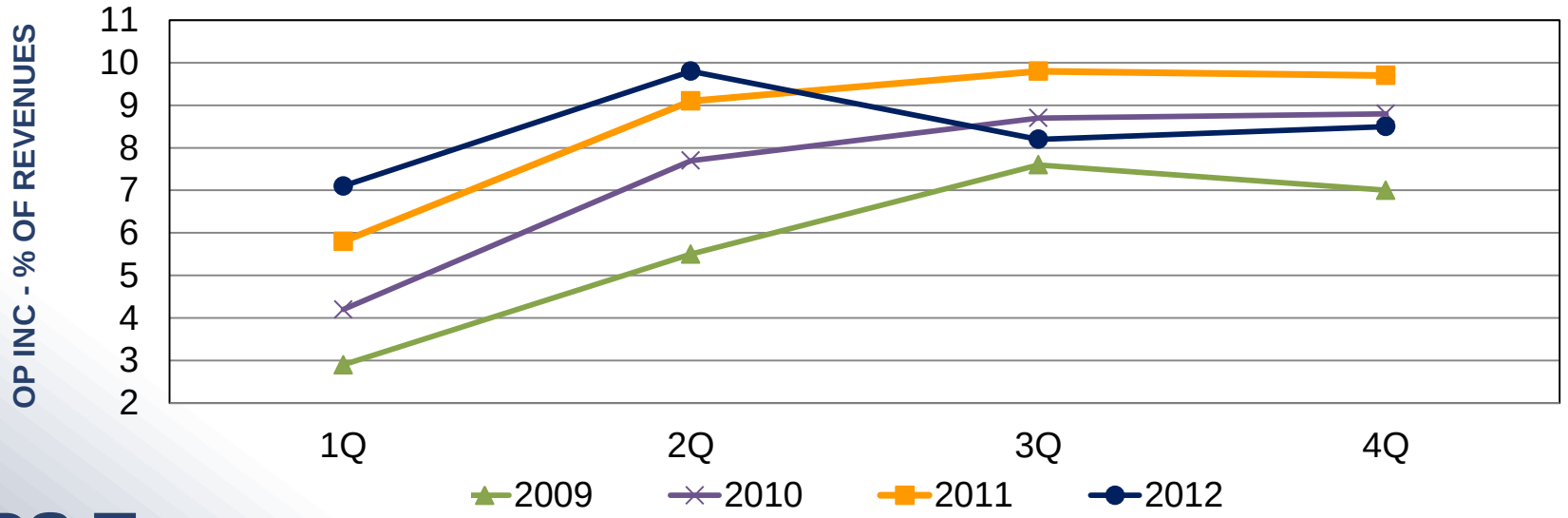
TRUCKS


Keep fleet count flat, focused on reaching TL
OI% target of 11%
Average # of Trucks In Service
% Change YOY
9,200
9,000
8,800
8,600
8,400
8,200
8,000
7,800
7,600
7,400
7,200
7,000
10%
8%
6%
4%
2%
0%
-2%
-4%
-6%
-8%
-10%
2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012
Average # of Trucks in Service
% Change YOY

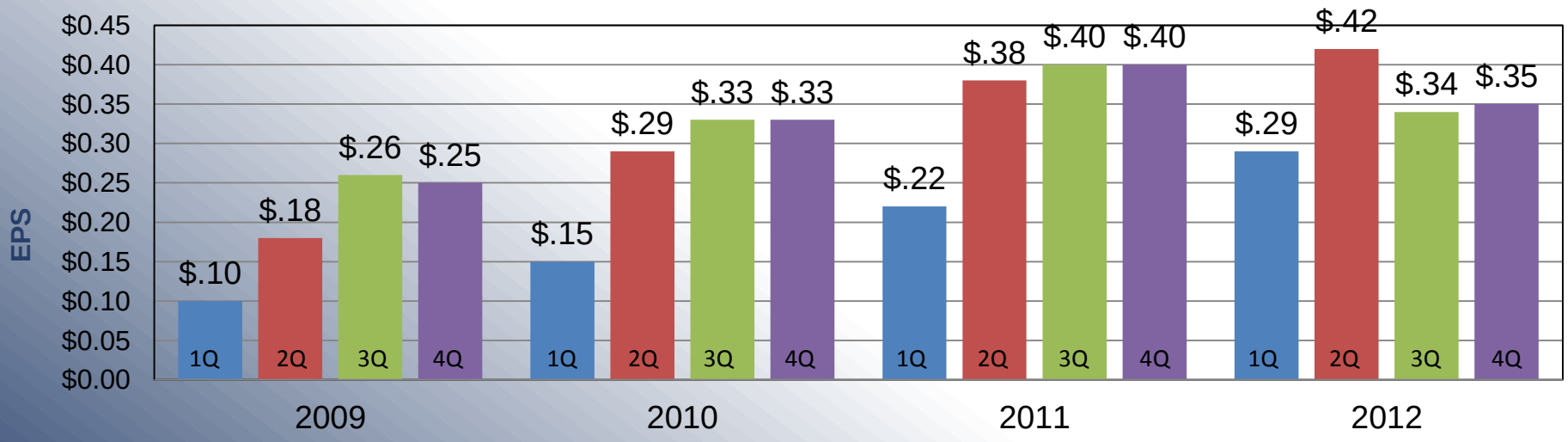
Miles Per Truck Trends – Last 16 Quarters



Operating Margin Trends*

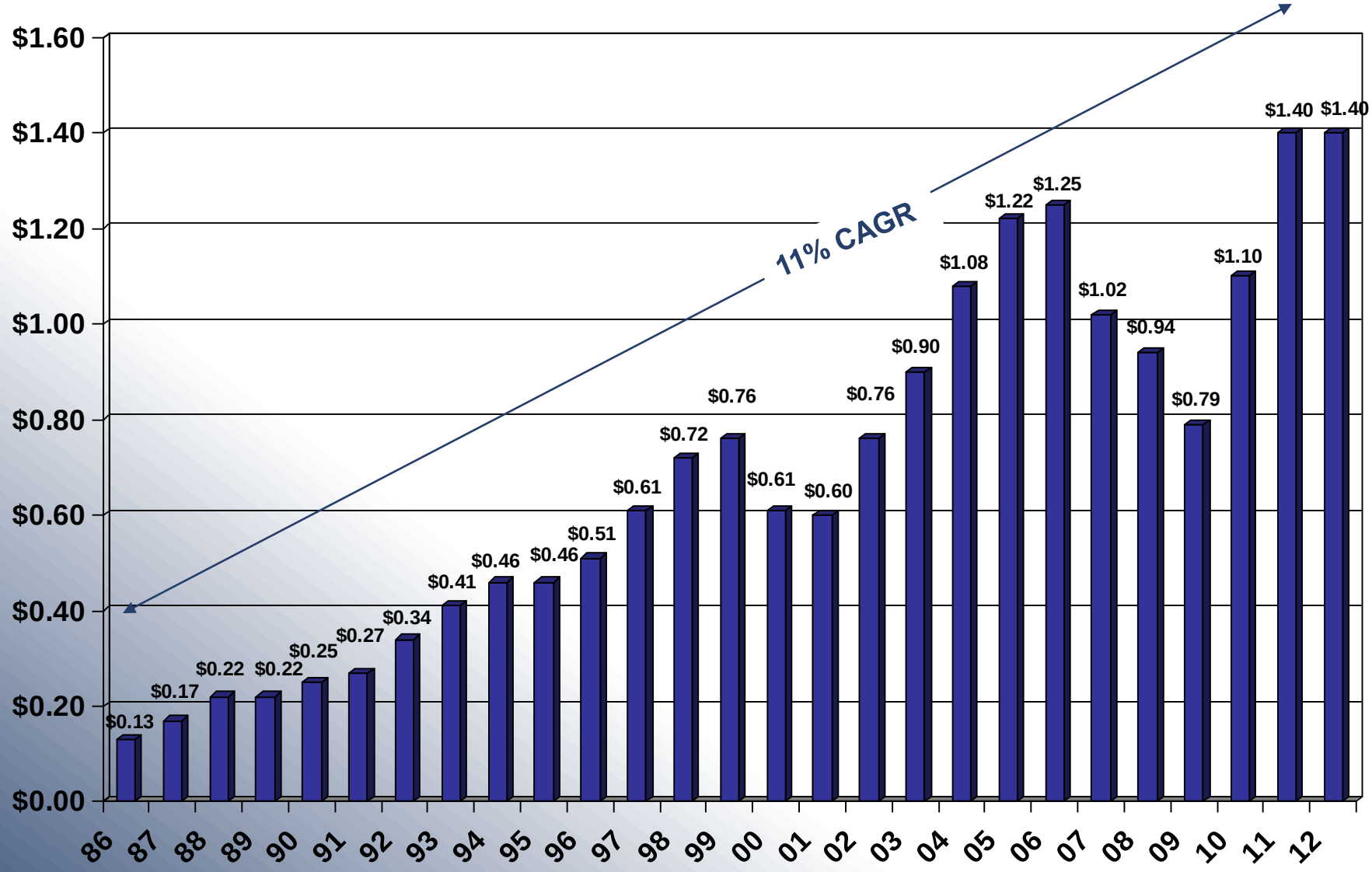


EPS Trends

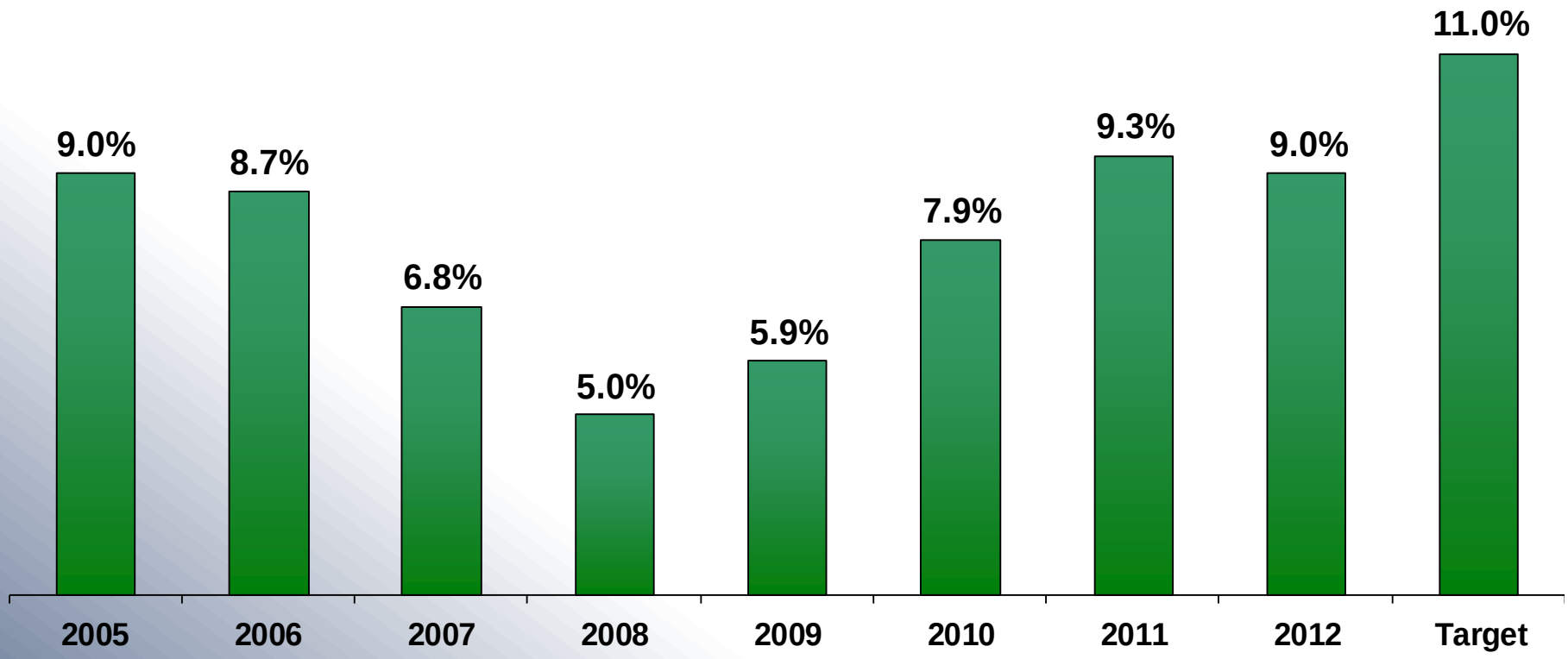


* Total Company (Trucking and Logistics)

EPS Trends

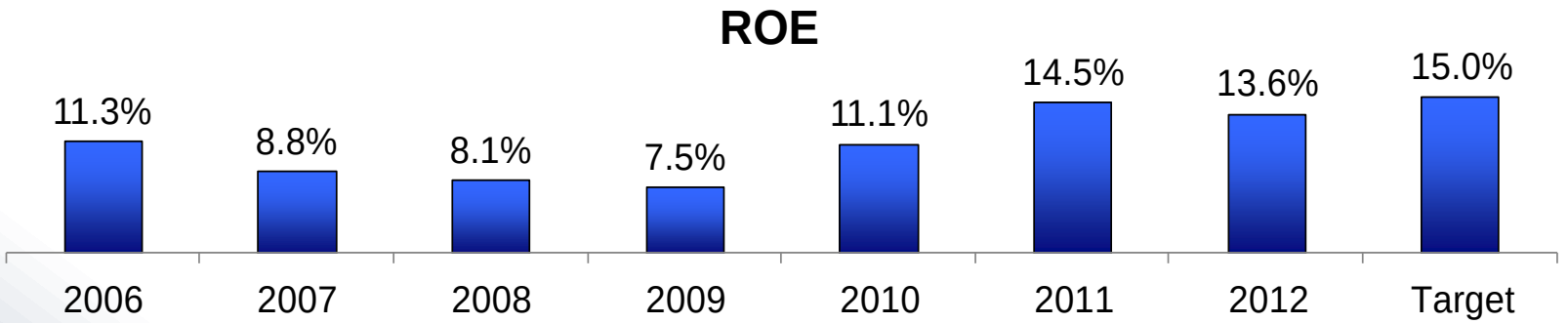

$1.60
$1.40
$1.20
$1.00
$0.80
$0.60
$0.40
$0.20
$0.00
11% CAGR
$0.13
$0.17
$0.22
$0.22
$0.25
$0.27
$0.34
$0.41
$0.46
$0.46
$0.51
$0.61
$0.72
$0.76
$0.61
$0.60
$0.76
$0.90
$1.08
$1.22
$1.25
$1.02
$0.94
$0.79
$1.10
$1.40
$1.40
86 87 88 89 90 91 92 93 94 95 96 97 98 99 00 01 02 03 04 05 06 07 08 09 10 11 12

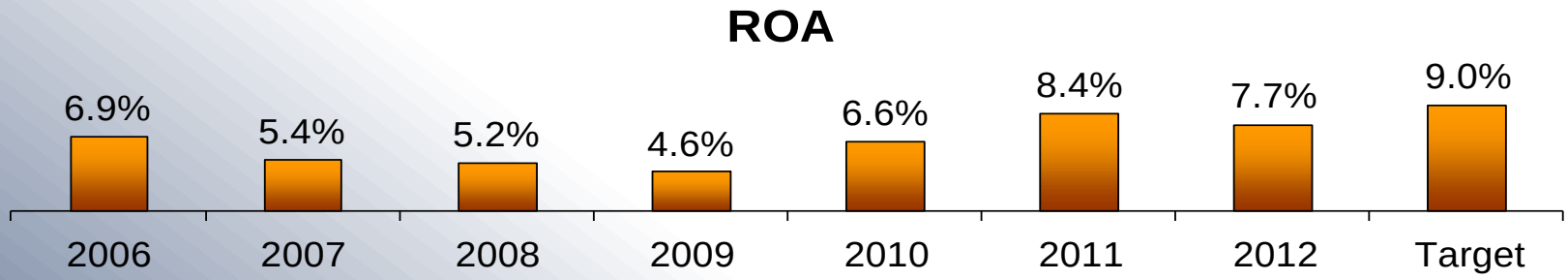
WERN Targeting an Annualized 11% TL*Operating Margin



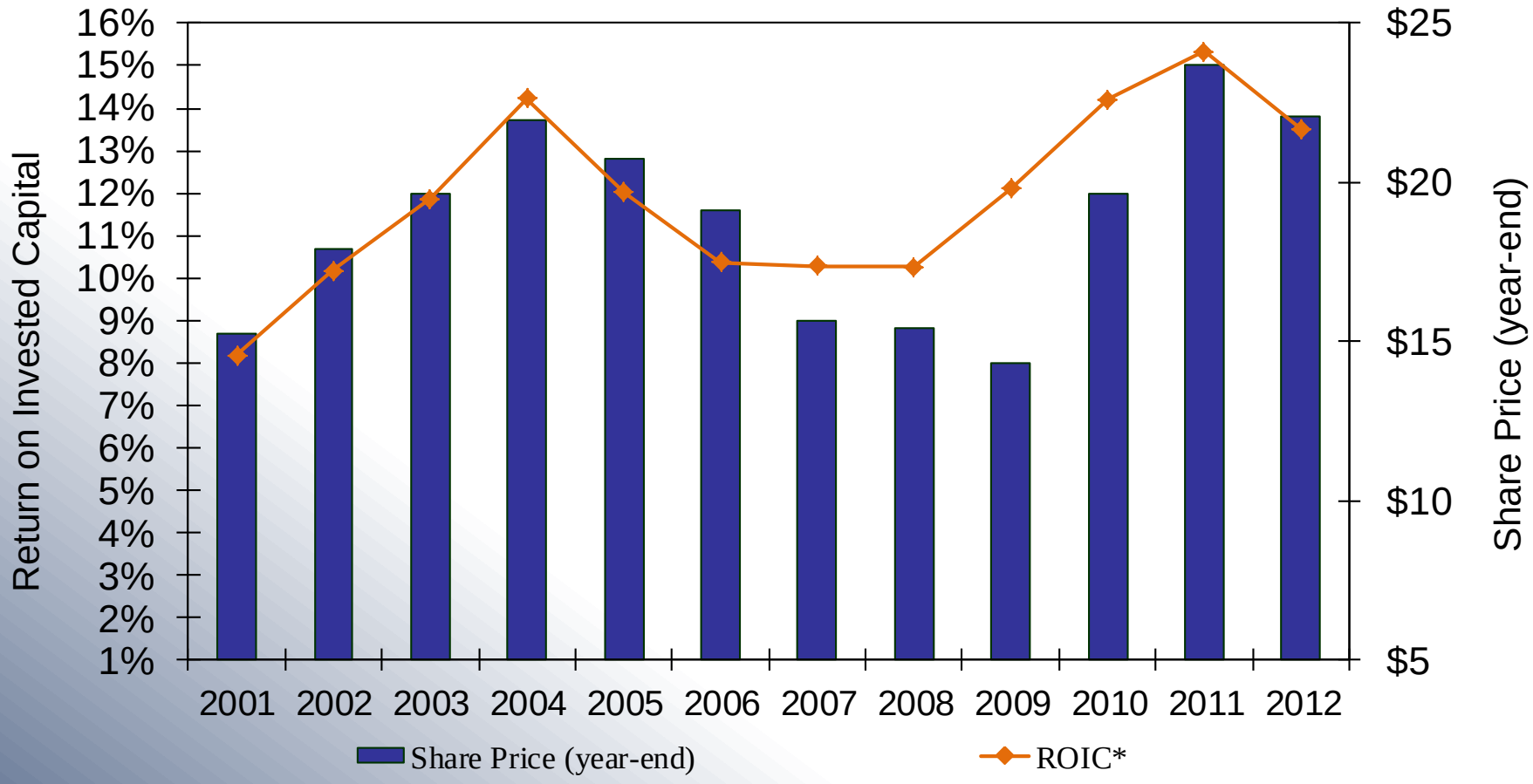
* Truckload Transportation Services (includes One-Way TL and Dedicated). Above percentages include fuel (fuel surcharge revenues and fuel expense).

WERN TARGETING A 15% ROE & 9% ROA





Return on Invested Capital (ROIC*) vs. Share Price Growth



*ROIC is a non-GAAP measure. Net income plus net interest expense, divided by average invested capital.



Global, Comprehensive Portfolio



Award-Winning Customer Service



Technology Driven



Customizable Logistics Strategies



Consistent, Credible and Conservative

This is WERNER.