



WERNER[®]

1Q25 EARNINGS PRESENTATION

April 29, 2025



WE KEEP AMERICA MOVING[®]



DISCLOSURE STATEMENT



This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements are based on information presently available to the Company's management and are current only as of the date made. Such statements are by nature subject to uncertainties and risks, including, but not limited to, operational, financial, legal risks detailed in our latest available Annual Report on Form 10-K and any subsequently filed Quarterly Reports on Form 10-Q. These risks and uncertainties could cause actual results or events to differ materially from historical results or those anticipated.

For those reasons, undue reliance should not be placed on any forward-looking statement. The Company assumes no duty or obligation to update or revise any forward-looking statement, although it may do so from time to time as management believes is warranted or as may be required by applicable securities law. Any such updates or revisions may be made by filing reports with the U.S. Securities and Exchange Commission, through the issuance of press releases or by other methods of public disclosure.

Non-GAAP Financial Measures and Reconciliations

To supplement our financial results presented in accordance with generally accepted accounting principles in the United States of America ("GAAP"), we provide certain non-GAAP financial measures as defined by the SEC Regulation G, including non-GAAP adjusted operating income (loss); non-GAAP adjusted operating margin; non-GAAP adjusted operating margin, net of fuel surcharge; non-GAAP adjusted net income (loss) attributable to Werner; non-GAAP adjusted diluted earnings (loss) per share; non-GAAP free cash flow; non-GAAP EBITDA; non-GAAP net debt; non-GAAP adjusted operating revenues, net of fuel surcharge; non-GAAP adjusted operating revenues, less purchased transportation expense; non-GAAP adjusted operating expenses; non-GAAP adjusted operating expenses, net of fuel surcharge; non-GAAP adjusted operating ratio; and non-GAAP adjusted operating ratio, net of fuel surcharge. We believe these non-GAAP financial measures provide a more useful comparison of our performance from period to period because they exclude the effect of items that, in our opinion, do not reflect our core operating performance. Our non-GAAP financial measures are not meant to be considered in isolation or as substitutes for their comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. There are limitations to using non-GAAP financial measures. Although we believe that they improve comparability in analyzing our period-to-period performance, they could limit comparability to other companies in our industry if those companies define these measures differently. Because of these limitations, our non-GAAP financial measures should not be considered measures of income generated by our business. Management compensates for these limitations by primarily relying on GAAP results and using non-GAAP financial measures on a supplemental basis.

WERNER[®]

BUSINESS OVERVIEW



DEREK LEATHERS

Chairman and Chief Executive Officer

WERNER OVERVIEW (WERN)

WE KEEP AMERICA MOVING®

69 YEARS IN BUSINESS

OMAHA, NE
HEADQUARTERS



6TH
LARGEST DEDICATED CARRIER IN U.S.³



2,297

TOTAL DRIVERS IN COMPANY HISTORY WITH ONE MILLION OR MORE SAFE DRIVING MILES WITH WERNER



\$1.7B¹
MARKET CAP



2.0%¹
DIVIDEND YIELD



13,016²
ASSOCIATES

305²
INDEPENDENT CONTRACTORS



> 87%
DEDICATED CUSTOMER RETENTION RATE



4,835⁴

DEDICATED



2,605⁴

ONE-WAY TRUCKLOAD



7,440⁴

TTS TRUCKS



18%

WERNER COMPANY DRIVERS WITH MILITARY EXPERIENCE



16%

WERNER COMPANY DRIVERS WHO ARE WOMEN (HIGHER THAN INDUSTRY AVERAGE)

55%
EMISSIONS REDUCTION GOAL BY 2035



28,130⁴

TRAILING ASSETS

¹ As of 4/25/25 for Market Cap and Dividend Yield.

² Number of Associates and Independent Contractors as of 3/31/25.

³ Source: Transport Topics

⁴ As of 3/31/25; TTS includes Dedicated and One-Way Truckload. Trailing assets includes TTS and Logistics.

1Q25 FINANCIAL HIGHLIGHTS

1Q25

Y/Y Change

Revenues	\$712M (7)%
GAAP EPS	\$(0.16) (264)%
Adj. EPS ¹	\$(0.12) (188)%
Adj. Operating Income ¹	\$(1.8)M (110)%
Adj. Operating Margin ¹	(0.3)% (270) Bps
Adj. TTS Operating Margin ^{1, 2}	0.4% (430) Bps

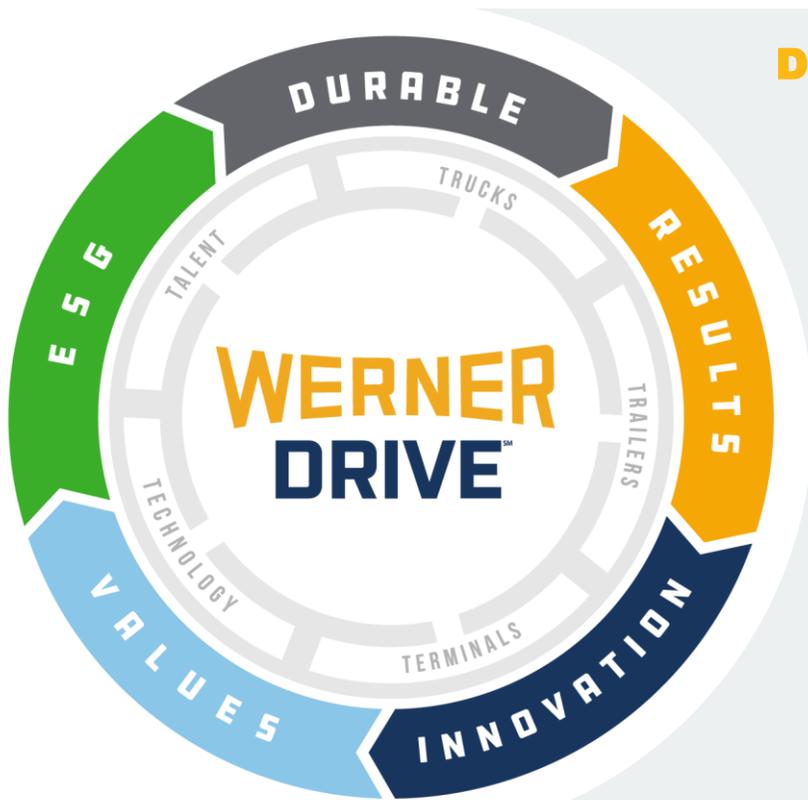
HIGHLIGHTS

- **Dedicated** continued to display resiliency; growing revenue per truck 27 of 29 quarters and adding recent new fleet wins for implementation in Q2 & Q3.
- **One-Way Trucking** revenue per total mile up for three consecutive quarters, albeit modestly.
- **\$7.4M of higher insurance expense Y/Y** from unfavorable claim development during the quarter resulted in a 9-cent negative impact to adjusted EPS.
- **Logistics** adjusted operating income remains positive, led by **11% lower operating expenses Y/Y**.
- **IT spend is elevated**, reflective of advancing our technology strategy & transformation.
- **Increasing 2025 cost savings target** from \$25M to \$40M+.

DRIVESM STRATEGY SUPPORTS 2025 STRATEGIC PRIORITIES

WERNER DRIVESM

BUILDING ON 5Ts AND SHAPING OUR FUTURE



DRIVING GROWTH IN CORE BUSINESS

- Expanding TTS & Logistics adjusted operating income margin
- Increasing One-Way rates
- Growing Dedicated fleet size

DRIVING OPERATIONAL EXCELLENCE

- Resolute focus on safety
- Advancing our technology roadmap through the transition to our cloud-based EDGE TMS
- Executing on additional \$40 million in cost savings

DRIVING CAPITAL EFFICIENCY

- Streamlining business processes including further integration of our acquisitions
- Maintaining strong operating cash flow and optimizing working capital
- Managing CapEx while maintaining a modern tractor fleet
- Maximizing equipment fleet sales

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FINANCIAL RESULTS

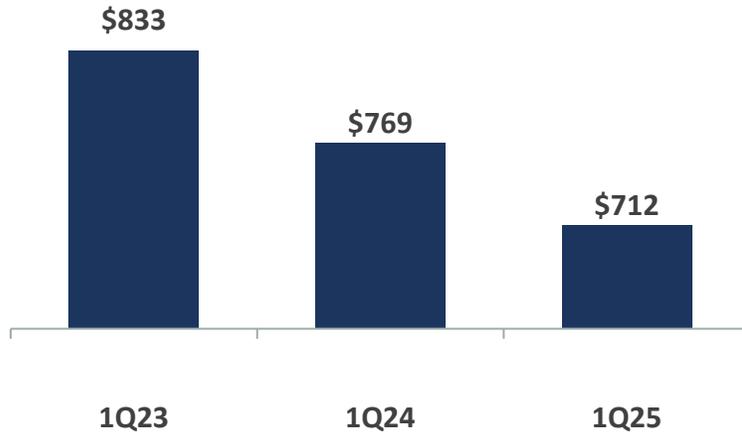


CHRIS WIKOFF

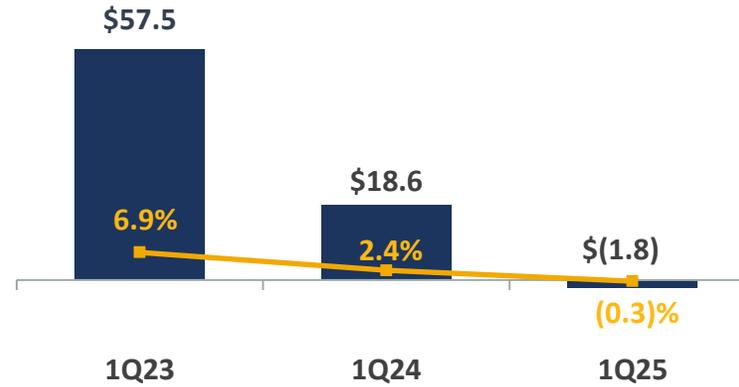
**Executive Vice President, Treasurer
and Chief Financial Officer**

1Q25 RESULTS

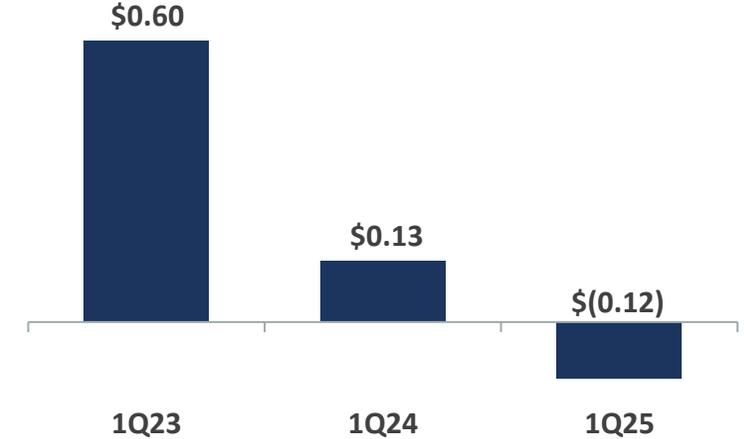
TOTAL REVENUES (\$M)



ADJUSTED OPERATING INCOME¹ (\$M) AND ADJUSTED OPERATING MARGIN¹



ADJUSTED EPS¹



Y/Y COMMENTARY (1Q25 vs. 1Q24)

- Total revenues decreased \$57M, or 7%
- 1.4% lower TTS revenues per truck per week²
- 6.6% decrease in TTS average trucks
- OWT revenue per total mile increased 0.3%
- Logistics revenues decreased 3% Y/Y and 8% sequentially

- 110% decrease in adj. operating income, or \$20M
- \$7.4M of elevated insurance expense driven by unfavorable development on prior period claims
- Consolidated adj. operating margin decreased 270 bps
- TTS adj. operating income¹ decreased \$20.7M
- Logistics adj. operating income¹ increased \$1.9M Y/Y

Adj. EPS decreased primarily from:

- Higher insurance & technology costs
- Adverse weather conditions & network inefficiency
- Higher interest expense & lower gains

1Q25 TRUCKLOAD TRANSPORTATION SERVICES (TTS) RESULTS

	1Q23	1Q24	1Q25	1Q25 vs. 1Q24
Revenues (\$M)	\$588.3	\$551.1	\$501.9	(9)%
Revenues, net FSC (\$M)	\$500.0	\$478.1	\$444.2	(7)%
Adjusted Operating Income ¹ (\$M)	\$53.7	\$22.7	\$2.0	(91)%
Adjusted Operating Margin ^{1,2}	10.7%	4.7%	0.4%	(430) bps
Adjusted Operating Ratio ^{1,2}	89.3%	95.3%	99.6%	430 bps

Y/Y COMMENTARY (1Q25 vs. 1Q24)

- **Lower total revenues** due to \$15M of lower fuel surcharges, 6.6% fewer average trucks, 2.5% lower miles per truck mitigated by 1.2% higher rates
- **TTS adjusted margin declined Y/Y**, primarily from higher insurance costs, a smaller fleet and lower miles per truck
 - \$8.0M higher insurance expense Y/Y represented 160 bps of Y/Y reduction in operating margin
- **Dedicated** fleet represents 65% of total TTS trucks at quarter end; revenue per truck per week decreased 0.3% Y/Y
- **One-Way** revenue per total mile increased 0.3% Y/Y; miles per truck down 3.5% due to adverse weather conditions during the quarter

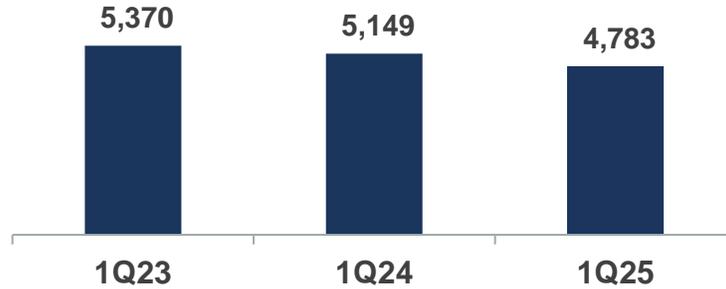
TTS¹ FLEET METRICS UPDATE

TTS FLEET DOWN 5% Y/Y TO 7,440 AT QUARTER END; RPTPW DOWN 1%; INCREASED 23 OUT OF LAST 29 QUARTERS

TRUCKING REVENUES² (\$M)



AVERAGE TRUCKS

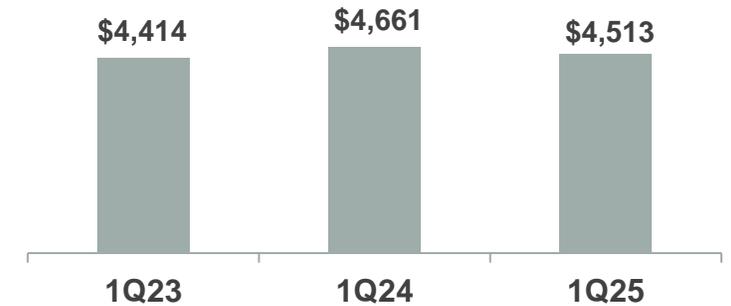
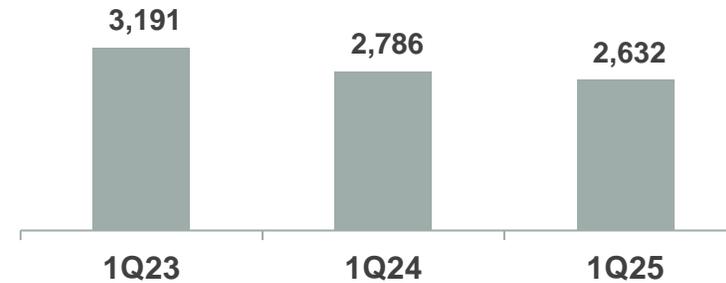
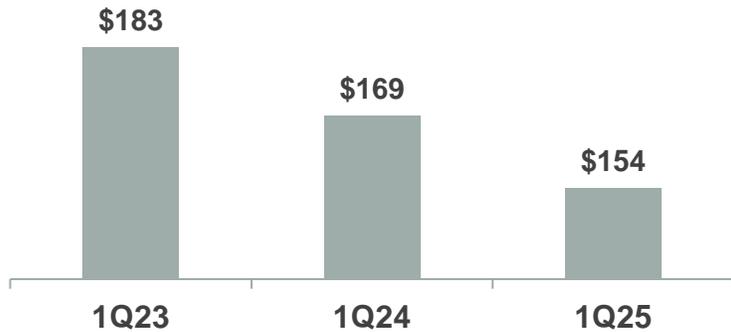


REVENUES / TRUCK / WEEK²



DEDICATED TRUCKLOAD

ONE-WAY TRUCKLOAD



1Q25 WERNER LOGISTICS RESULTS

	1Q23	1Q24	1Q25	1Q25 vs. 1Q24
Revenues (\$M)	\$228.7	\$202.5	\$195.6	(3)%
Revenues, less purchased transportation expense (\$M) ¹	\$40.2	\$30.0	\$28.4	(5)%
Adjusted Operating Income (loss) (\$M) ¹	\$6.4	\$(1.2)	\$0.7	157%
Adjusted Operating Margin ¹	2.8%	(0.6)%	0.3%	90 bps

Y/Y COMMENTARY (1Q25 vs. 1Q24)

- Truckload Logistics revenues (75% of Logistics revenues) decreased 5%
- Intermodal revenues (14% of Logistics revenues) increased 14%
- Final Mile revenues (11% of Logistics revenues) decreased 12%
- Truckload Logistics shipments decreased 4% Y/Y and 7% sequentially
- Werner PowerLinkSM volumes increased high single digits Y/Y
- Improved adjusted operating margin Y/Y due OpEx improvement

ACTIONS IN PLACE TO GENERATE ADDITIONAL COST SAVINGS IN 2025



- Salaries and Wages
- Supplies and Maintenance
- Professional Services
- Other

COST CONTAINMENT FOCUS & DISCIPLINE

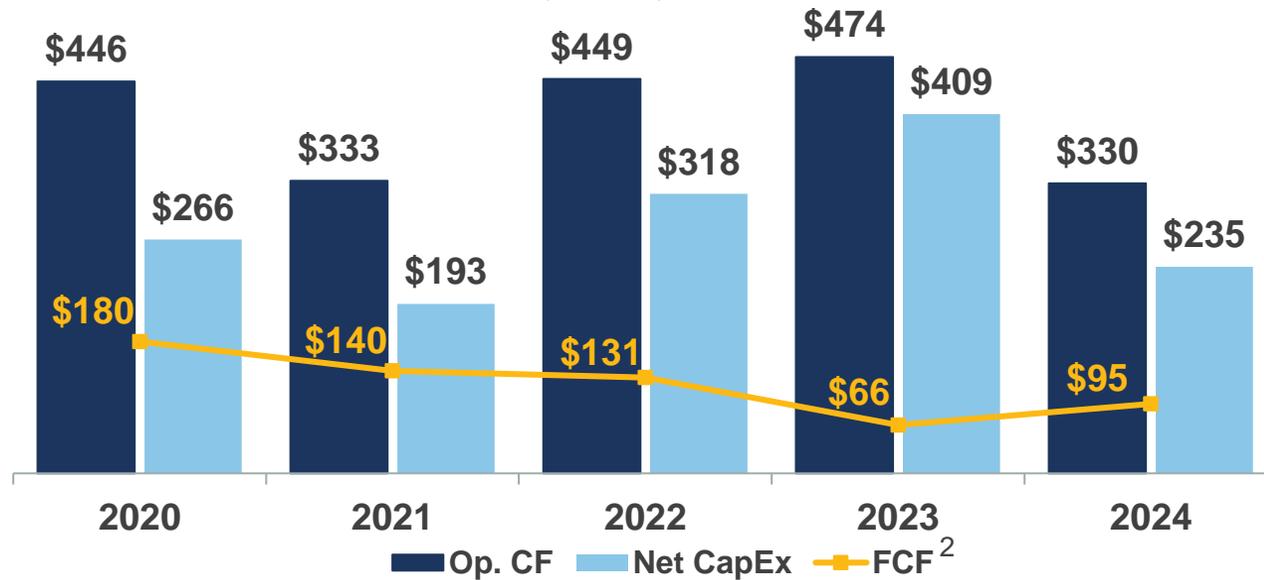
- >60% structural and sustainable
- Disciplined approach through:
 - Operational Innovation
 - Leveraging Technology
 - M&A Integration
- ~20% of 2025 expected savings from M&A synergies
- Beginning to see synergies from improved technology and systems



STRONG CAPITAL & CASH FLOW GENERATION

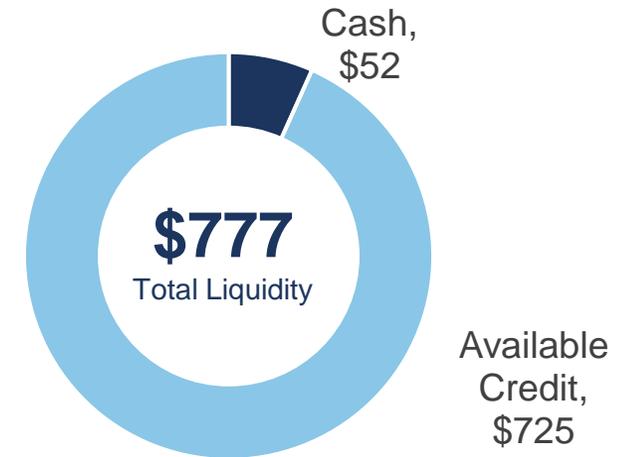
CASH FLOW

(\$ millions)



LIQUIDITY¹

(\$ millions)



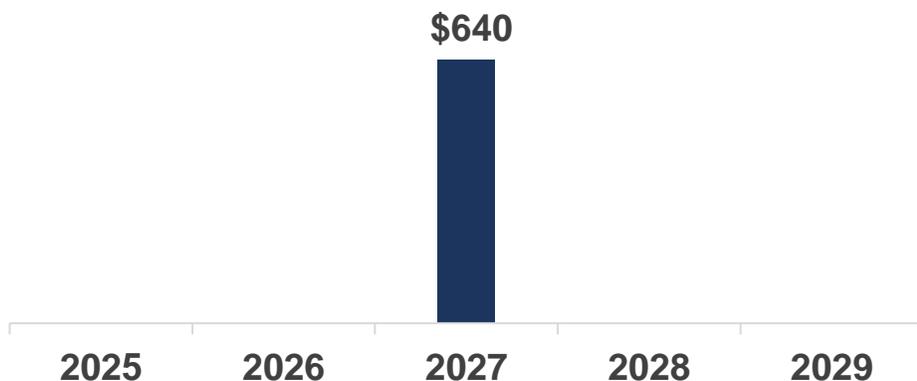
SOLID CASH FLOW & LIQUIDITY

- Free Cash Flow of \$37M or 5% of revenue
- More used equipment sales versus CapEx purchases in Q1
- Record liquidity of \$777 million with new \$300 million committed receivables securitization facility

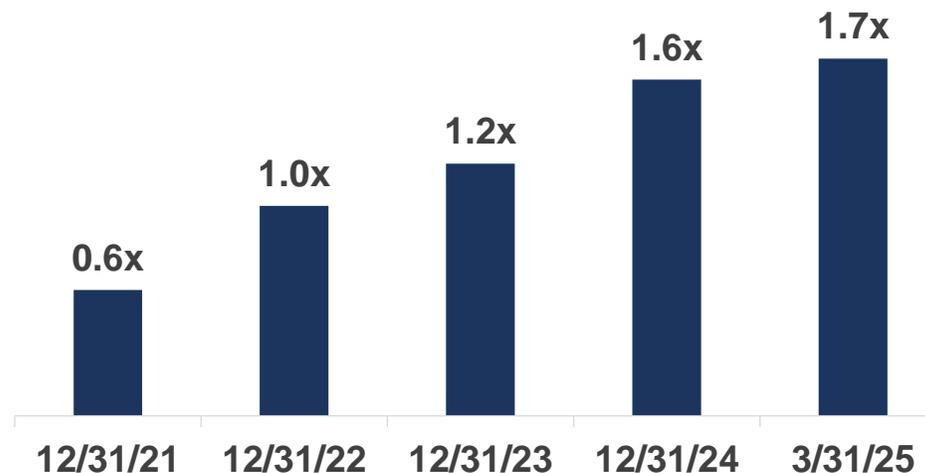
FLEXIBLE DEBT AND LOW LEVERAGE

DEBT MATURITY SCHEDULE

(\$ millions)



NET DEBT TO LTM EBITDA¹



HEALTHY BALANCE SHEET

- \$640M Debt; down \$10M sequentially and up 7% Y/Y
- Long-term, low-cost capital structure
- Closed on \$300M A/R Securitization Facility
- 55% effectively-fixed rate debt
- Slightly higher leverage of 1.7x driven by EBITDA margin compression

DISCIPLINED CAPITAL ALLOCATION

STRATEGIC PRIORITIES

Reinvestment for Long-Term Growth

- Reinvestments to maintain low-age, safe and modern trucks and trailers
- Growth investments, including Technology and Terminals

Return Capital to Shareholders

- Quarterly dividends since 1987
- Increasing dividends (11% 1Q21, 20% 2Q21, 8% 2Q22 and 8% 2Q23)
- 3.9M shares remaining under board approved share repurchase program

Synergistic & Accretive Acquisitions

- Align with growth pillars of Werner portfolio
- Deliver value and growth; accretive to earnings
- Align safety-centric cultures and retain experienced management team

Maintain Strong & Flexible Financial Position

- Liquidity of \$777M, Debt of \$640M, Equity of \$1,436M (as of 3/31/25)
- Maintain low and modest net leverage, 1.7x (as of 3/31/25)

CAPEX REINVESTMENT FOR GROWTH

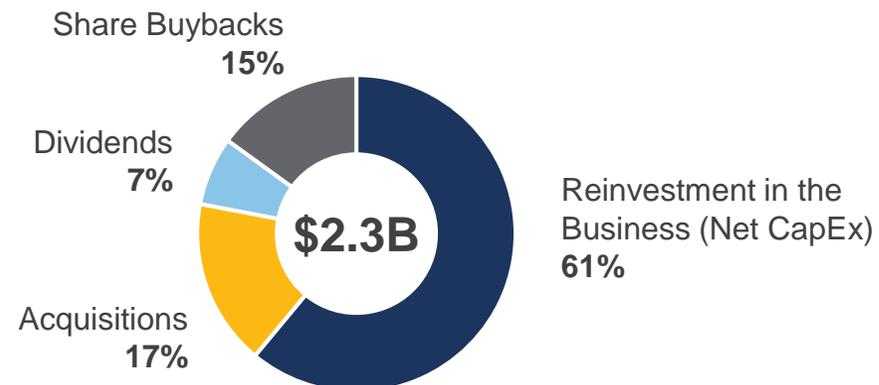
2025 Net CapEx Priorities:

- Ongoing strategic reinvestment, although lower than historical ranges
- Track-record of reinvestment while maintaining a low-mile modern fleet

Historical Fleet Reinvestment vs. Growth:

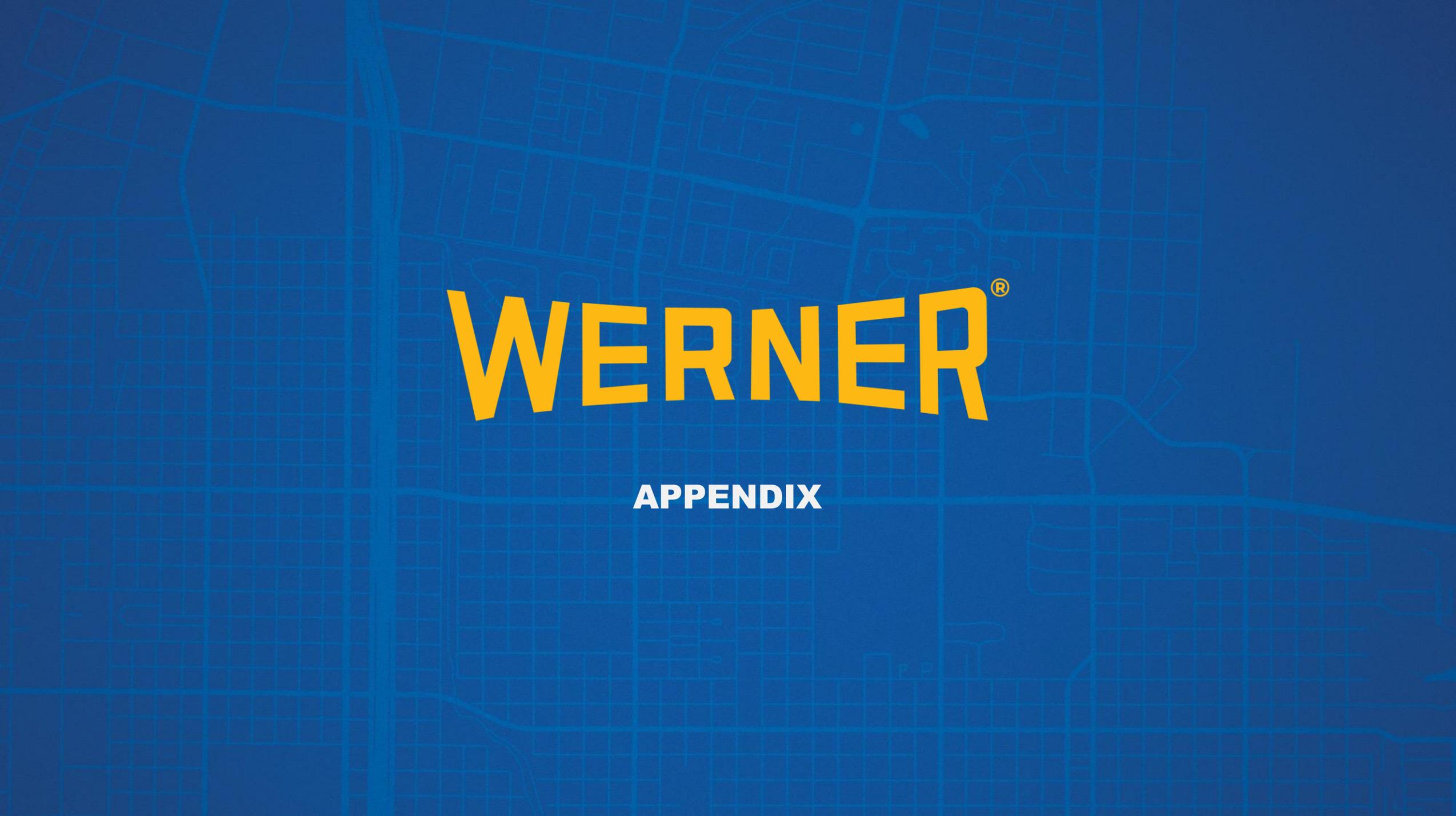
- ~75-80% allocated to trucks and trailers, net of fleet sales
- ~20-25% allocated to technology, terminals, real estate and driver schools

CAPITAL ALLOCATION HISTORY 2020-2024



2025 GUIDANCE METRICS AND ASSUMPTIONS

	Prior 2025 Guidance (as of 2/6/25)	Actual (as of 3/31/25)	Current 2025 Guidance (as of 4/29/25)	Commentary
2025 GUIDANCE				
TTS Truck Count from BoY to EoY	1% to 5% (annual)	(0.1)% (1Q25)	1% to 5% (annual)	Dedicated trending towards sequential fleet growth in Q2 and Q3 after streak of Q1 wins. One-Way fleet more uncertain given combination of downside risk from West Coast volumes and upside with increased driver recruitment.
Net Capital Expenditures	\$185M to \$235M (annual)	\$(8)M Cash Flow Positive (1Q25)	\$185M to \$235M (annual)	Q1 more used equipment sales vs. CapEx purchases. Tariffs weigh-on rest of year CapEx decisions. Range of outcomes from pullback from low-end of capex range to accelerate in scenario of short-term opportunistic OEM pricing.
TTS GUIDANCE				
Dedicated RPTPW¹ Growth	0% to 3% (annual)	(0.3)% (1Q25 vs. 1Q24)	0% to 3% (annual)	Negatively impacted by one fewer business day vs. prior year period, but securing increases with customers and expect to remain within full-year guidance range.
One-Way Truckload RPTM¹ Growth	1% to 4% (1H25 vs. 1H24)	0.3% (1Q25 vs. 1Q24)	0% to 3% (2Q25 vs. 2Q24)	Low-to-mid single digit % contractual rate increases YTD. Elevated deadhead due to network inefficiencies offset ~2 cents in Q1 RPTM lift.
ASSUMPTIONS				
Effective Income Tax Rate	25.0% to 26.0% (annual)	23.7% (1Q25)	25.0% to 26.0% (annual)	Q1 lower ETR due to lower earnings. Expect elevated rate in future quarters.

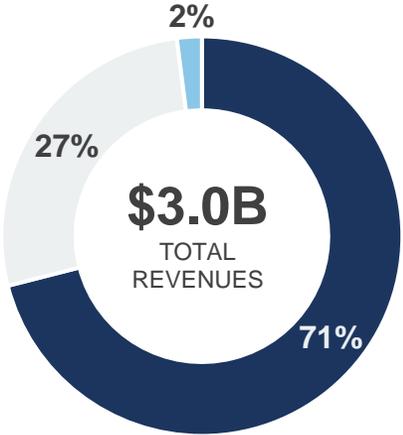


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APPENDIX

REVENUES SNAPSHOT

2024 REVENUES
BY SEGMENT

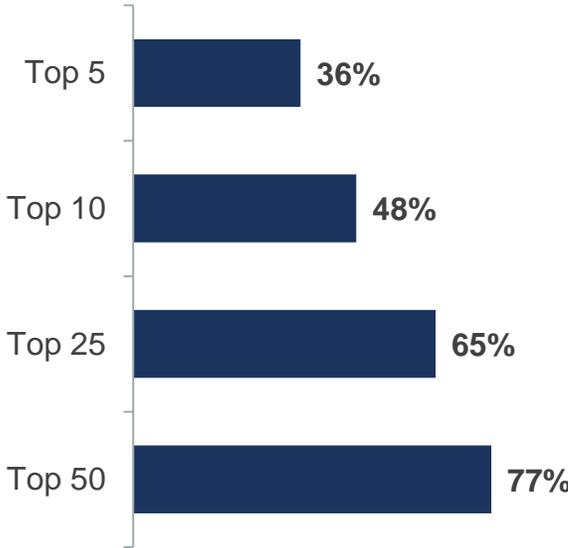


- Truckload Transportation Services (TTS)
- Werner Logistics
- Driver Training Schools and Other

2024 REVENUES
BY VERTICAL



2024 REVENUES
BY CUSTOMER



RECONCILIATION OF NON-GAAP FINANCIAL MEASURES – CONSOLIDATED (Unaudited) (In thousands, except per share amounts)

Non-GAAP Adjusted Operating Income (Loss) and Non-GAAP Adjusted Operating Margin ⁽¹⁾

	Quarter Ended March 31,					
	2023		2024		2025	
	\$	% of Op. Rev.	\$	% of Op. Rev.	\$	% of Op. Rev.
Operating income (loss) and operating margin — (GAAP)	\$ 53,386	6.4%	\$ 15,588	2.0%	\$ (5,832)	-0.8%
Non-GAAP adjustments:						
Insurance and claims ⁽²⁾	1,387	0.2%	485	0.1%	1,511	0.2%
Amortization of intangible assets ⁽³⁾	2,772	0.3%	2,518	0.3%	2,518	0.3%
Non-GAAP adjusted operating income (loss) and non-GAAP adjusted operating margin	<u>\$ 57,545</u>	<u>6.9%</u>	<u>\$ 18,591</u>	<u>2.4%</u>	<u>\$ (1,803)</u>	<u>-0.3%</u>

Non-GAAP Adjusted Net Income (Loss) Attributable to Werner and Non-GAAP Adjusted Diluted Earnings (Loss) Per Share ⁽¹⁾

	Quarter Ended March 31,					
	2023		2024		2025	
	\$	Diluted EPS	\$	Diluted EPS	\$	Diluted EPS
Net income (loss) attributable to Werner and diluted earnings (loss) per share — (GAAP)	\$ 35,224	\$ 0.55	\$ 6,312	\$ 0.10	\$ (10,098)	\$ (0.16)
Non-GAAP adjustments:						
Insurance and claims ⁽²⁾	1,387	0.02	485	0.01	1,511	0.02
Amortization of intangible assets, net of amount attributable to noncontrolling interest ⁽³⁾	2,600	0.04	2,346	0.04	2,346	0.04
Loss on investments in equity securities ⁽⁴⁾	81	-	138	-	2	-
Loss (earnings) from equity method investment ⁽⁵⁾	-	-	133	-	(123)	-
Income tax effect of above adjustments ⁽⁶⁾	(1,048)	(0.01)	(879)	(0.02)	(971)	(0.02)
Non-GAAP adjusted net income (loss) attributable to Werner and non-GAAP adjusted diluted earnings (loss) per share	<u>\$ 38,244</u>	<u>\$ 0.60</u>	<u>\$ 8,535</u>	<u>\$ 0.13</u>	<u>\$ (7,333)</u>	<u>\$ (0.12)</u>

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES – CONSOLIDATED (Unaudited) (In thousands, except per share amounts)

Non-GAAP Free Cash Flow ^{(1), (7)}

	Year Ended December 31,					YTD
	2020	2021	2022	2023	2024	March 31, 2025
	\$	\$	\$	\$	\$	\$
Net cash provided by operating activities — (GAAP)	\$ 445,909	\$ 332,819	\$ 448,711	\$ 474,366	\$ 329,734	\$ 29,370
Non-GAAP adjustments:						
(Additions) to property and equipment, net of proceeds from the sale of property and equipment	(266,241)	(193,049)	(317,579)	(408,698)	(234,887)	7,566
Non-GAAP Free cash flow	\$ 179,668	\$ 139,770	\$ 131,132	\$ 65,668	\$ 94,847	\$ 36,936

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES – CONSOLIDATED (Unaudited) (In thousands, except per share amounts)

Non-GAAP Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA); Non-GAAP Net Debt; and

Non-GAAP Net Debt to EBITDA Ratio ^{(1), (8)}

	Year Ended December 31,				LTM
	2021	2022	2023	2024	March 31,
	2025				
	\$	\$	\$	\$	\$
Net income — (GAAP)	\$ 261,478	\$ 245,580	\$ 112,290	\$ 33,570	\$ 17,101
Add:					
Depreciation and amortization	267,700	279,923	299,509	290,405	286,184
Interest expense	4,423	11,828	33,535	39,212	40,801
Income tax expense	84,537	79,206	35,491	8,912	2,678
Non-GAAP EBITDA	<u>\$ 618,138</u>	<u>\$ 616,537</u>	<u>\$ 480,825</u>	<u>\$ 372,099</u>	<u>\$ 346,764</u>
					As of
	As of December 31,				March 31,
	2021	2022	2023	2024	2025
	\$	\$	\$	\$	\$
Current portion of long-term debt	\$ 5,000	\$ 6,250	\$ 2,500	\$ 20,000	\$ -
Long-term debt	422,500	687,500	646,250	630,000	640,000
Total Debt — (GAAP)	427,500	693,750	648,750	650,000	640,000
Less:					
Cash and cash equivalents	54,196	107,240	61,723	40,752	51,951
Non-GAAP Net debt	<u>\$ 373,304</u>	<u>\$ 586,510</u>	<u>\$ 587,027</u>	<u>\$ 609,248</u>	<u>\$ 588,049</u>
Net debt to EBITDA Ratio — (non-GAAP)	0.6x	1.0x	1.2x	1.6x	1.7x

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES – TRUCKLOAD TRANSPORTATION SERVICES (TTS) SEGMENT (Unaudited) (In thousands)

Non-GAAP Adjusted Operating Income and Non-GAAP Adjusted Operating Margin ⁽¹⁾

	Quarter Ended March 31,					
	2023		2024		2025	
	\$	% of Op. Rev.	\$	% of Op. Rev.	\$	% of Op. Rev.
Operating income (loss) and operating margin — (GAAP)	\$ 50,986	8.7%	\$ 20,840	3.8%	\$ (916)	-0.2%
Non-GAAP adjustments:						
Insurance and claims ⁽²⁾	1,387	0.2%	485	0.1%	1,511	0.3%
Amortization of intangible assets ⁽³⁾	1,352	0.2%	1,369	0.2%	1,369	0.3%
Non-GAAP adjusted operating income and non-GAAP adjusted operating margin	<u>\$ 53,725</u>	<u>9.1%</u>	<u>\$ 22,694</u>	<u>4.1%</u>	<u>\$ 1,964</u>	<u>0.4%</u>

Non-GAAP Adjusted Operating Expenses and Non-GAAP Adjusted Operating Ratio ⁽¹⁾

	Quarter Ended March 31,					
	2023		2024		2025	
	\$	% of Op. Rev.	\$	% of Op. Rev.	\$	% of Op. Rev.
Operating expenses and operating ratio — (GAAP)	\$ 537,344	91.3%	\$ 530,286	96.2%	\$ 502,791	100.2%
Non-GAAP adjustments:						
Insurance and claims ⁽²⁾	(1,387)	-0.2%	(485)	-0.1%	(1,511)	-0.3%
Amortization of intangible assets ⁽³⁾	(1,352)	-0.2%	(1,369)	-0.2%	(1,369)	-0.3%
Non-GAAP adjusted operating expenses and non-GAAP adjusted operating ratio	<u>\$ 534,605</u>	<u>90.9%</u>	<u>\$ 528,432</u>	<u>95.9%</u>	<u>\$ 499,911</u>	<u>99.6%</u>

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES – TRUCKLOAD TRANSPORTATION SERVICES (TTS) SEGMENT (Continued) (Unaudited) (In thousands)

Non-GAAP Adjusted Operating Revenues, Net of Fuel Surcharge; Non-GAAP Adjusted Operating Expenses, Net of Fuel Surcharge; Non-GAAP Adjusted Operating Margin, Net of Fuel Surcharge; and Non-GAAP Adjusted Operating Ratio, Net of Fuel Surcharge ⁽¹⁾

	Quarter Ended March 31,		
	2023	2024	2025
	\$	\$	\$
Operating revenues — (GAAP)	\$ 588,330	\$ 551,126	\$ 501,875
Less: Trucking fuel surcharge ⁽⁹⁾	(88,301)	(72,983)	(57,640)
Operating revenues, net of fuel surcharge — (Non-GAAP)	500,029	478,143	444,235
Operating expenses — (GAAP)	537,344	530,286	502,791
Non-GAAP adjustments:			
Trucking fuel surcharge ⁽⁹⁾	(88,301)	(72,983)	(57,640)
Insurance and claims ⁽²⁾	(1,387)	(485)	(1,511)
Amortization of intangible assets ⁽³⁾	(1,352)	(1,369)	(1,369)
Non-GAAP adjusted operating expenses, net of fuel surcharge	446,304	455,449	442,271
Non-GAAP adjusted operating income	\$ 53,725	\$ 22,694	\$ 1,964
Non-GAAP adjusted operating margin, net of fuel surcharge	10.7%	4.7%	0.4%
Non-GAAP adjusted operating ratio, net of fuel surcharge	89.3%	95.3%	99.6%

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES – WERNER LOGISTICS SEGMENT (Unaudited) (In thousands)

Non-GAAP Adjusted Operating Revenues, Less Purchased Transportation Expense ⁽¹⁾

	Quarter Ended March 31,		
	2023	2024	2025
	\$	\$	\$
Operating revenues — (GAAP)	\$ 228,669	\$ 202,482	\$ 195,558
Non-GAAP adjustment:			
Purchased transportation expense ⁽¹⁰⁾	(188,498)	(172,487)	(167,158)
Non-GAAP Adjusted Operating revenues, less purchased transportation expense	<u>\$ 40,171</u>	<u>\$ 29,995</u>	<u>\$ 28,400</u>

Non-GAAP Adjusted Operating Income (Loss) and Non-GAAP Adjusted Operating Margin ⁽¹⁾

	Quarter Ended March 31,					
	2023		2024		2025	
	\$	% of Op. Rev.	\$	% of Op. Rev.	\$	% of Op. Rev.
Operating income (Loss) and operating margin — (GAAP)	\$ 4,937	2.2%	\$ (2,329)	-1.2%	\$ (475)	-0.2%
Non-GAAP adjustments:						
Amortization of intangible assets ⁽³⁾	1,420	0.6%	1,149	0.6%	1,149	0.5%
Non-GAAP adjusted operating income (loss) and non-GAAP adjusted operating margin	<u>\$ 6,357</u>	<u>2.8%</u>	<u>\$ (1,180)</u>	<u>-0.6%</u>	<u>\$ 674</u>	<u>0.3%</u>

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(1) Non-GAAP adjusted operating income (loss); non-GAAP adjusted operating margin; non-GAAP adjusted operating margin, net of fuel surcharge; non-GAAP adjusted net income (loss) attributable to Werner; non-GAAP adjusted diluted earnings (loss) per share; non-GAAP free cash flow; non-GAAP EBITDA; non-GAAP net debt; non-GAAP adjusted operating revenues, net of fuel surcharge; non-GAAP adjusted operating revenues, less purchased transportation expense; non-GAAP adjusted operating expenses; non-GAAP adjusted operating expenses, net of fuel surcharge; non-GAAP adjusted operating ratio; and non-GAAP adjusted operating ratio, net of fuel surcharge should be considered in addition to, rather than as substitutes for, GAAP operating income (loss); GAAP operating margin; GAAP net income (loss) attributable to Werner; GAAP diluted earnings (loss) per share; GAAP net cash provided by operating activities; GAAP net income (loss); GAAP total debt; GAAP operating revenues; GAAP operating expenses; and GAAP operating ratio, which are their most directly comparable GAAP financial measures.

(2) We accrued pre-tax insurance and claims expense for interest related to a previously disclosed excess adverse jury verdict rendered on May 17, 2018 in a lawsuit arising from a December 2014 accident. The Company is appealing this verdict. Additional information about the accident was included in our Current Report on Form 8-K dated May 17, 2018. Under our insurance policies in effect on the date of this accident, our maximum liability for this accident is \$10.0 million (plus pre-judgment and post-judgment interest) with premium-based insurance coverage that exceeds the jury verdict amount. We continue to accrue pre-tax insurance and claims expense for interest at \$0.5 million per month until such time as the outcome of our appeal is finalized, excluding months where the plaintiffs requested an extension of time to respond to our petition for review. Management believes excluding the effect of this item provides a more useful comparison of our performance from period to period. This item is included in the Truckload Transportation Services segment.

(3) Amortization expense related to intangible assets acquired in our business acquisitions is excluded because management does not believe it is indicative of our core operating performance. This item is included in our Truckload Transportation Services and Werner Logistics segments.

(4) Represents non-operating mark-to-market adjustments for gains/losses on our minority equity investments, which we account for under Accounting Standards Codification ("ASC") 321, *Investments - Equity Securities*. Management believes excluding the effect of gains/losses on our investments in equity securities provides a more useful comparison of our performance from period to period.

(5) Represents earnings/losses from our equity method investment, which we account for under ASC 323, *Investments - Equity Method and Joint Ventures*. Management believes excluding the effect of earnings/losses from our equity method investment provides a more useful comparison of our performance from period to period.

(6) The income tax effect of the non-GAAP adjustments is calculated using the incremental income tax rate excluding discrete items, and the income tax effect for 2024 has been updated to reflect the annual incremental income tax rate.

(7) We consider free cash flow (net cash provided by operating activities less net expenditures for property and equipment) to be a useful measure of our liquidity. We believe it is a more conservative measure of cash flow since capital expenditures are necessary for ongoing operations. Free cash flow does not represent residual cash flows available for discretionary expenditures, as the measure does not deduct the payments required for debt service and other contractual obligations. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to our consolidated statements of cash flows.

(8) We consider EBITDA to be an important measure of our financial performance and of our ability to generate cash flows to service debt obligations, fund capital expenditures and fund other corporate investing and financing activities. EBITDA eliminates the non-cash effect of depreciation and amortization. Net debt is used in our net debt to EBITDA ratio. We believe the net debt to EBITDA ratio is useful in evaluating our ability to service our debt.

(9) Fluctuating fuel prices and fuel surcharge revenues impact the total company operating ratio and the TTS segment operating ratio when fuel surcharges are reported on a gross basis as revenues versus netting the fuel surcharges against fuel expenses. Management believes netting fuel surcharge revenues, which are generally a more volatile source of revenue, against fuel expenses provides a more consistent basis for comparing the results of operations from period to period.

(10) Management believes excluding purchased transportation expense from Werner Logistics operating revenues provides a useful measurement of our ability to source and sell services provided by third parties.

THANK YOU



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