

WELLS FARGO SECURITIES

2014 INDUSTRIAL AND CONSTRUCTION CONFERENCE

MAY 8, 2014



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

2013 Revenue: $2.0B

2013 Net Income: $87M

NASDAQ: WERN

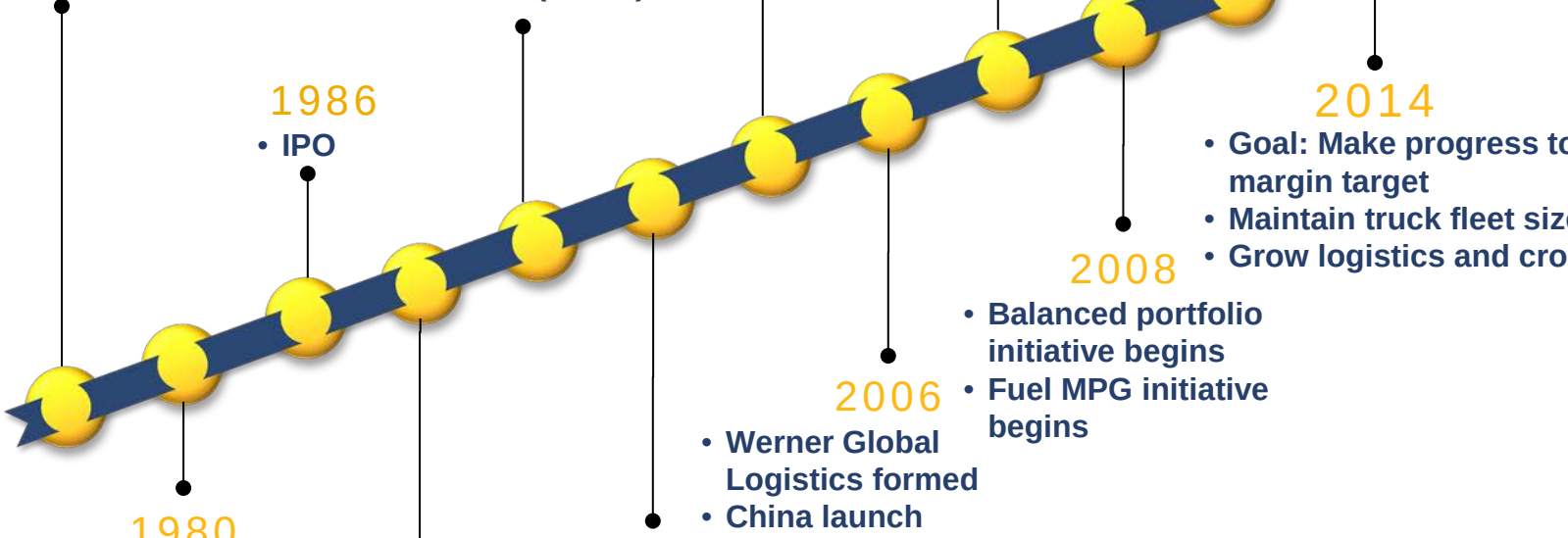
Market Cap: $1.8B

Avg Daily Trading Volume (3 mo. 3/14) 638k

2013 Quest for Quality Repeat Award Winner



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 logging devices (ELD's)

1999
- Mexico launch
- Canada designated fleet formed

2003
- Brokerage and Intermodal expansion

2006
- Werner Global Logistics formed
- China launch

2007
- LH fleet reduction

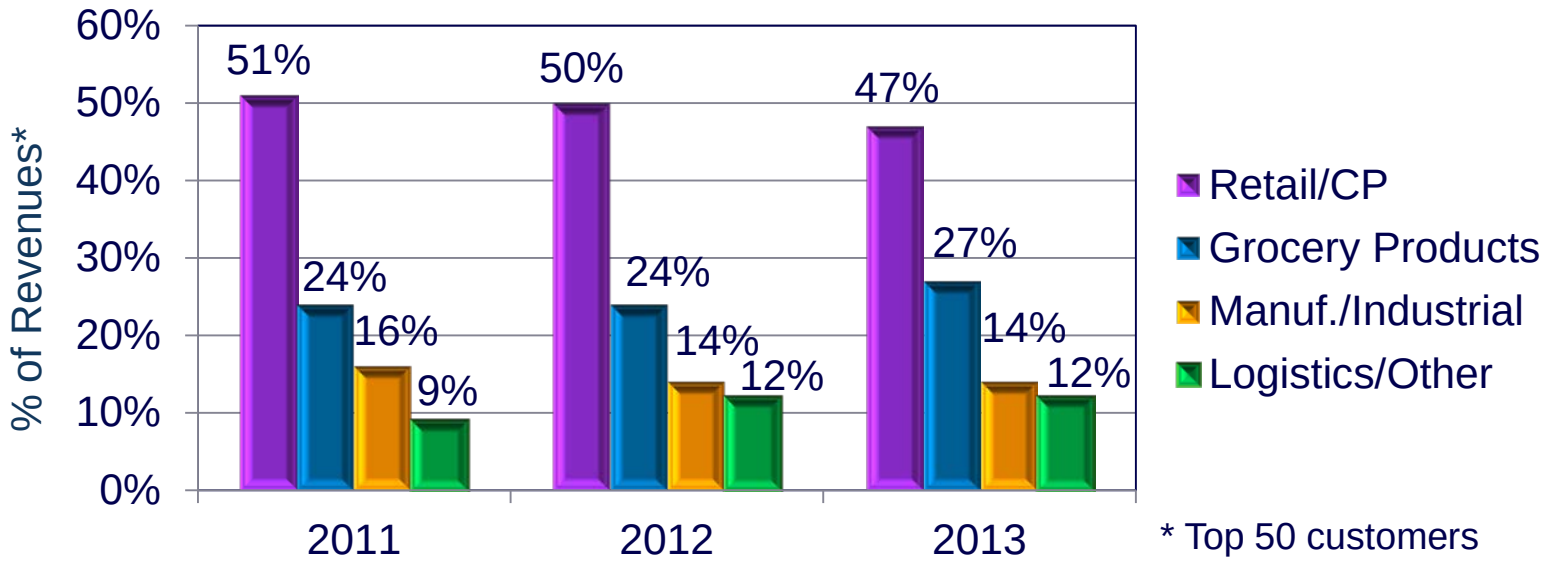
2008
- Balanced portfolio initiative begins
- Fuel MPG initiative begins

2009
- Safety improvement initiative begins
- Australia launch

2014
- Goal: Make progress to 11% OI margin target
- Maintain truck fleet size
- Grow logistics and cross-border

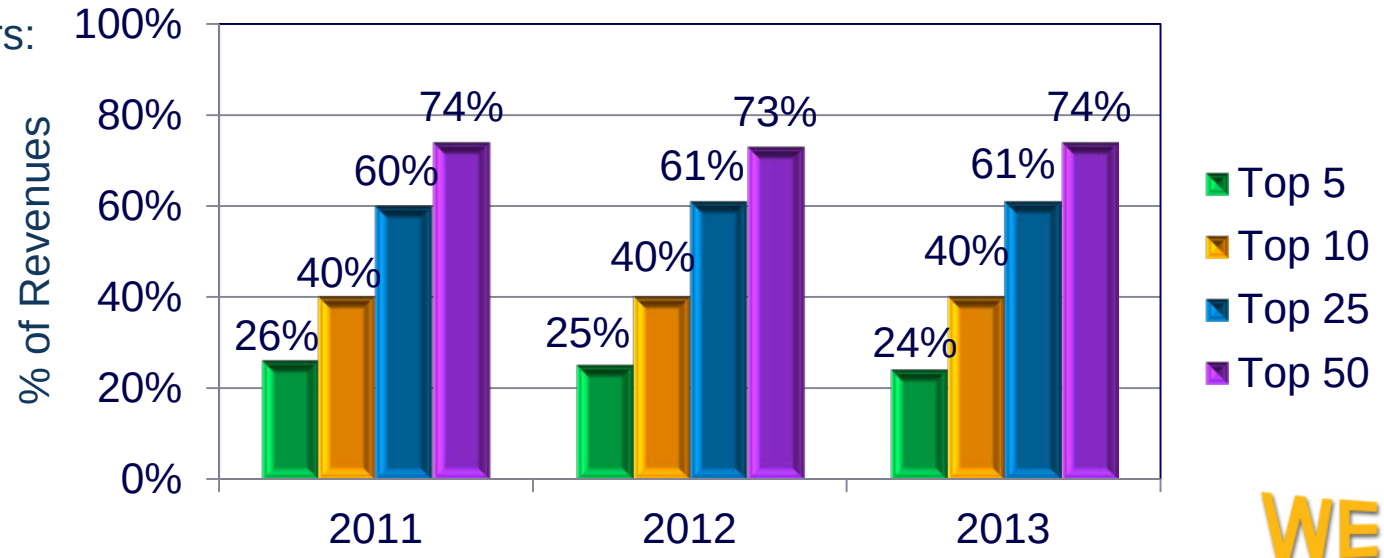
Revenue Sources

Vertical:



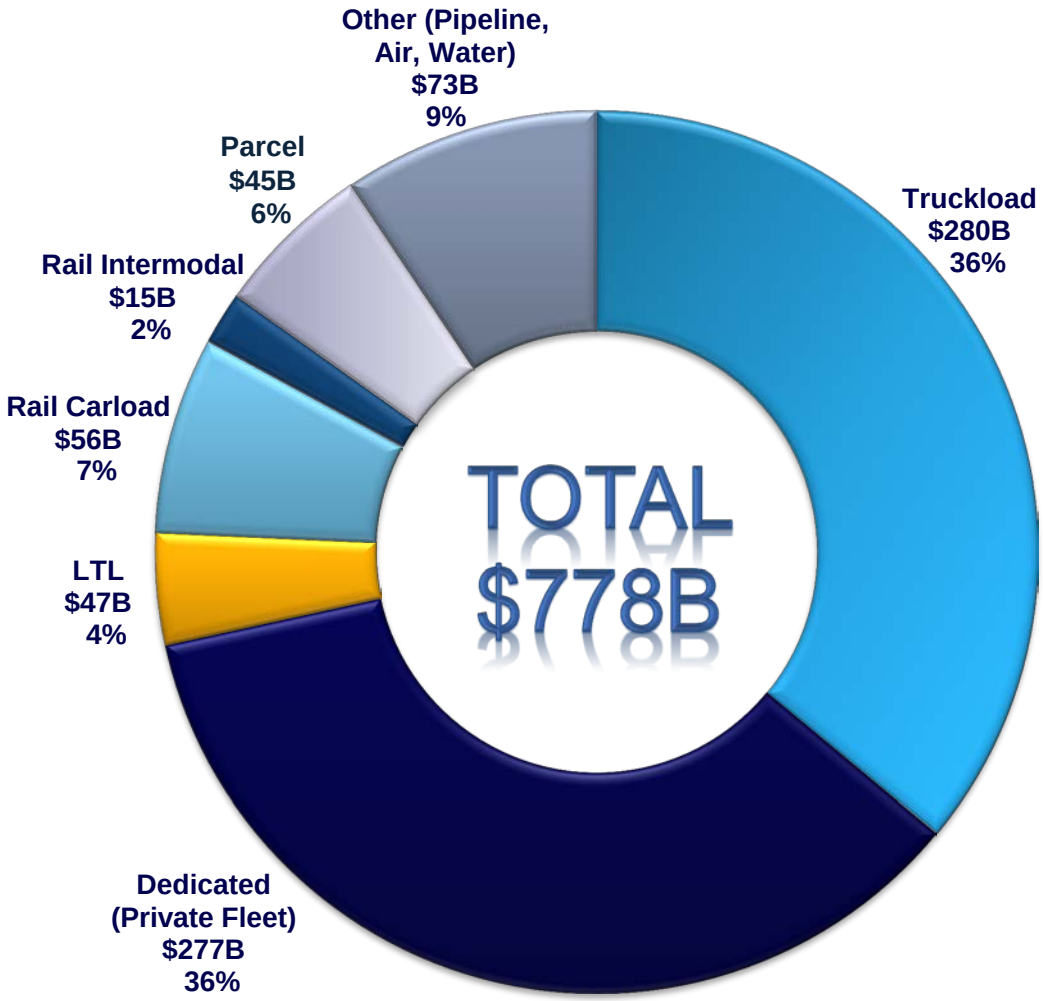
* Top 50 customers

Customers:

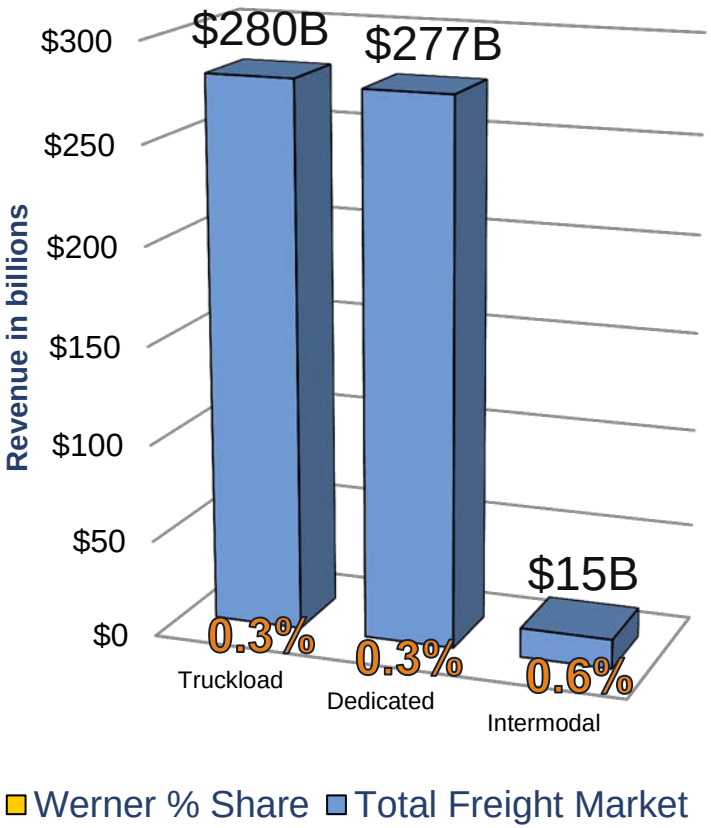


Domestic Freight Market: Market Share & Growth Opportunities

U.S. Freight Market Revenues
in billions of $*



Werner Enterprises Growth Opportunities



* Sources: ATA and Stifel Nicolaus estimates

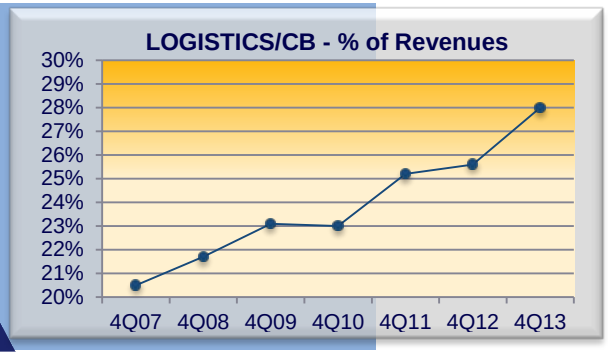
REVENUE PROFILE

Asset-Light

Asset

- Freight Management
- Brokerage
- Intermodal
- Cross Border
- Global Logistics

LOGISTICS



DEDICATED

Van

Flatbed

Temperature Controlled

ONE-WAY TRUCKLOAD

Medium / Long Haul

Regional Fleets

Network Optimization

Temperature Controlled

Team Werner

	Goal	1Q14
LOGISTICS	1/3	28%*
DEDICATED	1/3	37%
ONE-WAY TRUCKLOAD	1/3	35%

* Includes Cross Border Asset-Light (MX, CAN)

FREIGHT MARKET UPDATE





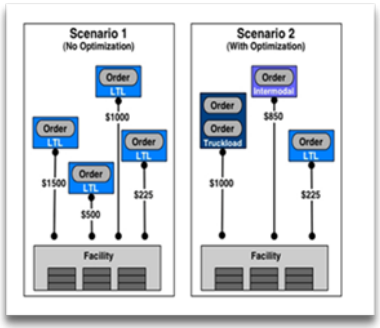




WERNER

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 over 7,000 trucks, 11,000 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.

Werner & Mexico
Growing Strength in Numbers

Werner Mexico:

- Top 3 Mexico CB TL carrier
- 15 years in market
- >12% of consolidated revenues
- Strong relationships with top Mexican carriers
- 31% revenue growth 2011 to 2013



Manufacturing:



- MX MFG wages (adjusted for productivity) to be 30% lower than China by 2015
- MX MFG has a 50-170% natural gas pricing energy advantage over China
- Mexico has more free trade agreements (44) than China (18)

Current Fuel Efficiency Initiatives

- Aerodynamic trucks & trailers
- Weight reduction strategies
- Automated tire inflation systems
- Newest diesel engine technology
- Computerized truck idling program
- Speed management, route management, fuel optimization
- Continual in-depth testing of the latest fuel saving technologies

Werner's Impact

From 2007 to 2013 we reduced:

77 Million Gallons



860,000 Tons



SmartWay® Transport Partner
Getting There With Cleaner Air
2013 EXCELLENCE AWARD RECIPIENT

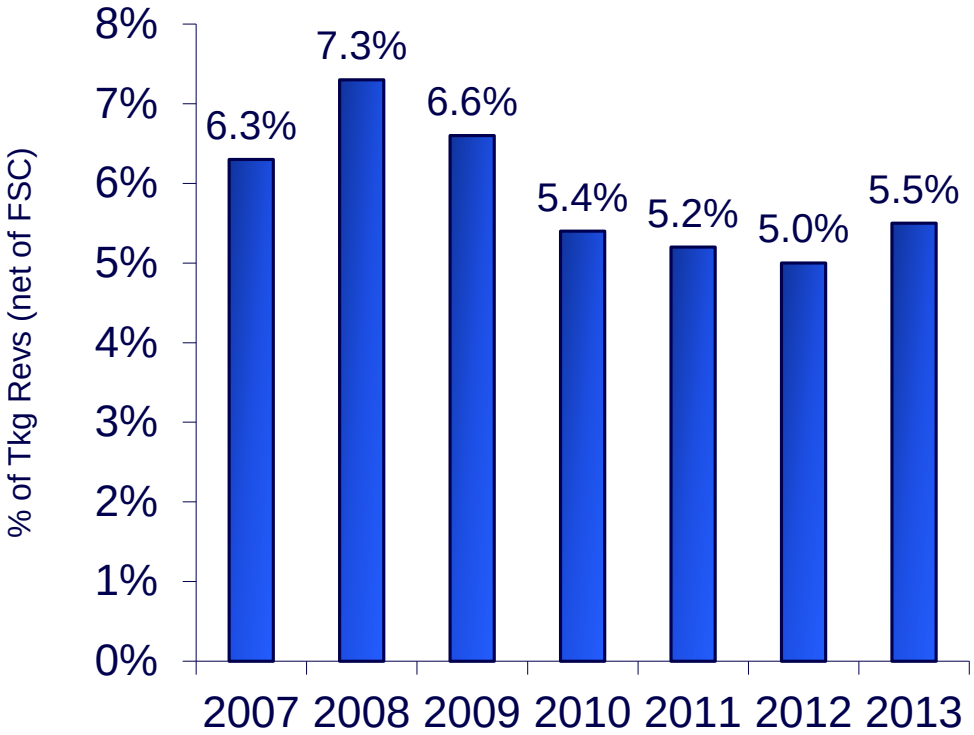
Food Logistics 2013 TOP GREEN PROVIDERS



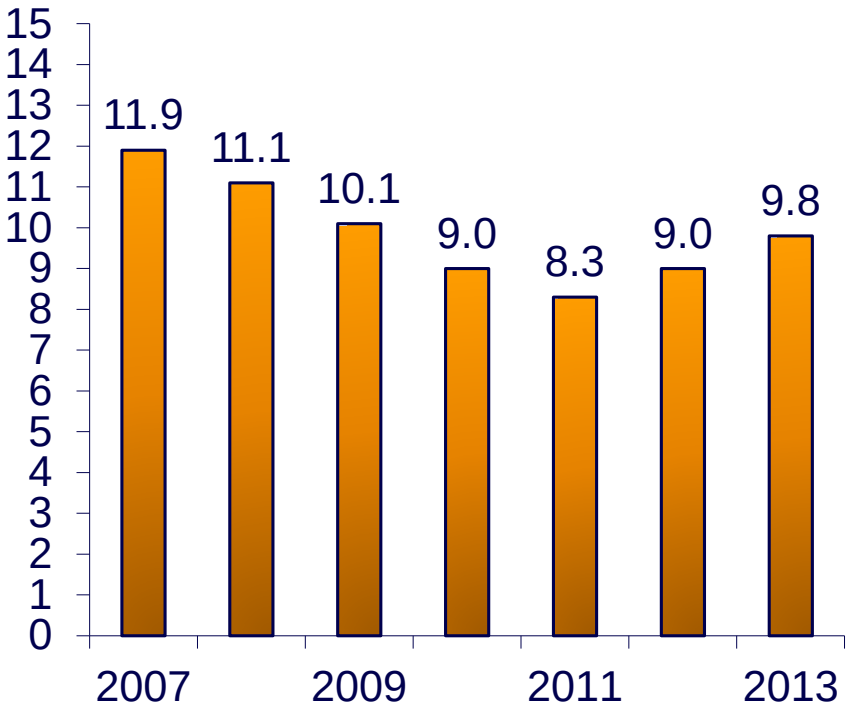
WERNER

SAFETY TRENDS

INS/CLAIMS % of REVENUES*



ACCIDENTS PER MM



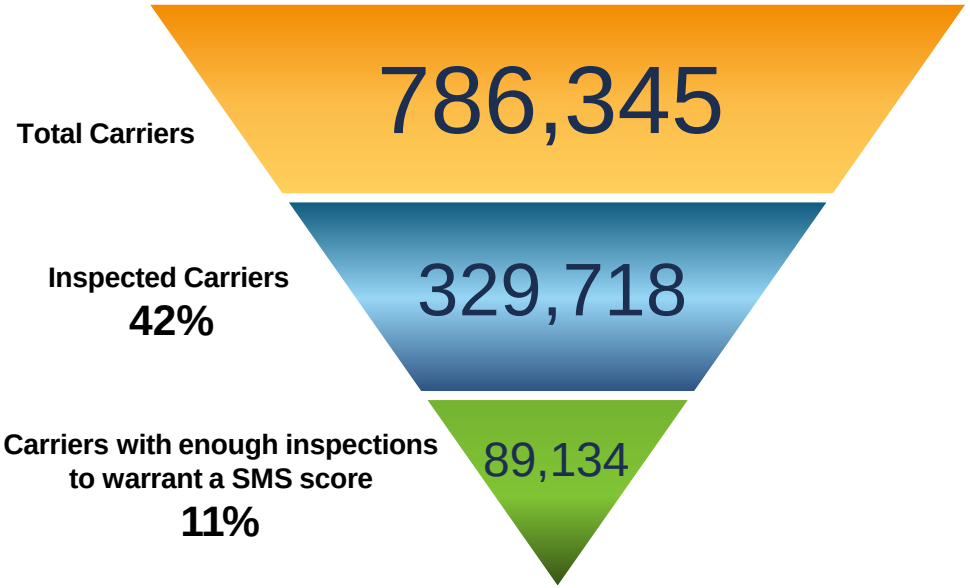
* Trucking revenues, less fuel surcharge revenues
MM – Million miles

March 2014

CSA BASIC	WERN	Def. Alert Threshold
Unsafe Driving	53	65
Fatigued Driving (HOS)	20	65
Driver Fitness	59	80
Controlled Sub/Alcohol	43	80
Vehicle Maintenance	56	80
HAZMAT (Non-Public)		
Crash Indicator (Non-Public)		

WERN below the deficiency threshold in all 5 CSA Basics

CSA SMS Summary Data





Expected Impact

- Available pool of drivers will decrease
- Increase of compliance and insurance-related costs
- Inconsistent and incomplete data can greatly skew carrier scores
- Scores have no correlation with a carriers accident frequency
- Accident litigation expenses will increase

Sources: FTR and FMCSA

REGULATORY - HOS

Implementation Date: July 1, 2013



Primary rule changes:

- 34-hour restarts, must include two periods between 1 a.m. and 5 a.m., and 1 week (168 hrs.) between 34-hour restarts
- New - requires a 30 minute break after 8 hours of driving

Overall impacts higher transportation costs through:

- Decreased equipment utilization
- Decreased driver wage potential
- Decreased capacity



2-3% Estimated decrease to mileage productivity, depending on the network

Working with customers/drivers to minimize impact



75,000 Estimated additional industry tractors needed to haul the same amount of freight, pre-HOS change

Sources: FTR, FMCSA and JOC

Regulatory – Electronic Logging Devices (ELD's)





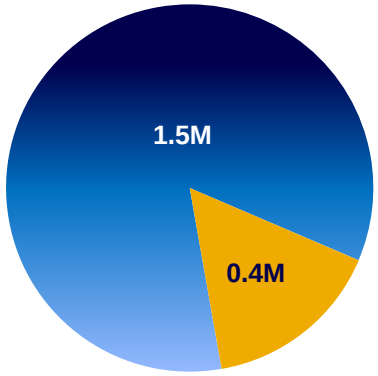
5/27/14
- 60-day comment period ends

2014 | 2015 | 2016

3/28/14
- U.S. DOT proposed rule making

2H - 2014
- Final ruling expected - 2 year implementation period

2H - 2016
- Expected timing when all motor carriers must have ELD's



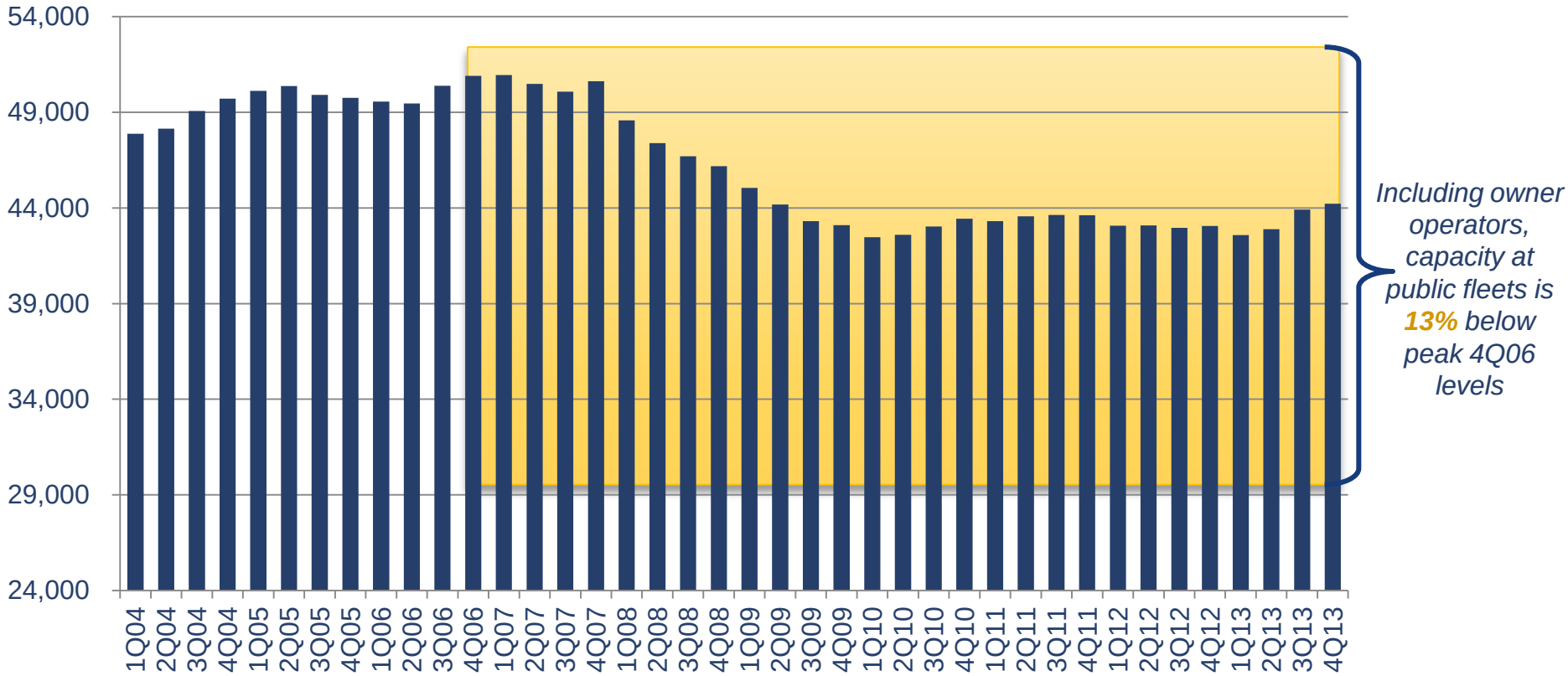
ELD Trucks (est.) Non-ELD Trucks (est.)

From 3/31/14 FMCSA News Release:

"Increase efficiency for law enforcement personnel and inspectors who review driver logbooks by making it more difficult for a driver to cheat when submitting their records of duty status and ensuring the electronic logs can be displayed and reviewed electronically, or printed, with potential violations flagged."

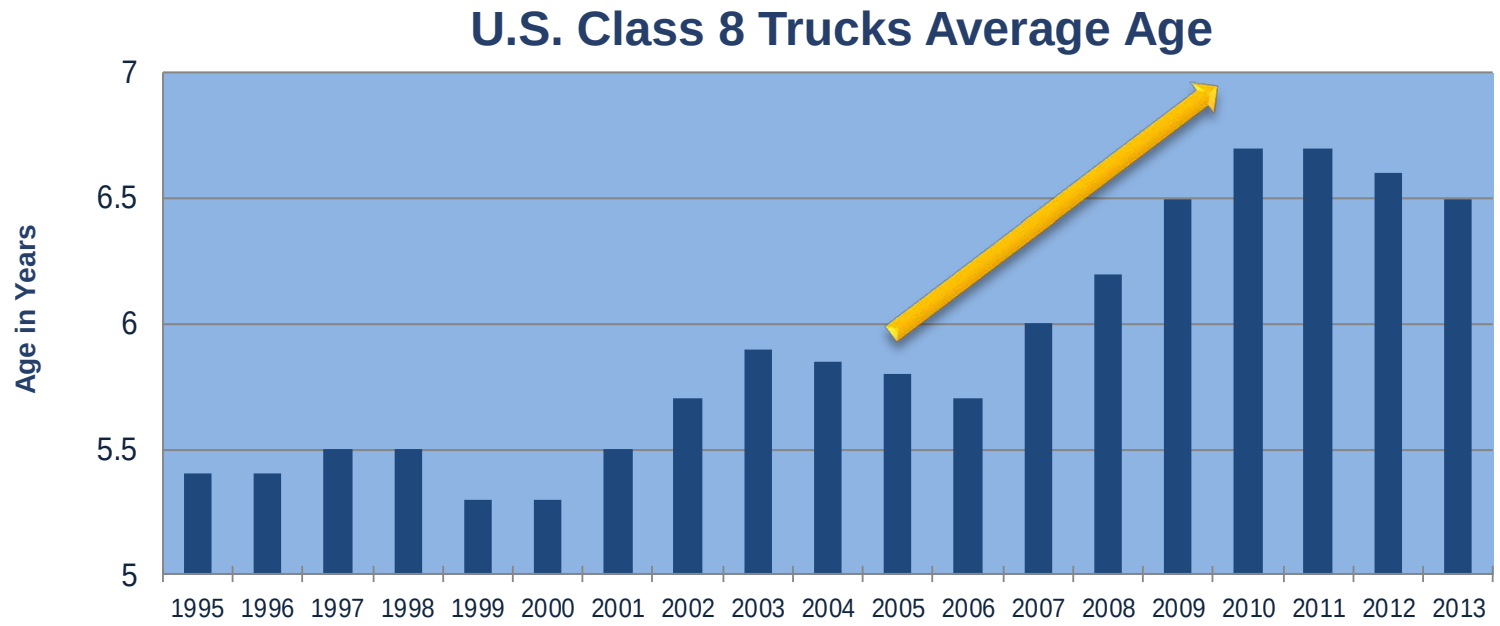
WERN:
- Industry ELD leader
- Adopted 1996
- FMCSA approved WERN ELD's 1998

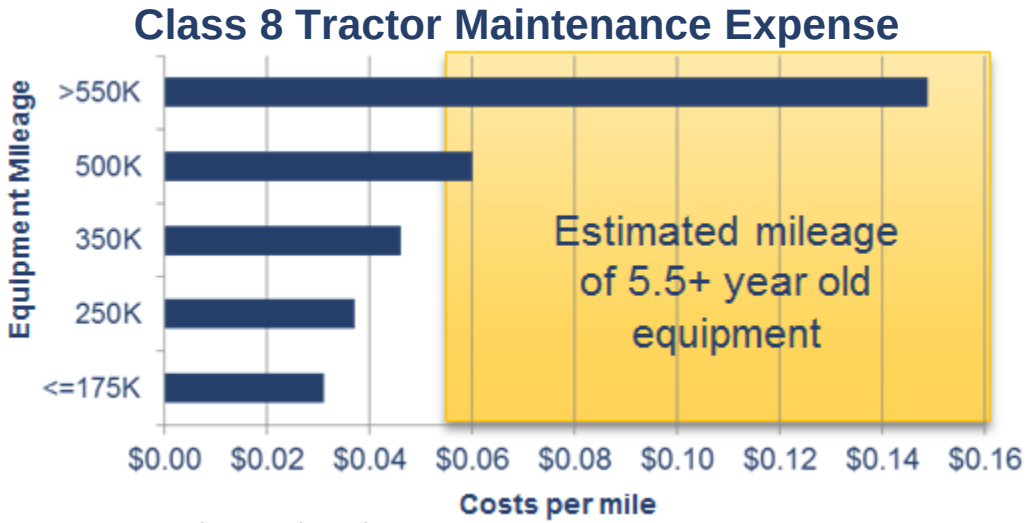
Total Public Truckload Fleet Capacity



Source: KeyBanc

Supply – Aging Fleets





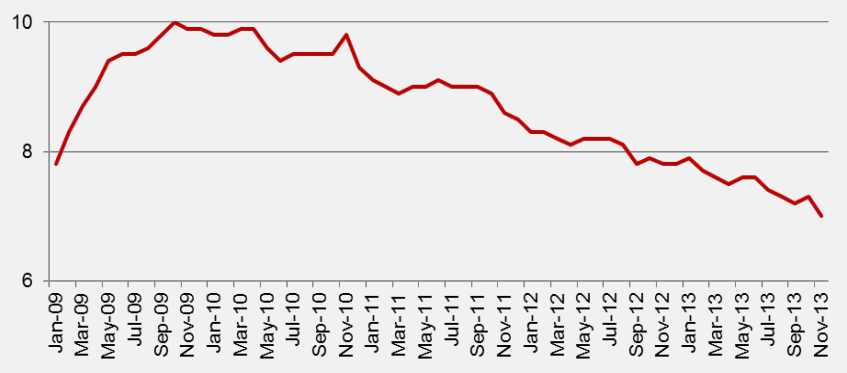
Current Average Age of a U.S. Class 8 Truck Fleet

6.5 yrs

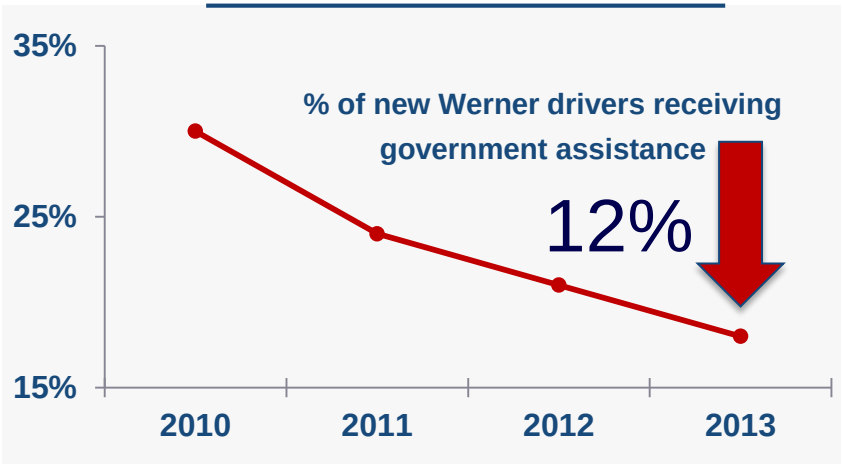
Sources: ACT Research Co. and Wards

Supply-Industry Driver Shortage
Macro Trucking Capacity Constraints

Declining Unemployment Rate



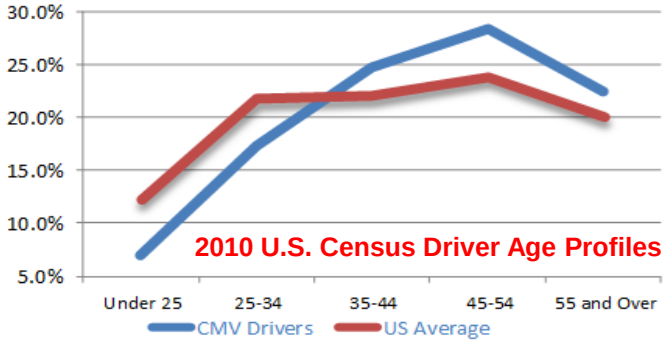
Reduced Government Funding Assistance for New Drivers

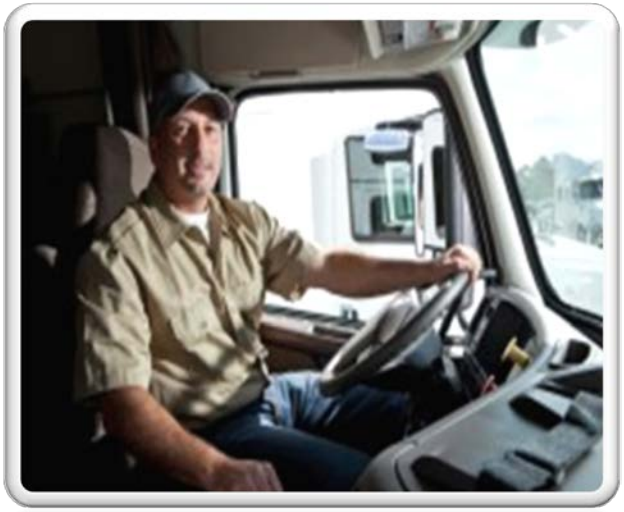


Increased Labor Competition

- Growing home construction jobs
- Fracking driving jobs in specific localized markets

Aging Driver Demographics

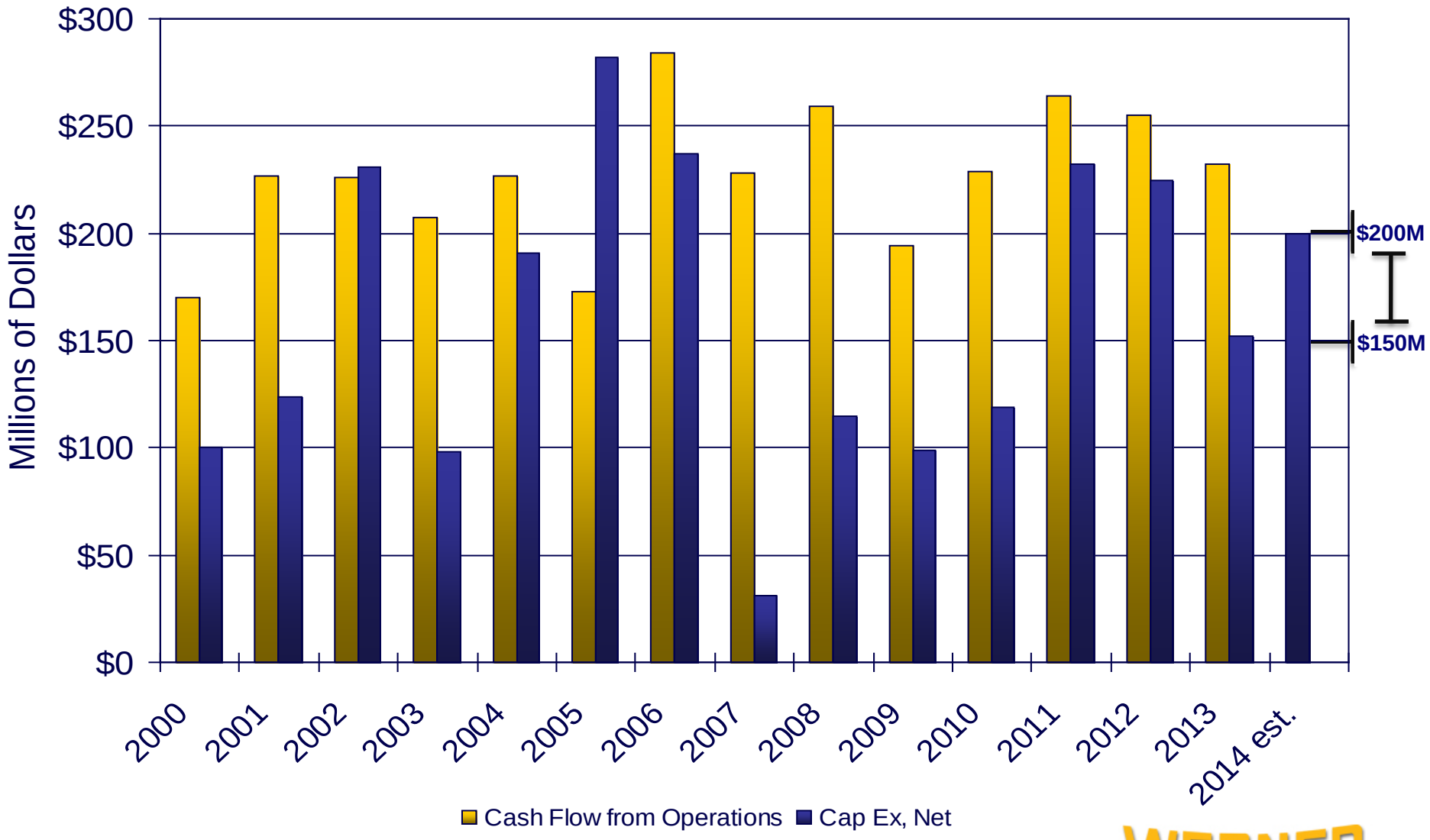




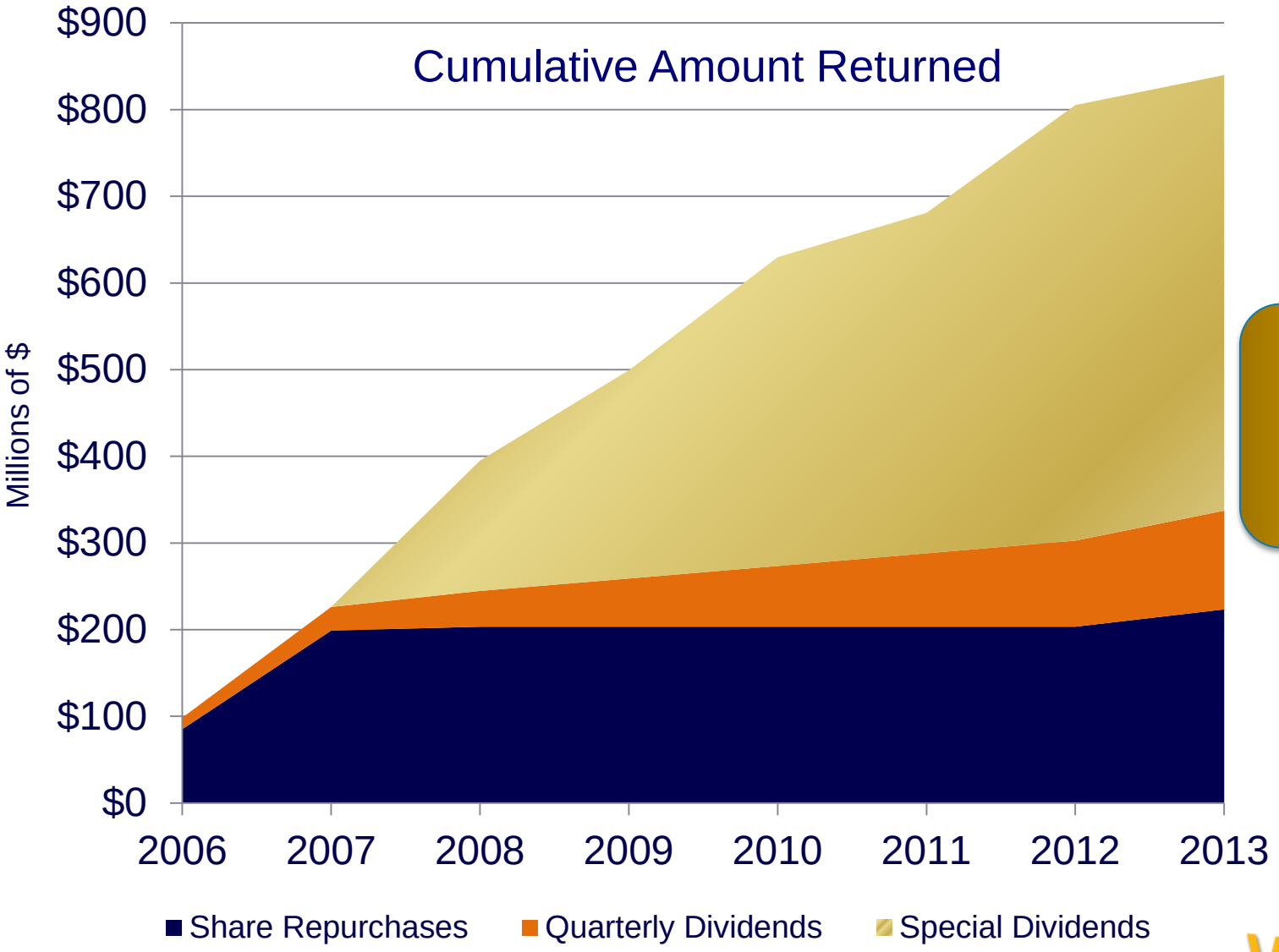
More Restrictive Safety Regulations

- CSA (started 12/10)
- HOS (started 7/13)
- ELD in process

Cash Flow and Cap Ex

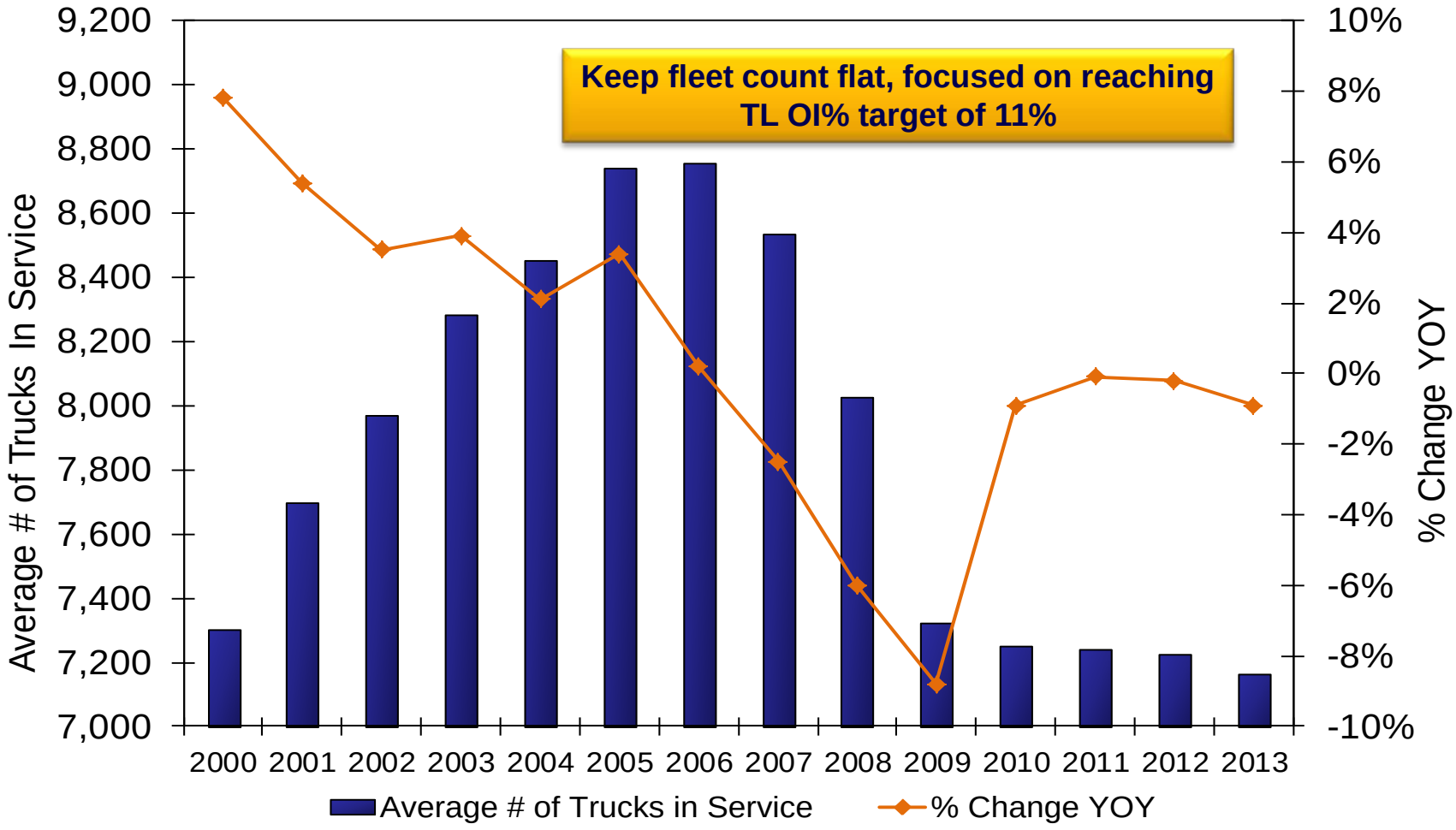


RETURNING VALUE TO SHAREHOLDERS



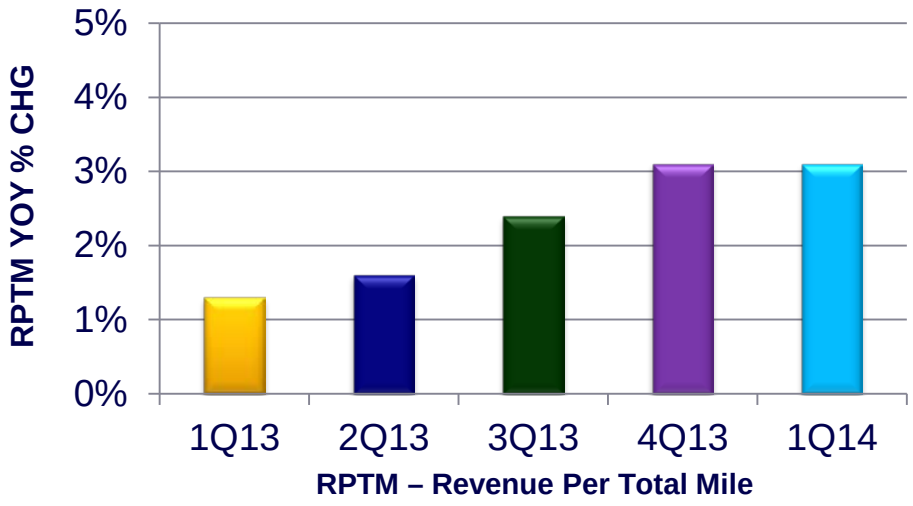
$840M returned over the last 7 yrs. (>$11/share)

TRUCKS

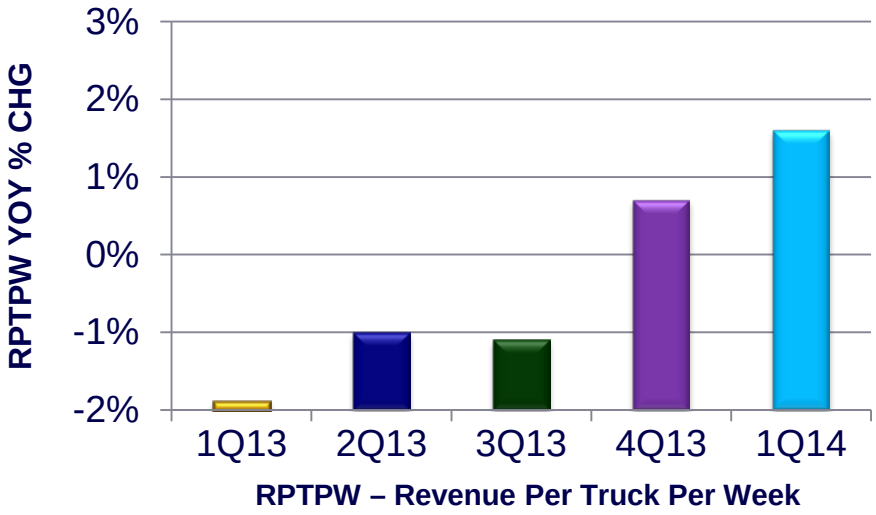

Keep fleet count flat, focused on reaching TL OI% target of 11%
Average # of Trucks In Service
% Change YOY
9,200
9,000
8,800
8,600
8,400
8,200
8,000
7,800
7,600
7,400
7,200
7,000
10%
8%
6%
4%
2%
0%
-2%
-4%
-6%
-8%
-10%
2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013
Average # of Trucks in Service
% Change YOY

Improving Rate Metrics

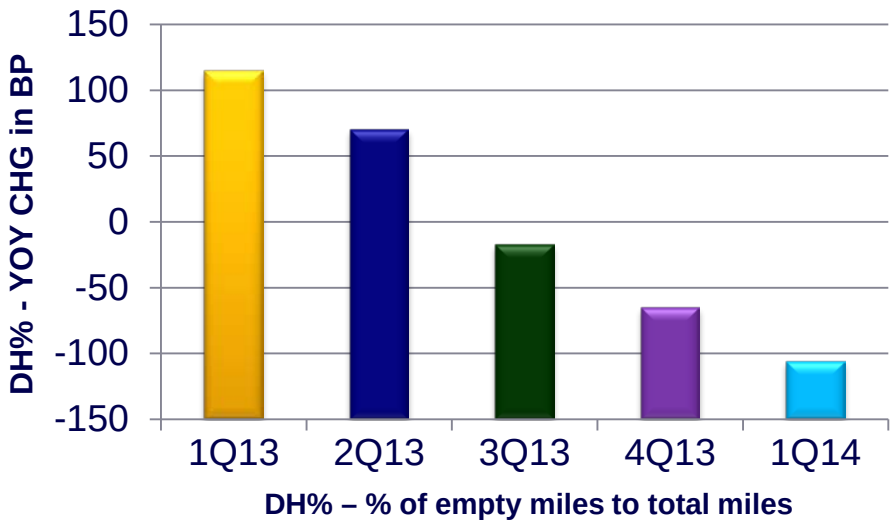
RPTM Trends



RPTPW Trends

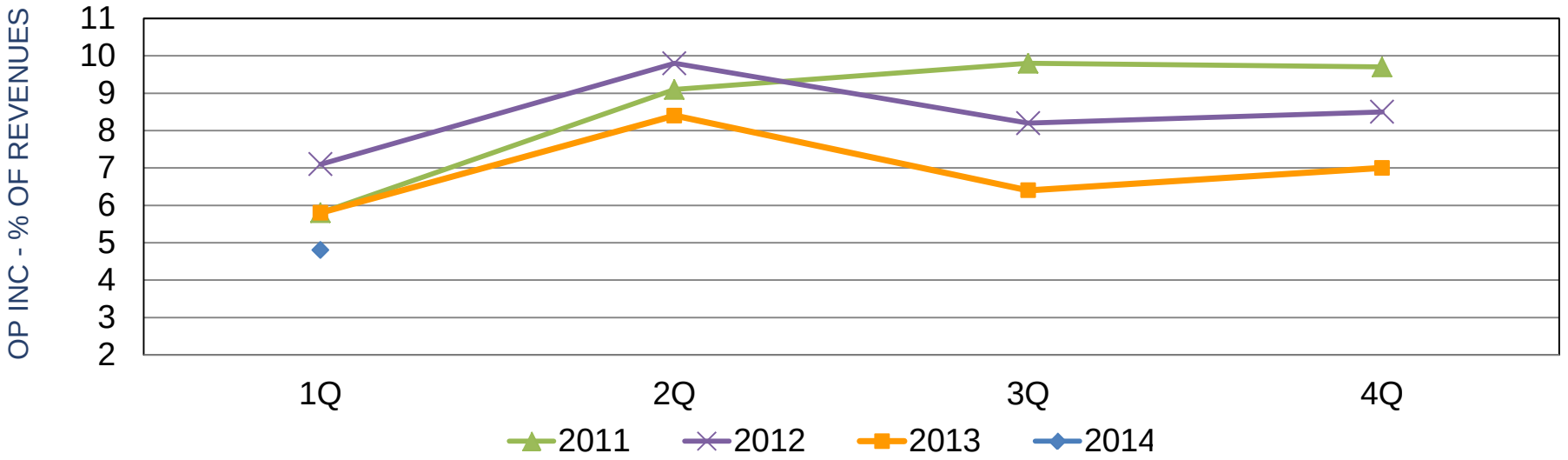


Empty Mile Trends

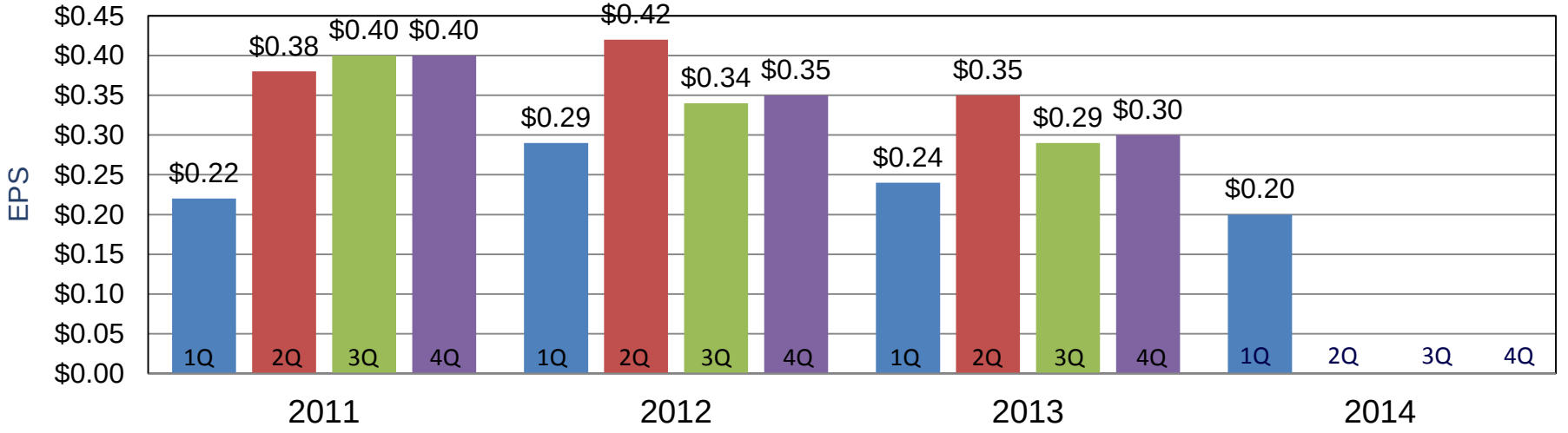


Note: HOS changes began 3Q13 – reduced miles/truck by 2-3%.

Operating Margin Trends*

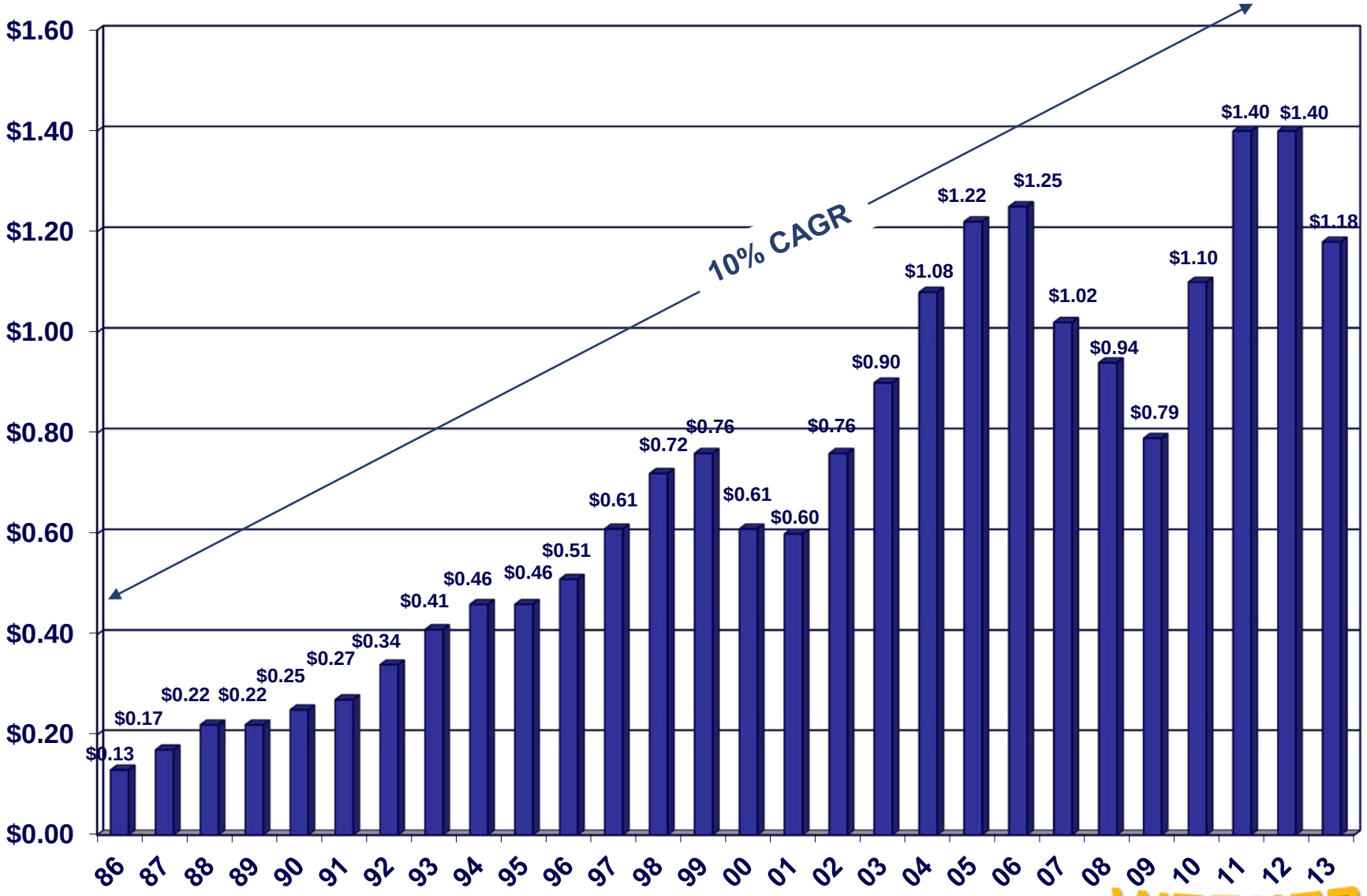


EPS Trends

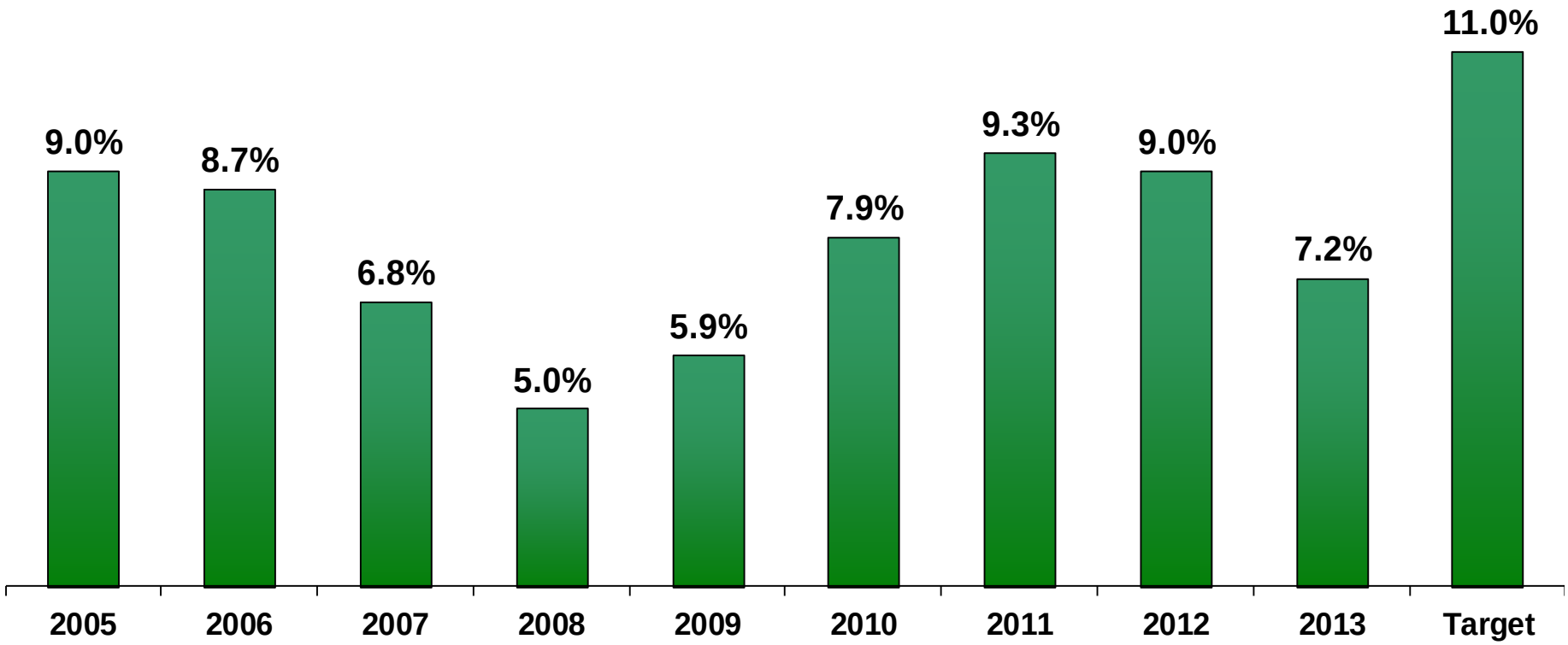


* Total Company (Trucking and Logistics)

EPS Trends


$1.60
$1.40
$1.20
$1.00
$0.80
$0.60
$0.40
$0.20
$0.00
10% 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
$1.18
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 13

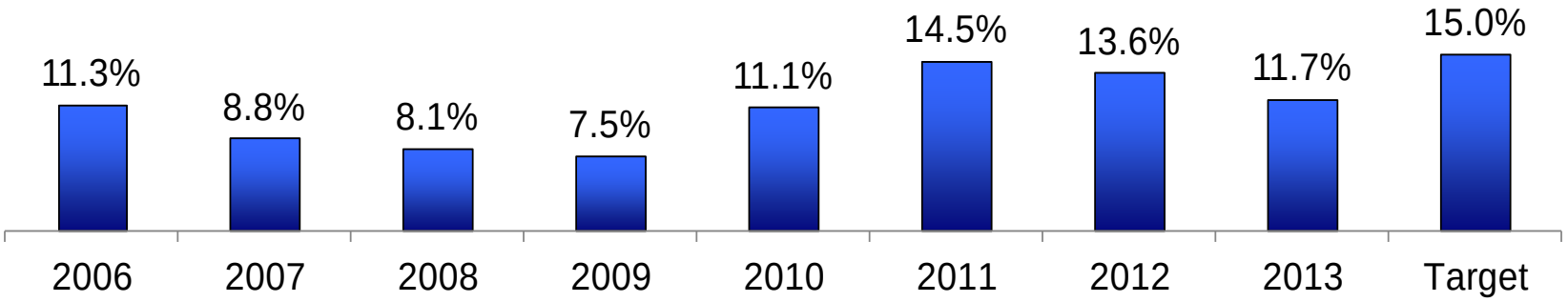
WERN Targeting an Annualized 11% Truckload *Operating Margin



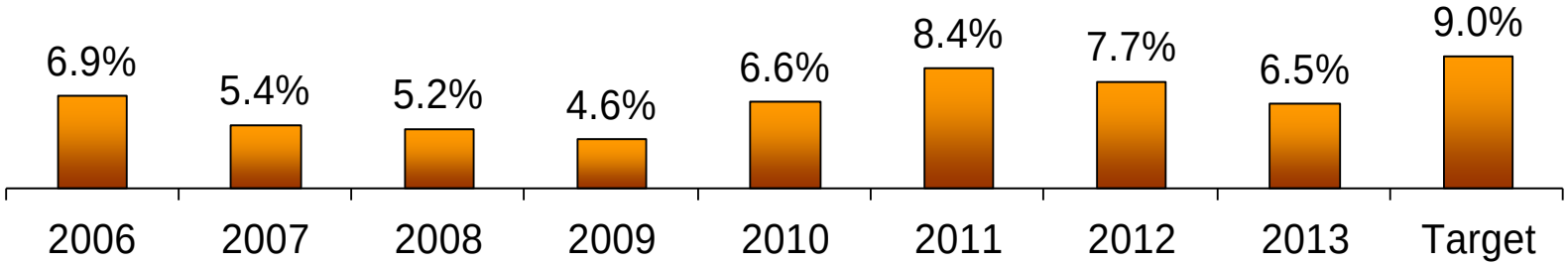
* Truckload Transportation Services (includes One-Way TL and Dedicated). Above percentages include fuel (fuel surcharge revenues and fuel expense).

WERN TARGETING A 15% ROE & 9% ROA

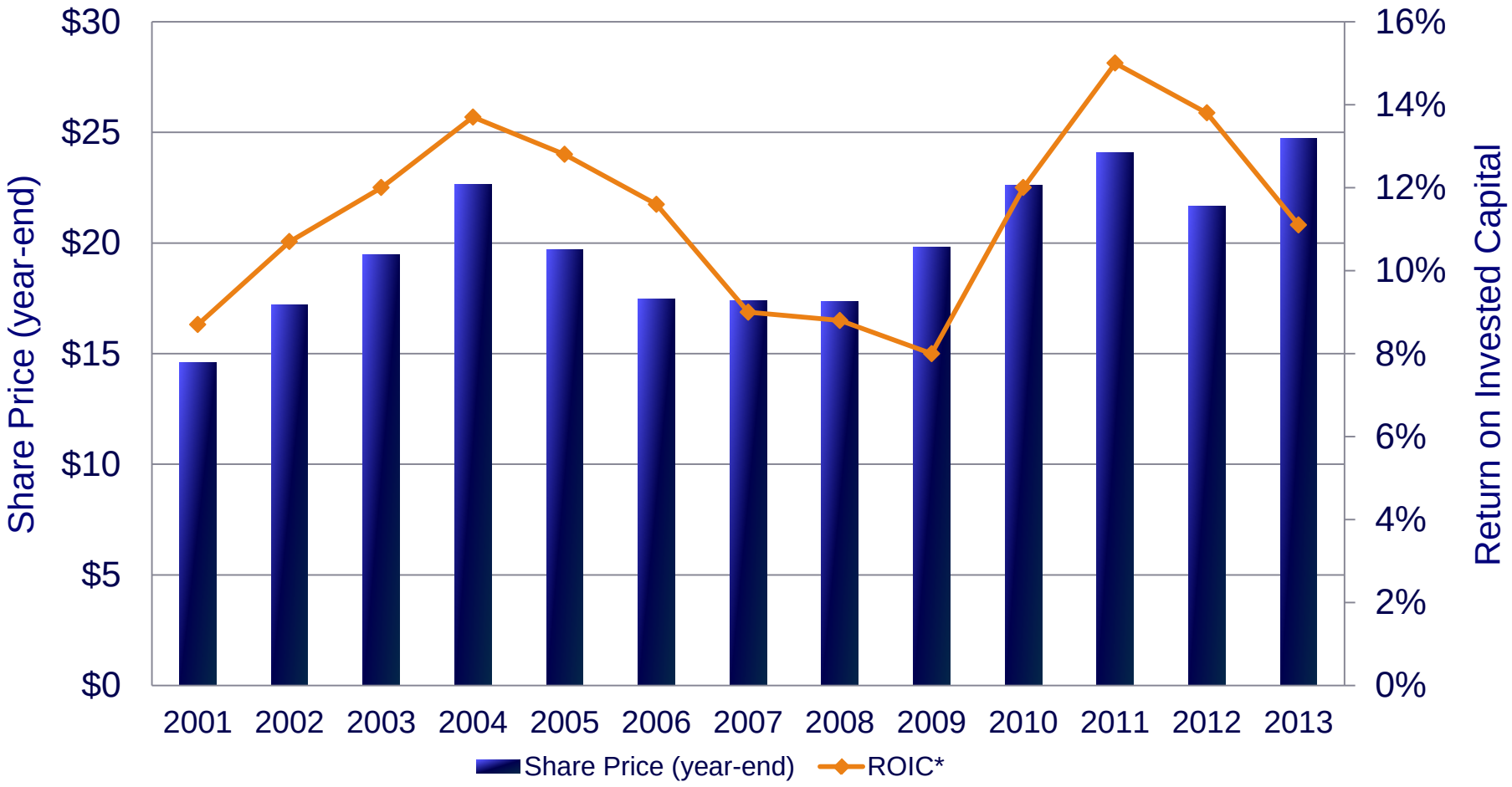
ROE



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.



THANK YOU

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