

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**Current Report
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) October 20, 2021



LANDSTAR SYSTEM, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

021238
(Commission
File Number)

06-1313069
(I.R.S. Employer
Identification No.)

13410 Sutton Park Drive South, Jacksonville, Florida
(Address of principal executive offices)

32224
(Zip Code)

(904) 398-9400
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	LSTR	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On October 20, 2021, Landstar System, Inc. (“Landstar” or the “Company”) issued a press release announcing results for the third quarter of fiscal 2021. A copy of the press release is attached hereto as Exhibit 99.1.

The information contained in Item 7.01 concerning the presentation to Landstar investors is hereby incorporated into this Item 2.02 by reference.

The information furnished under Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1 hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

Item 7.01 Regulation FD Disclosure

A slide presentation, dated October 20, 2021, is attached hereto as Exhibit 99.2 and is incorporated herein by reference. The slide presentation provides information that may be referred to by the Company on its conference call with investors scheduled to occur on October 21, 2021 in connection with the Company’s release of results for the third quarter of fiscal 2021.

A supplemental information presentation is attached hereto as Exhibit 99.3 and is incorporated herein by reference. This supplemental information presentation provides reconciliations of gross profit to variable contribution and gross profit margin to variable contribution margin for the 2021 first and second fiscal quarters and each quarter of the Company’s five most recently completed fiscal years. This information that may be referred to by the Company on its conference call with investors scheduled to occur on October 21, 2021 in connection with the Company’s release of results for the third quarter of fiscal 2021.

In the press release attached hereto as Exhibit 99.1, the slide presentation attached hereto as Exhibit 99.2 and the supplemental information presentation attached hereto as Exhibit 99.3, the Company provided the following information that may be deemed a non-GAAP financial measure: variable contribution and variable contribution margin. In the slide presentation attached hereto as Exhibit 99.2, the Company provided the following information that may also be deemed a non-GAAP financial measure: operating income as a percentage of gross profit and operating income as a percentage of variable contribution, each in the 2020 year-to-date period, excluding the impact of pandemic relief incentive payments.

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 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.

The information furnished under Item 7.01 of this Current Report on Form 8-K, including Exhibits 99.2 and 99.3 hereof, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

Item 8.01 Other Events

As of the third quarter of 2021, the Company revised the format of the historical classification of truck services and equipment type in its financial statement supplemental information presentation. Power-only, expedited, straight truck, cargo van and miscellaneous other truck transportation services that were formerly included in revenue from van or unsided/platform services have been classified in a single line item named “other truck transportation”. Included with this 8-K is a supplemental information presentation, attached hereto as Exhibit 99.4, in the new format for the 2021 first and second fiscal quarters and each quarter of the Company’s five most recently completed fiscal years. This change in the reporting of supplemental information has no impact on reporting with respect to the Company’s consolidated balance sheets, income statements, cash flows or changes in shareholders’ equity for any periods.

Item 9.01 Financial Statements and Exhibits

Exhibits

- 99.1 [Press Release, dated October 20, 2021, of Landstar System, Inc.](#)
- 99.2 [Slide Presentation, dated October 20, 2021, of Landstar System, Inc.](#)
- 99.3 [Supplemental Information Reconciliation of Gross Profit to Variable Contribution and Gross Profit Margin to Variable Contribution Margin for Landstar System, Inc. for 2021, 2020, 2019, 2018, 2017 and 2016.](#)
- 99.4 [Supplemental Information by Trailer Type for Landstar System, Inc. for 2021, 2020, 2019, 2018, 2017 and 2016.](#)
- 104 Inline XBRL for the cover page of this Current Report on Form 8-K

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LANDSTAR SYSTEM, INC.

Date: October 20, 2021

By: /s/ Fred L. Pensotti

Name: Fred L. Pensotti

Title: Vice President and Chief Financial Officer



Landstar System, Inc.
13410 Sutton Park Drive, South
Jacksonville, FL 32224
904 398 9400

For Immediate Release

Contacts: Jim Gattoni (CEO)
Fred Pensotti (CFO)
Landstar System, Inc.
www.landstar.com
904-398-9400

October 20, 2021

**LANDSTAR SYSTEM REPORTS ALL-TIME QUARTERLY RECORD
DILUTED EARNINGS PER SHARE OF \$2.58 IN THE 2021 THIRD QUARTER**

Jacksonville, FL—Landstar System, Inc. (NASDAQ:LSTR) reported record quarterly revenue of \$1.734 billion in the 2021 third quarter, a 60 percent increase over revenue of \$1.086 billion in the 2020 third quarter. Net income was a quarterly record of \$98.7 million, or diluted earnings per share of \$2.58, in the 2021 third quarter compared to net income of \$61.9 million, or diluted earnings per share of \$1.61, in the 2020 third quarter. Operating income grew to an all-time quarterly record of \$131.4 million in the 2021 third quarter, 60 percent above operating income of \$82.4 million in the 2020 third quarter. To put the strength of our 2021 third quarter performance in perspective, revenue, operating income, net income and diluted earnings per share increased 60 percent, 60 percent, 59 percent and 60 percent, respectively, over the 2020 third quarter, which at the time included the second highest amounts achieved of each of these financial metrics in any third quarter in the Company's history.

Please note that commencing with the release of our financial results for the 2021 third quarter, the Company revised its definition of the term "gross profit". Gross profit is now defined as revenue less costs of revenue. In conjunction with this change, the Company has initiated the use of the term "variable contribution", a non-GAAP financial measure, to refer to the amount represented by revenue less the costs of purchased transportation and commissions to agents that we formerly referred to as gross profit. In addition, the Company now defines "gross profit margin" to refer to gross profit divided by revenue and "variable contribution margin", a non-GAAP financial measure, to refer to variable contribution divided by revenue. Gross profit in the 2021 third quarter was \$189.2 million, an all-time quarterly record, compared to \$119.8 million in the 2020 third quarter. Variable

contribution also reached an all-time quarterly record of \$242.3 million in the 2021 third quarter compared to \$160.9 million in the 2020 third quarter. 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 2021 and 2020 third quarters and year-to-date periods is provided in the Company's accompanying financial disclosures.

Trailing twelve-month return on average shareholders' equity was 43 percent and return on invested capital, representing net income divided by the sum of average equity plus average debt, was 38 percent. During the 2021 third quarter, Landstar purchased 167,000 shares of its common stock bringing the year-to-date number of shares purchased to 317,000 at an aggregate cost of \$50 million. The Company is currently authorized to purchase up to approximately 1,504,000 additional shares of the Company's common stock under its previously announced share purchase program. Landstar announced today that its Board of Directors has declared a quarterly dividend of \$0.25 per share payable on December 3, 2021, to stockholders of record as of the close of business on November 9, 2021. It is currently the intention of the Board to pay dividends on a quarterly basis going forward.

Truck transportation revenue hauled by independent business capacity owners ("BCOs") and truck brokerage carriers in the 2021 third quarter was \$1.581 billion, or 91 percent of revenue, compared to \$1.006 billion, or 93 percent of revenue, in the 2020 third quarter. Revenue hauled by rail, air and ocean cargo carriers was \$128.6 million, or 7 percent of revenue, in the 2021 third quarter compared to approximately \$62 million, or 6 percent of revenue, in the 2020 third quarter.

The supplemental information schedule included as a table to this press release includes changes to the historical classification of truck services and equipment type. Power-only, expedited, straight truck, cargo van and miscellaneous other truck transportation services that were formerly included in revenue from van or unsided/platform services have been classified in a single line item named "other truck transportation" as demand for these types of truck services increased significantly during the pandemic. Other truck transportation revenue was 13.2 percent and 10.8 percent of total truck transportation revenue in the 2021 and 2020 third quarters, respectively.

Truckload transportation revenue hauled via van equipment in the 2021 third quarter was \$918.1 million, an increase of 59 percent compared to \$578.2 million in the 2020 third quarter. Truckload transportation revenue hauled via unsided/platform equipment in the 2021 third quarter was \$423.0 million, an increase of 44 percent compared to \$294.3 million in the 2020 third quarter. Other truck transportation revenue, which includes power only, expedited, straight truck, cargo van and miscellaneous other truck transportation revenue, in the 2021 third quarter was \$208.8 million, an increase of 92 percent compared to \$108.6 million in the 2020 third quarter.

“Following a record-breaking 2021 second quarter, the 2021 third quarter reset the standard as the best quarterly financial performance in Landstar history. 2021 third quarter revenue, gross profit, variable contribution, net income and diluted earnings per share each set all-time quarterly records,” said Landstar President and CEO Jim Gattoni. “Our load volume hauled by truck in the third quarter grew 22 percent compared to the 2020 third quarter, which at the time was the second highest third quarter load volume hauled by truck in Landstar history. Additionally, third quarter truck loadings increased from the 2021 second quarter by 3.5 percent, the second largest ever increase in truck loadings from the second to the third quarter in Landstar history behind only 2020 when the second quarter included the most significant volume declines caused by the COVID-19 pandemic. Our 2021 third quarter performance was particularly impressive considering we were following an already record-setting second quarter, and, in most years, load volume hauled by truck experiences a slight decrease sequentially from the second quarter to the third quarter. We attribute this unseasonal increase in volume to ongoing, broad-based demand for freight transportation services, with particular strength in sectors benefiting from consumer spending that has continued to be a big driver of freight activity.”

Gattoni continued, "In our 2021 second quarter earnings release on July 21, 2021, we provided third quarter revenue guidance of \$1.55 billion to \$1.60 billion and third quarter diluted earnings per share guidance of \$2.20 to \$2.30. On August 17, 2021, we filed a Form 8-K with the SEC that revised our initial guidance based on trends in volume and rates through the first seven weeks of the third quarter. Our updated 2021 third quarter guidance reflected our expectation that on a sequential basis revenue per load on loads hauled via truck would exceed the 2021 second quarter in a mid-single-digit percentage range and the number of loads hauled via truck in the 2021 third quarter would exceed the 2021 second quarter in a low single-digit percentage range. Actual sequential growth in truck revenue per load was 5.8 percent and actual sequential growth in load volume hauled via truck was 3.5 percent, each at the high end of our August 17th revised guidance. Based on our expectations as to volume and pricing on loads hauled by truck, our August 17th updated guidance anticipated that revenue would be in the range of \$1.68 billion to \$1.72 billion and diluted earnings per share would be in the range of \$2.45 to \$2.55. Actual 2021 third quarter revenue was \$1.734 billion and diluted earnings per share was \$2.58, each slightly exceeding the top end of our August 17th updated guidance ranges."

Gattoni continued, "As we look to the 2021 fourth quarter, we anticipate continued solid performance on the expectation that broad-based economic strength will support a strong freight environment for the near future. In addition, we will likely continue to be in a capacity-constrained environment, which should continue to support elevated truck revenue per load in the fourth quarter."

Gattoni further stated, "Overall, I expect the 2021 fourth quarter financial results to be similar to the 2021 third quarter. Through the first few weeks of October, revenue per load on loads hauled via truck and the number of loads hauled via truck are trending fairly consistent with historical third to fourth quarter sequential patterns. I expect normal seasonal trends in revenue per load and load volume on loads hauled via truck as we move through the final months of 2021. At those levels, both revenue per load and load volume on loads hauled via truck would establish new fourth quarter records in the 2021 fourth quarter. As such, I anticipate revenue for the 2021 fourth quarter to be in a range of \$1.70 billion to \$1.75 billion. Based on that range of revenue and assuming insurance and claims costs of 4.3 percent of BCO revenue, I anticipate diluted earnings per share to be in a range of \$2.55 to \$2.65 in the 2021 fourth quarter."

Gattoni concluded, "Landstar's performance so far this year has been outstanding. The Company's agent family is executing on all cylinders and we continue to add qualified truck capacity. We ended the 2021 third quarter with a record number of trucks provided by BCOs and a record active third-party truck brokerage carrier count. Given the exceptional performance by Landstar year-to-date plus the revenue and earnings estimates we have provided for the 2021 fourth quarter, we anticipate establishing new all-time fiscal year records in 2021 with annual revenue expected to be in excess of \$6 billion and diluted earnings per share expected to be in excess of \$9.55. Both of these figures would be well above Landstar's existing record performance in any year in our history and would represent remarkable achievements to cap an extraordinary year for the Company, its employees and the thousands of business owners who participate in the Landstar network."

Landstar will provide a live webcast of its quarterly earnings conference call tomorrow morning at 8:00 a.m. ET. To access the webcast, visit the Company's website at www.landstar.com; click on "Investor Relations" and "Webcasts," then click on "Landstar's Third Quarter 2021 Earnings Release Conference Call."

About Landstar:

Landstar System, Inc. is a worldwide, 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 a non-GAAP financial measure: 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: the impact of the coronavirus (COVID-19) pandemic; 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; 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; changes in fuel taxes; status of independent contractors; regulatory and legislative changes; regulations focused on diesel emissions and other air quality matters; catastrophic loss of a Company facility; intellectual property; unclaimed property; and other operational, financial or legal risks or uncertainties detailed in Landstar's Form 10K for the 2020 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)

	Thirty Nine Weeks Ended		Thirteen Weeks Ended	
	September 25, 2021	September 26, 2020	September 25, 2021	September 26, 2020
Revenue	\$ 4,592,551	\$ 2,836,626	\$ 1,734,299	\$ 1,085,546
Investment income	2,138	2,716	706	714
Costs and expenses:				
Purchased transportation	3,583,197	2,183,143	1,356,671	838,753
Commissions to agents	356,997	236,490	135,295	85,848
Other operating costs, net of gains on asset sales/dispositions	27,117	23,035	10,572	7,361
Insurance and claims	75,198	66,563	29,569	21,855
Selling, general and administrative	158,720	124,779	59,198	38,851
Depreciation and amortization	36,532	34,212	12,288	11,240
Impairment of intangible and other assets	—	2,582	—	—
Total costs and expenses	4,237,761	2,670,804	1,603,593	1,003,908
Operating income	356,928	168,538	131,412	82,352
Interest and debt expense	2,974	2,936	965	1,008
Income before income taxes	353,954	165,602	130,447	81,344
Income taxes	85,745	38,567	31,772	19,458
Net income	\$ 268,209	\$ 127,035	\$ 98,675	\$ 61,886
Diluted earnings per share	\$ 7.00	\$ 3.28	\$ 2.58	\$ 1.61
Average diluted shares outstanding	38,342,000	38,673,000	38,218,000	38,386,000
Dividends per common share	\$ 0.67	\$ 0.58	\$ 0.25	\$ 0.21

Landstar System, Inc. and Subsidiary
Consolidated Balance Sheets
(Dollars in thousands, except per share amounts)
(Unaudited)

	September 25, 2021	December 26, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 230,564	\$ 249,354
Short-term investments	36,644	41,375
Trade accounts receivable, less allowance of \$6,543 and \$8,670	1,010,538	764,169
Other receivables, including advances to independent contractors, less allowance of \$7,696 and \$7,239	109,007	134,757
Other current assets	25,375	18,520
Total current assets	<u>1,412,128</u>	<u>1,208,175</u>
Operating property, less accumulated depreciation and amortization of \$332,785 and \$299,407	301,373	296,996
Goodwill	40,980	40,949
Other assets	159,561	107,679
Total assets	<u>\$ 1,914,042</u>	<u>\$ 1,653,799</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Cash overdraft	\$ 88,958	\$ 74,748
Accounts payable	548,385	380,505
Current maturities of long-term debt	34,617	35,415
Insurance claims	64,958	149,774
Dividends payable	—	76,770
Other current liabilities	110,394	88,925
Total current liabilities	<u>847,312</u>	<u>806,137</u>
Long-term debt, excluding current maturities	62,724	65,359
Insurance claims	46,914	38,867
Deferred income taxes and other non-current liabilities	57,402	51,601
Shareholders' equity:		
Common stock, \$0.01 par value, authorized 160,000,000 shares, issued 68,231,013 and 68,183,702	682	682
Additional paid-in capital	246,302	228,875
Retained earnings	2,288,754	2,046,238
Cost of 30,122,427 and 29,797,639 shares of common stock in treasury	(1,633,109)	(1,581,961)
Accumulated other comprehensive loss	(2,939)	(1,999)
Total shareholders' equity	<u>899,690</u>	<u>691,835</u>
Total liabilities and shareholders' equity	<u>\$ 1,914,042</u>	<u>\$ 1,653,799</u>

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

	Thirty Nine Weeks Ended		Thirteen Weeks Ended	
	September 25, 2021	September 26, 2020	September 25, 2021	September 26, 2020
Revenue generated through (in thousands):				
Truck transportation				
Truckload:				
Van equipment	\$ 2,502,025	\$ 1,485,553	\$ 918,115	\$ 578,166
Unsided/platform equipment	1,112,358	807,966	422,979	294,273
Less-than-truckload	85,551	70,984	30,819	25,125
Other truck transportation (1)	518,472	249,584	208,817	108,614
Total truck transportation	4,218,406	2,614,087	1,580,730	1,006,178
Rail intermodal	120,540	81,747	44,472	30,432
Ocean and air cargo carriers	191,951	89,002	84,111	31,752
Other (2)	61,654	51,790	24,986	17,184
	<u>\$ 4,592,551</u>	<u>\$ 2,836,626</u>	<u>\$ 1,734,299</u>	<u>\$ 1,085,546</u>
Revenue on loads hauled via BCO Independent Contractors (3) included in total truck transportation				
	\$ 1,899,313	\$ 1,312,003	\$ 690,257	\$ 502,224
Number of loads:				
Truck transportation				
Truckload:				
Van equipment	1,037,516	822,422	359,263	296,427
Unsided/platform equipment	381,594	338,696	133,332	118,026
Less-than-truckload	135,038	119,533	49,943	41,454
Other truck transportation (1)	208,402	141,669	81,242	56,693
Total truck transportation	1,762,550	1,422,320	623,780	512,600
Rail intermodal	40,420	33,410	13,620	11,900
Ocean and air cargo carriers	29,650	22,720	10,190	8,290
	<u>1,832,620</u>	<u>1,478,450</u>	<u>647,590</u>	<u>532,790</u>
Loads hauled via BCO Independent Contractors (3) included in total truck transportation				
	773,270	693,860	263,120	250,030
Revenue per load:				
Truck transportation				
Truckload:				
Van equipment	\$ 2,412	\$ 1,806	\$ 2,556	\$ 1,950
Unsided/platform equipment	2,915	2,386	3,172	2,493
Less-than-truckload	634	594	617	606
Other truck transportation (1)	2,488	1,762	2,570	1,916
Total truck transportation	2,393	1,838	2,534	1,963
Rail intermodal	2,982	2,447	3,265	2,557
Ocean and air cargo carriers	6,474	3,917	8,254	3,830
Revenue per load on loads hauled via BCO Independent Contractors (3)	\$ 2,456	\$ 1,891	\$ 2,623	\$ 2,009
Revenue by capacity type (as a % of total revenue):				
Truck capacity providers:				
BCO Independent Contractors (3)	41%	46%	40%	46%
Truck Brokerage Carriers	50%	46%	51%	46%
Rail intermodal	3%	3%	3%	3%
Ocean and air cargo carriers	4%	3%	5%	3%
Other	1%	2%	1%	2%
Truck Capacity Providers				
			September 25, 2021	September 26, 2020
BCO Independent Contractors (3)			10,955	9,866
Truck Brokerage Carriers:				
Approved and active (4)			58,676	41,246
Other approved			24,602	22,181
			<u>83,278</u>	<u>63,427</u>
Total available truck capacity providers			<u>94,233</u>	<u>73,293</u>
Trucks provided by BCO Independent Contractors (3)			11,746	10,571

- (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)

	Thirty Nine Weeks Ended		Thirteen Weeks Ended	
	September 25, 2021	September 26, 2020	September 25, 2021	September 26, 2020
Revenue	\$ 4,592,551	\$ 2,836,626	\$ 1,734,299	\$ 1,085,546
Costs of revenue:				
Purchased transportation	3,583,197	2,183,143	1,356,671	838,753
Commissions to agents	356,997	236,490	135,295	85,848
Variable costs of revenue	3,940,194	2,419,633	1,491,966	924,601
Trailing equipment depreciation	26,362	26,342	8,615	8,397
Information technology costs (1)	9,534	7,021	3,450	2,722
Insurance-related costs (2)	78,175	68,839	30,502	22,657
Other operating costs	27,117	23,035	10,572	7,361
Other costs of revenue	141,188	125,237	53,139	41,137
Total costs of revenue	4,081,382	2,544,870	1,545,105	965,738
Gross profit	\$ 511,169	\$ 291,756	\$ 189,194	\$ 119,808
Gross profit margin	11.1%	10.3%	10.9%	11.0%
Plus: other costs of revenue	141,188	125,237	53,139	41,137
Variable contribution	\$ 652,357	\$ 416,993	\$ 242,333	\$ 160,945
Variable contribution margin	14.2%	14.7%	14.0%	14.8%

- (1) Includes costs of revenue incurred related to internally developed software including ASC 350-40 amortization, implementation costs, hosting costs and other support costs utilized to support the Company's independent commission sales agents, third party capacity providers, and customers, included as a portion of depreciation and amortization and of selling, general and administrative in the Company's Consolidated Statements of Income.
- (2) Primarily includes (i) insurance premiums paid for commercial auto liability, general liability, cargo and other lines of coverage related to the transportation of freight; (ii) the related cost of claims incurred under those programs; and (iii) brokerage commissions and other fees incurred relating to the administration of insurance programs available to BCO Independent Contractors that are reinsured by the Company, which are included in selling, general and administrative in the Company's Consolidated Statements of Income.

Exhibit 99.2
DESIGNED TO RESPOND
BUILT TO DELIVER



Landstar System, Inc.
Earnings Conference Call
Third Quarter 2021
October 20, 2021



Date Published: 10/20/2021

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 and legal risks detailed in Landstar’s Form 10-K for the 2020 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 Landstar undertakes no obligation to publicly update or revise any forward-looking statements.

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 as well as operating income as a percentage of gross profit and operating income as a percentage of variable contribution, each in the 2020 year-to-date period, excluding the impact of pandemic relief incentive payments.

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 2021 and 2020 third quarters and year-to-date periods is included in this slide presentation as Appendix A.

Who We Are

Landstar is a worldwide, 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.

Our Network

September 25, 2021

\$4.6 billion in YTD revenue

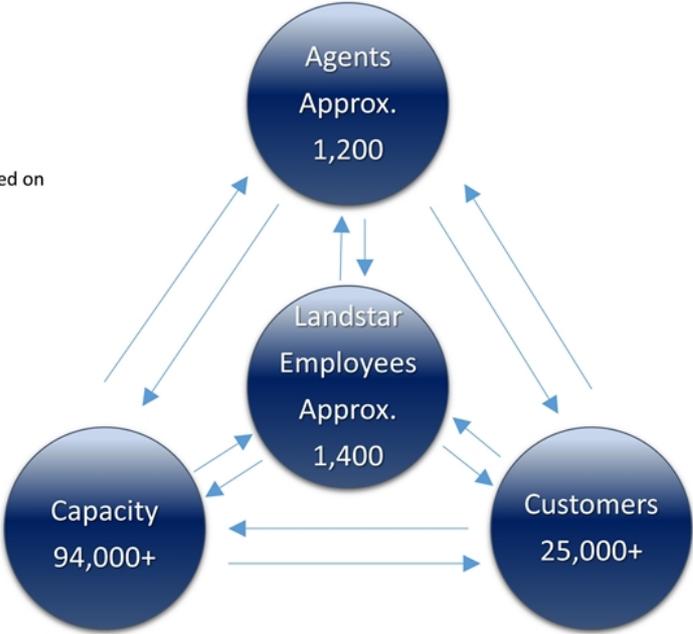
1.8 million YTD loadings

508 million dollar agents (based on 2020 fiscal year)

11,746 BCO trucks

83,278 Carriers

17,900+ Trailers



Transportation Management Services

	Percentage of Revenue	
	3Q20	3Q21
Truck Transportation (1)		
Truckload		
Van equipment	53%	53%
Unsided/platform equipment	27%	24%
Less-than-truckload	2%	2%
Other truck transportation	10%	12%
Rail intermodal	3%	3%
Ocean and air cargo	3%	5%

- (1) In connection with the impact of the pandemic on the demand for certain types of truck capacity, Landstar experienced a significant increase in demand for power-only, expedited, straight truck, cargo van and miscellaneous other truck transportation services that were formerly included in revenue from van or unsided/platform services. 2021 and 2020 third quarter truck transportation hauled via van equipment, unsided/platform equipment and other truck transportation as presented in this slide presentation, including number of loads and revenue per load data, reflect our revised categorization of our revenue generated through truck transportation services. This revised categorization had no impact on total truck transportation revenue or the Company's consolidated financial statements for any period.

Revenue (\$'s in thousands)



Year over Prior Year	Rate ⁽¹⁾	Volume ⁽²⁾	Change
Truck Revenue	30.2%	23.9%	61.4%
Rail Intermodal Revenue	21.9%	21.0%	47.5%
Ocean/Air Revenue	65.3%	30.5%	115.7%
Insurance Premiums	NA	NA	27.5%
Total Revenue			61.9%

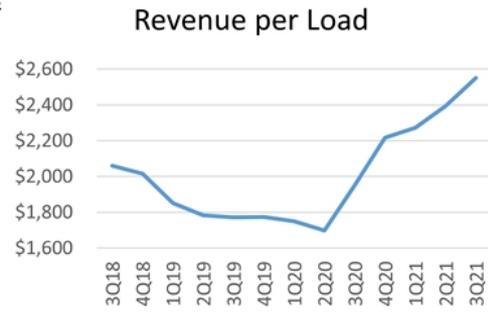
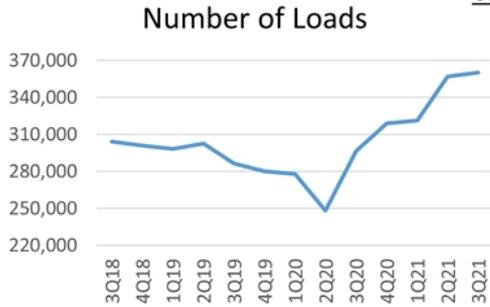
Qtr over Prior Year Qtr	Rate ⁽¹⁾	Volume ⁽²⁾	Change
Truck Revenue	29.1%	21.7%	57.1%
Rail Intermodal Revenue	27.7%	14.5%	46.1%
Ocean/Air Revenue	115.5%	22.9%	164.9%
Insurance Premiums	NA	NA	29.1%
Total Revenue			59.8%

(1) Percentage change in rate is calculated on a revenue per load basis.

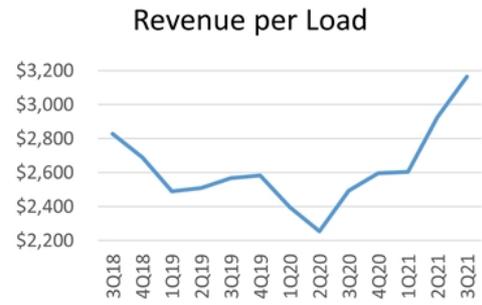
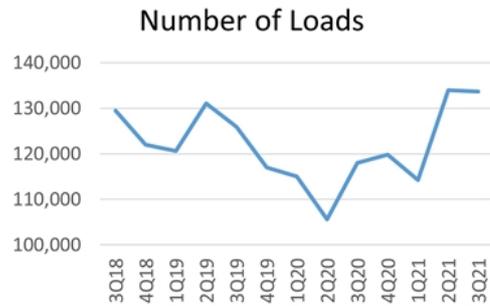
(2) Percentage change in volume is calculated on the number of loads hauled.

Truckload Loadings and Revenue per Truckload Trends

Van Equipment



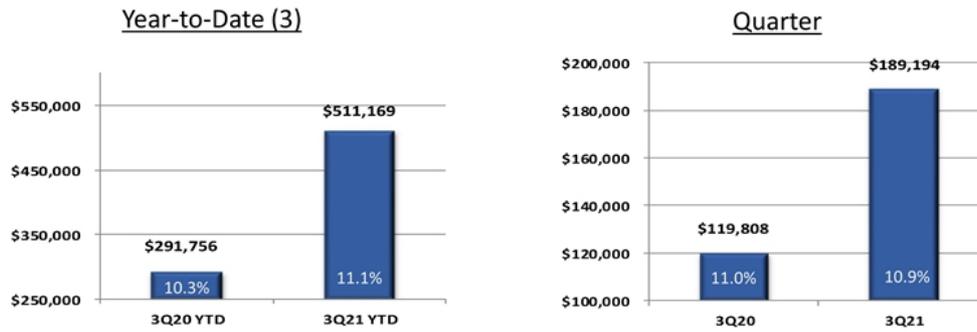
Unsided/Platform Equipment



Industries Served

	As a Percentage of Revenue		Quarter over Prior Year Quarter Change in Revenue
	3Q20	3Q21	
Consumer Durables	25.5	30.3	90%
Machinery	12.1	11.1	46%
AA&E, Hazmat	9.0	8.7	55%
Building Products	9.8	8.2	34%
Automotive	7.7	6.8	43%
Substitute Line Haul	5.2	5.4	66%
Metals	4.8	5.1	72%
Foodstuffs	4.9	3.9	28%
Other	21.0	20.5	56%
Transportation Revenue	<u>100.0</u>	<u>100.0</u>	60%

Gross Profit⁽¹⁾ and Gross Profit Margin ⁽²⁾ (*\$'s in thousands*)



- (1) Gross profit equals revenue less the cost of purchased transportation, commissions to agents and other costs of revenue.
- (2) Gross profit margin equals gross profit divided by revenue.
- (3) Includes the impact of approximately \$12.6 million related to BCO and agent pandemic relief incentive payments made in April and May 2020. The Company paid both the hauling BCO and agent dispatching the load an extra \$50 for each BCO load delivered during these months.

Variable Contribution⁽¹⁾ and Variable Contribution Margin⁽²⁾ (\$'s in thousands)



		3rd Qtr YTD ⁽³⁾
Changes in variable contribution margin		%
2020 Period		14.7
Revenue - fixed		0.2
Revenue - variable		-0.3
Pandemic relief (4)		0.4
Change in mix and other		-0.8
2021 Period		14.2

		3rd Qtr ⁽³⁾
Changes in variable contribution margin		%
2020 Period		14.8
Revenue - fixed		0.2
Revenue - variable		0.1
Pandemic relief		0.0
Change in mix and other		-1.1
2021 Period		14.0

(1) Variable contribution equals revenue less the cost of purchased transportation and commissions to agents.

(2) Variable contribution margin equals variable contribution 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 52% and 46% of revenue in the 2020 and 2021 year-to-date periods, respectively, and 51% and 44% of revenue in the 2020 and 2021 third quarters, respectively.

(4) Includes the impact of approximately \$12.6 million related to BCO and agent pandemic relief incentive payments made in April and May 2020. The Company paid both the hauling BCO and agent dispatching the load an extra \$50 for each BCO load delivered during these months.

Operating Income as a % of Gross Profit (\$'s in thousands)



(1) Excluding the impact of the \$12.6 million of pandemic relief incentive payments from the 2020 year-to-date period, operating income as a percentage of gross profit was 59.5%.

Operating Income as a % of Variable Contribution

(\$'s in thousands)



	3rd Qtr YTD
Changes in operating income as a % of variable contribution	%
2020 Period	40.4
Other operating costs	1.4
Insurance and claims	4.1
SG&A	5.6
Depreciation and amortization	2.6
Impairment	0.6
2021 Period	54.7

	3rd Qtr
Changes in operating income as a % of variable contribution	%
2020 Period	51.2
Other operating costs	0.2
Insurance and claims	1.2
SG&A	-0.3
Depreciation and amortization	1.9
Impairment	0.0
2021 Period	54.2

(1) Excluding the impact of the \$12.6 million of pandemic relief incentive payments from the 2020 year-to-date period, operating income as a percentage of variable contribution was 42.2%.

Truck Capacity Data

(All information is provided as of the end of the applicable period)

	Sep 26, 2020 ⁽²⁾	Dec 26, 2020	Sep 25, 2021 ⁽²⁾
BCO Independent Contractors	9,866	10,242	10,955
Truck Brokerage Carriers:			
Approved and Active ⁽¹⁾	41,246	46,053	58,676
Other Approved	22,181	22,972	24,602
	63,247	69,025	83,278
Total Available Truck Capacity Providers	73,293	79,267	94,233
Trucks Provided by BCO Independent Contractors	10,571	10,991	11,746

(1) Active refers to truck brokerage carriers who hauled freight for Landstar in the 180 day period immediately preceding the period end.

(2) Fuel surcharges billed to customers on freight hauled by BCO Independent Contractors, which are paid 100% to the BCO and excluded from revenue, and the cost of purchased transportation were \$182.7 million and \$127.7 million in the 2021 and 2020 year-to-date periods, respectively, and \$68.7 million and \$40.1 million in the 2021 and 2020 third quarters, respectively.

Key Balance Sheet and Cash Flow Statistics

(\$'s in thousands)

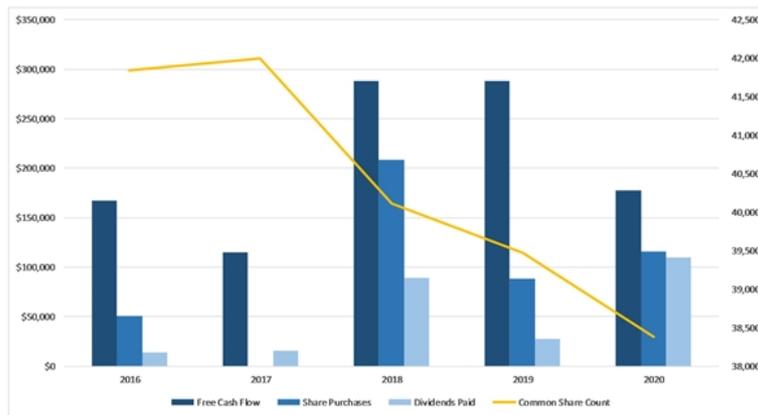
	Sep 26, 2020	Sep 25, 2021
Balance sheet (period end amounts):		
Debt to Capital	11%	10%
Net Cash (1)	\$ 170,329	\$ 169,867
Cash flow (year-to-date):		
Cash flow from operations	\$ 185,548	\$ 216,990
Capital expenditures (2)	\$ 28,192	\$ 18,561
Share repurchases	\$ 115,962	\$ 50,230
Dividends paid	\$ 101,442	\$ 102,463
Returns (trailing 12 months):		
Return on Equity	26%	43%
Return on Invested Capital	22%	38%
Return on Assets	13%	20%

(1) Net cash is defined as cash and cash equivalents plus short term investments less outstanding debt.

(2) Capital expenditures includes cash capital expenditures of \$25.4 million and approximately \$2.8 million for the acquisition of a business during the 2020 year-to-date period.

Free Cash Flow ⁽¹⁾, Stock Purchases and Dividends

(In Thousands)



Third quarter 2021 YTD	(000's)
Free cash flow (1)	\$ 198,429
Share purchases	\$ 50,230
Dividends paid	\$ 102,463
Ending common share count	38,109

(1) Free cash flow is defined as cash flow from operations less capital expenditures, each set forth on the prior slide.

Appendix A

Reconciliation of Gross Profit to Variable Contribution (*\$'s in thousands*)

	Thirty Nine Weeks Ended		Thirteen Weeks Ended	
	September 25, 2021	September 26, 2020	September 25, 2021	September 26, 2020
Revenue	\$ 4,592,551	\$ 2,836,626	\$ 1,734,299	\$ 1,085,546
Costs of revenue:				
Purchased transportation	3,583,197	2,183,143	1,356,671	838,753
Commissions to agents	356,997	236,490	135,295	85,848
Variable costs of revenue	3,940,194	2,419,633	1,491,966	924,601
Trailing equipment depreciation	26,362	26,342	8,615	8,397
Information technology costs (1)	9,534	7,021	3,450	2,722
Insurance-related costs (2)	78,175	68,839	30,502	22,657
Other operating costs	27,117	23,035	10,572	7,361
Other costs of revenue	141,188	125,237	53,139	41,137
Total costs of revenue	4,081,382	2,544,870	1,545,105	965,738
Gross profit	<u>\$ 511,169</u>	<u>\$ 291,756</u>	<u>\$ 189,194</u>	<u>\$ 119,808</u>
Gross profit margin	11.1%	10.3%	10.9%	11.0%
Plus: other costs of revenue	141,188	125,237	53,139	41,137
Variable contribution	<u>\$ 652,357</u>	<u>\$ 416,993</u>	<u>\$ 242,333</u>	<u>\$ 160,945</u>
Variable contribution margin	14.2%	14.7%	14.0%	14.8%

(1) Includes costs of revenue incurred related to internally developed software including ASC 350-40 amortization, implementation costs, hosting costs and other support costs utilized to support the Company's independent commission sales agents, third party capacity providers, and customers, included as a portion of depreciation and amortization and of selling, general and administrative in the Company's Consolidated Statements of Income.

(2) Primarily includes (i) insurance premiums paid for commercial auto liability, general liability, cargo and other lines of coverage related to the transportation of freight; (ii) the related cost of claims incurred under those programs; and (iii) brokerage commissions and other fees incurred relating to the administration of insurance programs available to BCO Independent Contractors that are reinsured by the Company, which are included in selling, general and administrative in the Company's Consolidated Statements of Income.

DESIGNED TO RESPOND
BUILT TO DELIVER



Date Published: 10/20/2021

18

Landstar System, Inc. and Subsidiary
Supplemental Reconciliation of Gross Profit to Variable Contribution
(Dollars in thousands)
(Unaudited)

	Fiscal Quarter Ended											
	June 26, 2021	March 27, 2021	Fiscal Year Ended 2020	December 26, 2020	September 26, 2020	June 27, 2020	March 28, 2020	Fiscal Year Ended 2019	December 28, 2019	September 28, 2019	June 29, 2019	March 30, 2019
Revenue	\$1,570,718	\$1,287,534	\$ 4,132,981	\$ 1,296,355	\$ 1,085,546	\$823,514	\$ 927,566	\$ 4,084,577	\$ 994,879	\$ 1,011,658	\$1,045,040	\$1,033,000
Costs of revenue:												
Purchased transportation	1,228,241	998,285	3,192,850	1,009,707	838,753	635,133	709,257	3,127,474	761,828	774,520	799,371	791,755
Commissions to agents	121,693	100,009	340,780	104,290	85,848	75,266	75,376	342,226	84,364	84,568	87,623	85,671
Variable costs of revenue	1,349,934	1,098,294	3,533,630	1,113,997	924,601	710,399	784,633	3,469,700	846,192	859,088	886,994	877,426
Trailing equipment depreciation	8,840	8,907	34,892	8,550	8,397	8,716	9,229	36,934	9,266	8,808	9,297	9,563
Information technology costs (1)	3,146	2,938	9,791	2,770	2,722	2,663	1,636	5,983	1,700	1,492	1,410	1,381
Insurance-related costs (2)	25,051	22,622	90,778	21,939	22,657	20,561	25,621	83,172	25,621	24,786	17,004	15,761
Other operating costs	8,903	7,642	30,463	7,428	7,361	7,368	8,306	37,274	8,743	10,431	9,861	8,239
Other costs of revenue	45,940	42,109	165,924	40,687	41,137	39,308	44,792	163,363	45,330	45,517	37,572	34,944
Total costs of revenue	1,395,874	1,140,403	3,699,554	1,154,684	965,738	749,707	829,425	3,633,063	891,522	904,605	924,566	912,370
Gross profit	\$ 174,844	\$ 147,131	\$ 433,427	\$ 141,671	\$ 119,808	\$ 73,807	\$ 98,141	\$ 451,514	\$ 103,357	\$ 107,053	\$ 120,474	\$ 120,630
Gross profit margin	11.1%	11.4%	10.5%	10.9%	11.0%	9.0%	10.6%	11.1%	10.4%	10.6%	11.5%	11.7%
Plus: other costs of revenue	45,940	42,109	165,924	40,687	41,137	39,308	44,792	163,363	45,330	45,517	37,572	34,944
Variable contribution	\$ 220,784	\$ 189,240	\$ 599,351	\$ 182,358	\$ 160,945	\$ 113,115	\$ 142,933	\$ 614,877	\$ 148,687	\$ 152,570	\$ 158,046	\$ 155,574
Variable contribution margin	14.1%	14.7%	14.5%	14.1%	14.8%	13.7%	15.4%	15.1%	14.9%	15.1%	15.1%	15.1%

- (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 System, Inc. and Subsidiary
Supplemental Reconciliation of Gross Profit to Variable Contribution
(Dollars in thousands)
(Unaudited)

	Fiscal Quarter Ended												
	Fiscal Year Ended 2018	December 29, 2018	September 29, 2018	June 30, 2018	March 31, 2018	Fiscal Year Ended 2017	December 30, 2017	September 30, 2017	July 1, 2017	April 1, 2017	Fiscal Year Ended 2016	December 31, 2016	September 24, 2016
Revenue	\$ 4,615,144	\$ 1,182,351	\$ 1,202,081	\$ 1,182,786	\$ 1,047,926	\$ 3,646,364	\$ 1,051,592	\$ 943,430	\$ 870,434	\$ 780,908	\$ 3,167,634	\$ 892,829	\$ 787,938
Costs of revenue:													
Purchased transportation	3,569,961	911,251	931,473	916,940	810,297	2,805,109	815,171	726,827	667,588	595,523	2,415,663	684,918	601,002
Commissions to agents	378,002	102,174	99,304	94,399	82,125	297,410	86,732	76,598	70,282	63,798	264,205	75,130	65,144
Variable costs of revenue	3,947,963	1,013,425	1,030,777	1,011,339	892,422	3,102,519	901,903	803,425	737,870	659,321	2,679,868	760,048	666,146
Trailing equipment depreciation	37,007	9,361	9,153	9,236	9,257	35,001	9,003	8,715	8,591	8,692	31,141	8,518	7,851
Information technology costs (1)	5,495	1,658	1,381	1,354	1,102	2,600	718	999	358	525	3,233	802	765
Insurance-related costs (2)	78,619	18,721	19,868	22,027	18,003	65,011	16,798	18,710	14,401	15,102	60,053	15,490	13,119
Other operating costs	31,803	7,627	8,966	7,606	7,604	28,687	6,190	8,097	7,503	6,897	29,702	8,218	7,492
Other costs of revenue	152,924	37,367	39,368	40,223	35,966	131,299	32,709	36,521	30,853	31,216	124,129	33,028	29,227
Total costs of revenue	4,100,887	1,050,792	1,070,145	1,051,562	928,388	3,233,818	934,612	839,946	768,723	690,537	2,803,997	793,076	695,373
Gross profit	\$ 514,257	\$ 131,559	\$ 131,936	\$ 131,224	\$ 119,538	\$ 412,546	\$ 116,980	\$ 103,484	\$ 101,711	\$ 90,371	\$ 363,637	\$ 99,753	\$ 92,565
Gross profit margin	11.1%	11.1%	11.0%	11.1%	11.4%	11.3%	11.1%	11.0%	11.7%	11.6%	11.5%	11.2%	11.7
Plus: other costs of revenue	152,924	37,367	39,368	40,223	35,966	131,299	32,709	36,521	30,853	31,216	124,129	33,028	29,227
Variable contribution	\$ 667,181	\$ 168,926	\$ 171,304	\$ 171,447	\$ 155,504	\$ 543,845	\$ 149,689	\$ 140,005	\$ 132,564	\$ 121,587	\$ 487,766	\$ 132,781	\$ 121,792
Variable contribution margin	14.5%	14.3%	14.3%	14.5%	14.8%	14.9%	14.2%	14.8%	15.2%	15.6%	15.4%	14.9%	15.5

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

	Fiscal Quarter Ended											
	June 26, 2021	March 27, 2021	Fiscal Year Ended 2020	December 26, 2020	September 26, 2020	June 27, 2020	March 28, 2020	Fiscal Year Ended 2019	December 28, 2019	September 28, 2019	June 29, 2019	March 30, 2019
Revenue generated through (in thousands):												
Truck transportation												
Truckload:												
Van equipment	\$ 854,509	\$ 729,402	\$ 2,192,254	\$ 706,702	\$ 578,166	\$ 421,200	\$ 486,186	\$ 2,095,345	\$ 496,360	\$ 507,550	\$ 539,319	\$ 552,116
Unsidled/platform equipment	391,893	297,485	1,119,272	311,306	294,273	238,022	275,671	1,254,781	302,233	323,088	329,031	300,429
Less-than-truckload	29,062	25,670	97,546	26,562	25,125	22,918	22,941	98,324	24,849	25,367	24,732	23,376
Other truck transportation (1)	168,723	140,932	406,709	157,124	108,614	71,193	69,778	316,879	88,376	76,191	75,122	77,190
Total truck transportation	1,444,187	1,193,489	3,815,781	1,201,694	1,006,178	753,333	854,576	3,765,329	911,818	932,196	968,204	953,111
Rail intermodal	44,360	31,708	114,313	32,566	30,432	23,186	28,129	118,305	30,750	28,970	28,570	30,015
Ocean and air cargo carriers	60,240	47,600	132,100	43,178	31,752	30,663	26,587	121,485	32,227	30,365	28,224	30,669
Other (2)	21,931	14,737	70,707	18,917	17,184	16,332	18,274	79,458	20,084	20,127	20,042	19,205
	<u>\$ 1,570,718</u>	<u>\$ 1,287,534</u>	<u>\$ 4,132,981</u>	<u>\$ 1,296,355</u>	<u>\$ 1,085,546</u>	<u>\$ 823,514</u>	<u>\$ 927,566</u>	<u>\$ 4,084,577</u>	<u>\$ 994,879</u>	<u>\$ 1,011,658</u>	<u>\$ 1,045,040</u>	<u>\$ 1,033,000</u>
Revenue on loads hauled via BCO Independent Contractors (3) included in total truck transportation												
	\$ 648,942	\$ 560,114	\$ 1,866,526	\$ 554,523	\$ 502,224	\$ 378,500	\$ 431,279	\$ 1,831,752	\$ 441,617	\$ 466,207	\$ 474,620	\$ 449,308
Number of loads:												
Truck transportation												
Truckload:												
Van equipment	357,041	321,212	1,141,261	318,839	296,427	248,074	277,921	1,167,414	279,978	286,565	302,609	298,262
Unsidled/platform equipment	133,999	114,263	458,550	119,854	118,026	105,617	115,053	494,565	116,959	125,886	131,080	120,640
Less-than-truckload	44,403	40,692	163,024	43,491	41,454	39,723	38,356	155,592	39,976	41,067	39,240	35,309
Other truck transportation (1)	67,497	59,663	206,305	64,636	56,693	42,016	42,960	188,689	48,047	45,412	47,141	48,089
Total truck transportation	602,940	535,830	1,969,140	546,820	512,600	435,430	474,290	2,006,260	484,960	498,930	520,070	502,300
Rail intermodal	15,100	11,700	46,280	12,870	11,900	9,970	11,540	47,590	12,220	11,490	11,420	12,460
Ocean and air cargo carriers	10,230	9,230	31,900	9,180	8,290	7,360	7,070	30,110	7,960	7,340	7,300	7,510
	<u>628,270</u>	<u>556,760</u>	<u>2,047,320</u>	<u>568,870</u>	<u>532,790</u>	<u>452,760</u>	<u>492,900</u>	<u>2,083,960</u>	<u>505,140</u>	<u>517,760</u>	<u>538,790</u>	<u>522,270</u>
Loads hauled via BCO Independent Contractors (3) included in total truck transportation												
	264,200	245,950	945,210	251,350	250,030	210,430	233,400	954,990	232,120	239,210	248,810	234,850
Revenue per load:												
Truck transportation												
Truckload:												
Van equipment	\$ 2,393	\$ 2,271	\$ 1,921	\$ 2,216	\$ 1,950	\$ 1,698	\$ 1,749	\$ 1,795	\$ 1,773	\$ 1,771	\$ 1,782	\$ 1,851
Unsidled/platform equipment	2,925	2,604	2,441	2,597	2,493	2,254	2,396	2,537	2,584	2,567	2,510	2,490
Less-than-truckload	655	631	598	611	606	577	598	632	622	618	630	662
Other truck transportation (1)	2,500	2,362	1,971	2,431	1,916	1,694	1,624	1,679	1,839	1,678	1,594	1,605
Total truck transportation	2,395	2,227	1,938	2,198	1,963	1,730	1,802	1,877	1,880	1,868	1,862	1,897
Rail intermodal	2,938	2,710	2,470	2,530	2,557	2,326	2,438	2,486	2,516	2,521	2,502	2,409
Ocean and air cargo carriers	5,889	5,157	4,144	4,703	3,830	4,166	3,761	4,035	4,049	4,137	3,866	4,084
Revenue per load on loads hauled via BCO Independent Contractors (3)												
	\$ 2,456	\$ 2,277	\$ 1,975	\$ 2,206	\$ 2,009	\$ 1,799	\$ 1,848	\$ 1,918	\$ 1,903	\$ 1,949	\$ 1,908	\$ 1,913
Revenue by capacity type (as a % of total revenue):												
Truck capacity providers:												
BCO Independent Contractors (3)	41%	44%	45%	43%	46%	46%	46%	45%	44%	46%	45%	43%
Truck Brokerage												
Carriers	51%	49%	47%	50%	46%	46%	46%	47%	47%	46%	47%	49%
Rail intermodal	3%	2%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Ocean and air cargo carriers	4%	4%	3%	3%	3%	4%	3%	3%	3%	3%	3%	3%
Other	1%	1%	2%	1%	2%	2%	2%	2%	2%	2%	2%	2%

- (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.

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

	Fiscal Quarter Ended												
	Fiscal Year Ended 2018	December 29, 2018	September 29, 2018	June 30, 2018	March 31, 2018	Fiscal Year Ended 2017	December 30, 2017	September 30, 2017	July 1, 2017	April 1, 2017	Fiscal Year Ended 2016	December 31, 2016	September 30, 2016
Revenue generated through (in thousands);													
Truck transportation													
Truckload:													
Van equipment	\$ 2,442,696	\$ 606,465	\$ 626,594	\$ 627,305	\$ 582,332	\$ 1,896,922	\$ 548,601	\$ 474,905	\$ 453,156	\$ 420,260	\$ 1,681,531	\$ 479,379	\$
Unsidled/platform equipment	1,339,748	328,151	366,178	355,475	289,944	1,095,380	289,725	297,303	277,770	230,582	931,793	247,923	
Less-than-truckload	102,531	26,083	25,500	27,364	23,584	89,041	23,644	22,598	22,942	19,857	74,530	20,464	
Other truck transportation (1)	395,437	116,958	100,014	95,237	83,228	306,190	105,570	82,812	61,690	56,118	250,731	84,404	
Total truck transportation	4,280,412	1,077,657	1,118,286	1,105,381	979,088	3,387,533	967,540	877,618	815,558	726,817	2,938,585	832,170	
Rail intermodal	128,976	32,950	34,439	32,295	29,292	96,416	27,846	24,213	21,515	22,842	103,721	26,734	
Ocean and air cargo carriers	134,577	51,858	31,213	28,029	23,477	110,898	40,190	29,523	21,595	19,590	78,513	22,013	
Other (2)	71,179	19,886	18,143	17,081	16,069	51,517	16,016	12,076	11,766	11,659	46,815	11,912	
	\$ 4,615,144	\$ 1,182,351	\$ 1,202,081	\$ 1,182,786	\$ 1,047,926	\$ 3,646,364	\$ 1,051,592	\$ 943,430	\$ 870,434	\$ 780,908	\$ 3,167,634	\$ 892,829	\$
Revenue on loads hauled via BCO Independent Contractors (3) included in total truck transportation	\$ 2,001,665	\$ 482,321	\$ 520,391	\$ 527,803	\$ 471,150	\$ 1,655,026	\$ 443,462	\$ 435,479	\$ 411,177	\$ 364,908	\$ 1,488,925	\$ 402,077	\$
Number of loads;													
Truck transportation													
Truckload:													
Van equipment	1,206,197	300,865	304,226	308,348	292,758	1,104,740	289,503	275,037	277,303	262,897	1,036,729	287,453	
Unsidled/platform equipment	498,452	121,965	129,472	131,538	115,477	468,977	117,819	122,507	121,408	107,243	436,320	114,544	
Less-than-truckload	145,269	38,630	35,969	37,250	33,420	132,776	34,036	34,232	34,589	29,919	115,521	31,205	
Other truck transportation (1)	210,352	58,090	53,183	50,604	48,475	196,567	57,132	58,294	42,030	39,111	157,820	50,438	
Total truck transportation	2,060,270	519,550	522,850	527,740	490,130	1,903,060	498,490	490,070	475,330	439,170	1,746,390	483,640	
Rail intermodal	53,030	12,770	13,420	13,560	13,280	45,000	12,960	11,080	10,310	10,650	48,820	12,700	
Ocean and air cargo carriers	28,970	7,720	8,220	6,700	6,330	25,420	7,270	6,210	6,210	5,730	20,690	5,780	
	2,142,270	540,040	544,490	548,000	509,740	1,973,480	518,720	507,360	491,850	455,550	1,815,900	502,120	
Loads hauled via BCO Independent Contractors (3) included in total truck transportation	949,330	231,860	236,580	247,710	233,180	916,190	229,360	232,970	235,630	218,230	865,430	234,550	
Revenue per load;													
Truck transportation													
Truckload:													
Van equipment	\$ 2,025	\$ 2,016	\$ 2,060	\$ 2,034	\$ 1,989	\$ 1,717	\$ 1,895	\$ 1,727	\$ 1,634	\$ 1,599	\$ 1,622	\$ 1,668	\$
Unsidled/platform equipment	2,688	2,691	2,828	2,702	2,511	2,336	2,459	2,427	2,288	2,150	2,136	2,164	
Less-than-truckload	706	675	709	735	706	671	695	660	663	664	645	656	
Other truck transportation (1)	1,880	2,013	1,881	1,882	1,717	1,558	1,848	1,421	1,468	1,435	1,589	1,673	
Total truck transportation	2,078	2,074	2,139	2,095	1,998	1,780	1,941	1,791	1,716	1,655	1,683	1,721	
Rail intermodal	2,432	2,580	2,566	2,382	2,206	2,143	2,149	2,185	2,087	2,145	2,125	2,105	
Ocean and air cargo carriers	4,645	6,717	3,797	4,183	3,709	4,363	5,528	4,754	3,477	3,419	3,795	3,808	
Revenue per load on loads hauled via BCO Independent Contractors (3)	\$ 2,109	\$ 2,080	\$ 2,200	\$ 2,131	\$ 2,021	\$ 1,806	\$ 1,933	\$ 1,869	\$ 1,745	\$ 1,672	\$ 1,720	\$ 1,714	\$
Revenue by capacity type (as a % of total revenue);													
Truck capacity providers:													
BCO Independent Contractors (3)													
Truck Brokerage	43%	41%	43%	45%	45%	45%	42%	46%	47%	47%	47%	45%	
Carriers	49%	50%	50%	49%	48%	48%	50%	47%	46%	46%	46%	48%	
Rail intermodal	3%	3%	3%	3%	3%	3%	3%	3%	2%	3%	3%	3%	
Ocean and air cargo carriers	3%	4%	3%	2%	2%	3%	4%	3%	2%	3%	2%	2%	
Other	2%	2%	2%	1%	2%	1%	2%	1%	1%	1%	1%	1%	