

UNIVERSAL LOGISTICS HOLDINGS, INC.



WINTER 2021

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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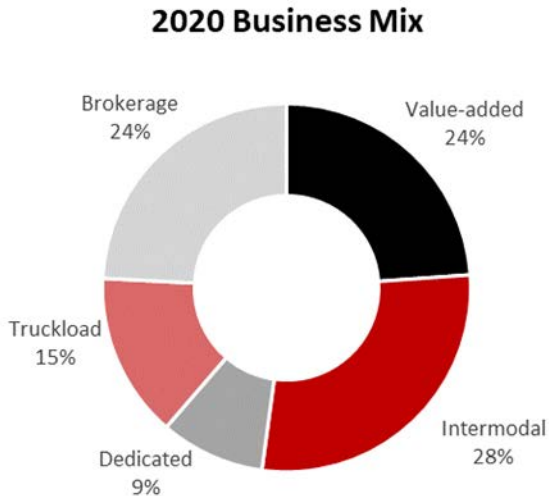


Universal

ABOUT US

Highlights

- Suite of transportation and logistics solutions
- Diversified, complementary service offerings
- Variable cost model protects margin
- Focused on sales growth and managing costs
- Favorable long-term outlook across service lines



Warren, MI
Headquarters
Nasdaq: ULH

\$590 million
Market Cap

4,000+ Tractor
Fleet Size

7,550 Direct Employees
and FTE's

58 Active
Value-Added Programs

| | | | | | |
|-------------------------------------|--|---|--|---|---|
| <p>1981</p> | | <p>2005</p> | | <p>2015 - 2016</p> | |
| <p><i>Universal Founded</i></p> | <p><i>Strategic Acquisitions</i></p> | <p><i>Initial Public Offering</i></p> | <p><i>LINC & Westport Acquisitions</i></p> | <p><i>Corporate Streamline Universal Logistics Holdings (NASDAQ: ULH)</i></p> | <p><i>Six Strategic Intermodal Acquisitions</i></p> |
| | <p>1981 - 2005</p> | | <p>2012 - 2013</p> | | <p>2018 - 2019</p> |



Universal

SEGMENTS

CONTRACT LOGISTICS

VALUE-ADDED

Sequencing and sub-assembly

Provides storage, pre-assembly and rapid delivery of parts

Material handling and consolidation

Coordinates receipt, unloading, sorting and out-bound delivery to specified destinations

Central materials area operations

Operates facilities that store customers' bulk orders until transported to assembly plants

Kitting and repacking

Provides multiple parts in one "kit" for a single assembly operation and repackaging of vendor supplied parts

Returnable container management

Manages the collection and return of customers' containers following delivery

DEDICATED

Dedicated transportation

Uses a mix of owner-operated and company owned equipment for committed capacity and close-loop transportation

Expedited transportation

Provides expedited direct shipment services using owner- operators

Yard management

Provides switching and inventory management of customer trailers and containers

INTERMODAL

Drayage

Transports containerized cargo over short distances

Storage

Provides container, chassis and trailer storage near port or railhead locations

Maintenance & repair

Performs repair and preventative maintenance on all types of intermodal equipment

TRUCKING

Truckload transportation

Uses a mix of owner-operated and company owned equipment to haul commodities in various end markets. Services include dry van, flatbed, heavy haul, refrigerated, and specialized equipment

Specialized truckload

Provides transportation services of customer goods which is over-weight, over-size, and a variety of other specialty characteristics

Truckload brokerage

Agent-based brokerage and brokerage at company terminals to provide capacity for freight that cannot be serviced by our tractors

COMPANY-MANAGED BROKERAGE

Company-Managed brokerage

Uses a nationwide network of broker carriers to fulfill the transportation capacity requirements of customers

Forwarding

Arranges and manages shipments of goods via ground, air and sea

Customs house brokerage

Provides expertise in customs & tariffs and offers the preparation of import/export documents

- Customized customer solutions: in-plant or offsite using proprietary technology
- 5 – 10 year contracts with high renewal rate; 58 active programs
- 4,894 full-time equivalents
- Long-tenured customer base
 - *Retail & consumer goods*
 - *Automotive*
 - *Class 8*
 - *Aerospace*
- Target revenue: \$400-\$430 million
- Target margins: 10% - 12%



Business strategy

Own the plant: Supporting inbound manufacturing for the OEM by providing multiple logistics services at the plants where we operate.

- Asset-based model
- Custom tailored service offerings in the U.S. and Canada
- Multi-year contracts
- Serving industrial markets
- 840 total tractors
- Target revenue: \$175-\$200 million
- Target margins: 10% - 12%



Business strategy

Own the plant: Supporting inbound manufacturing for the OEM by providing multiple logistics services at the plants where we operate.

- Asset-right variable cost model
- Local and regional drayage
- 45+ terminals, 12 full service container yards and 1,930 total tractors
- Diversified customer base
 - *BCO's*
 - *Steamship lines*
 - *Railroads*
- Target revenue: \$450-\$500 million
- Target margins: 10% - 12%



Business strategy

Operate a national drayage network supporting BCO's, steamship lines, and railroads by offering depot, trucking, and maintenance repair services in the markets where we operate.

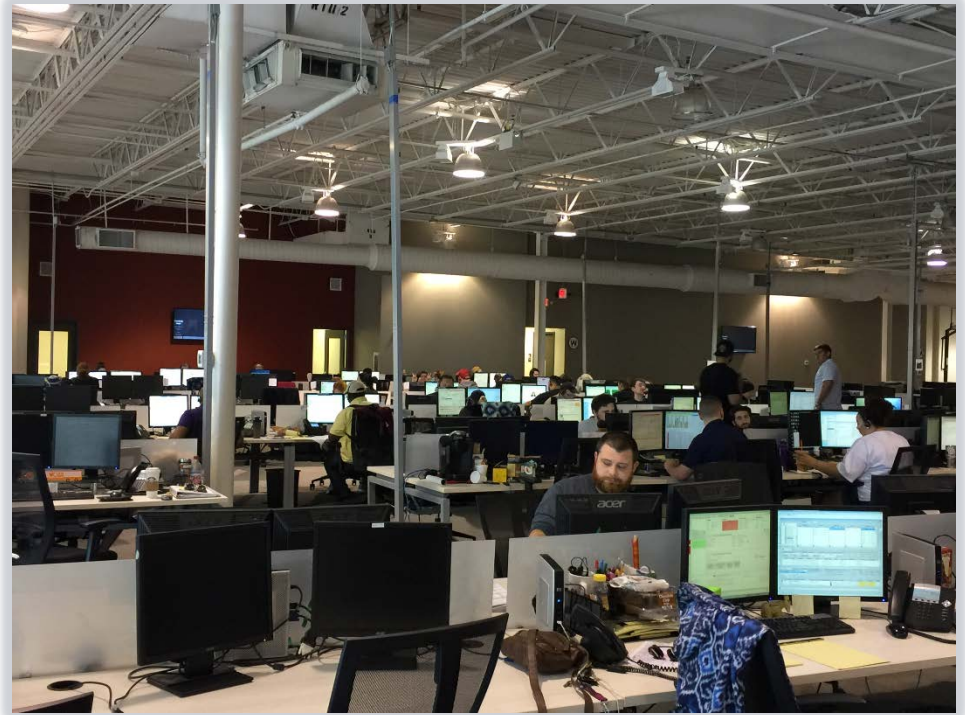
- Asset-light variable cost model
- A national network of 306 agents and company terminals in the U.S. and Canada
- 1,270 total tractors
- Mix of spot and contractual rates
- Expertise and specialization in end markets served
 - *Steel & metals*
 - *Oil & gas*
 - *Industrials*
 - *Retail & consumer goods*
- Target revenue: \$360-\$385 million
- Target margins: 4% - 6%



Business strategy

Operating regional supercenters with a focus on non-cyclical van business and flatbed where strategic.

- Asset-light variable cost model
- Nationwide network broker carriers
- Mix of spot and contractual rates
- Expert 3PL offerings
 - *Retail & consumer goods*
 - *Steel & metals*
 - *Industrials*
- Target revenue: \$200-\$220 million
- Target margins: 1% - 3%



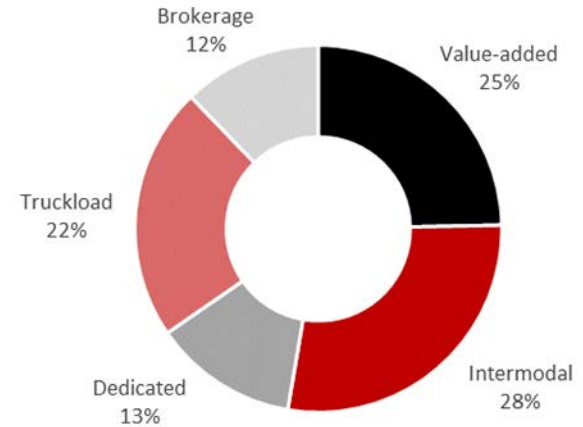
Business strategy

Aggregate freight for large national accounts and optimize truckload assets where needed.

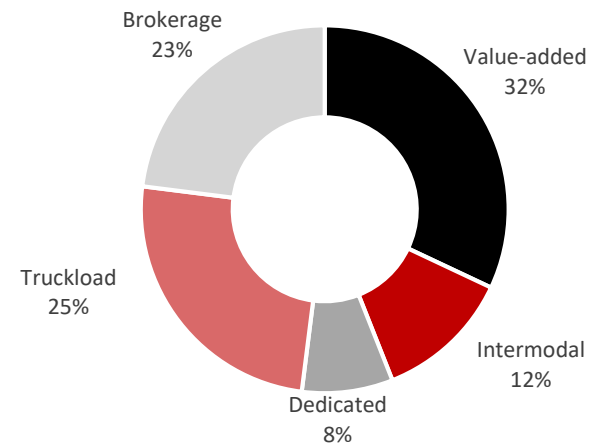
Strategic shift to more profitable services lines:

- \$140 million in VAS and Dedicated wins at full run rate in first half 2020
- 6 strategic intermodal acquisitions in key markets: Southern California, Chicago, and 26 locations east of the Mississippi
- Transforming brokerage to asset-backed brokerage
- Consistent returns in legacy truckload business

Future Business Mix



Former Business Mix





Universal

WHO WE SERVE

CSCP

FLXZ 425880

TAREWT 6.600

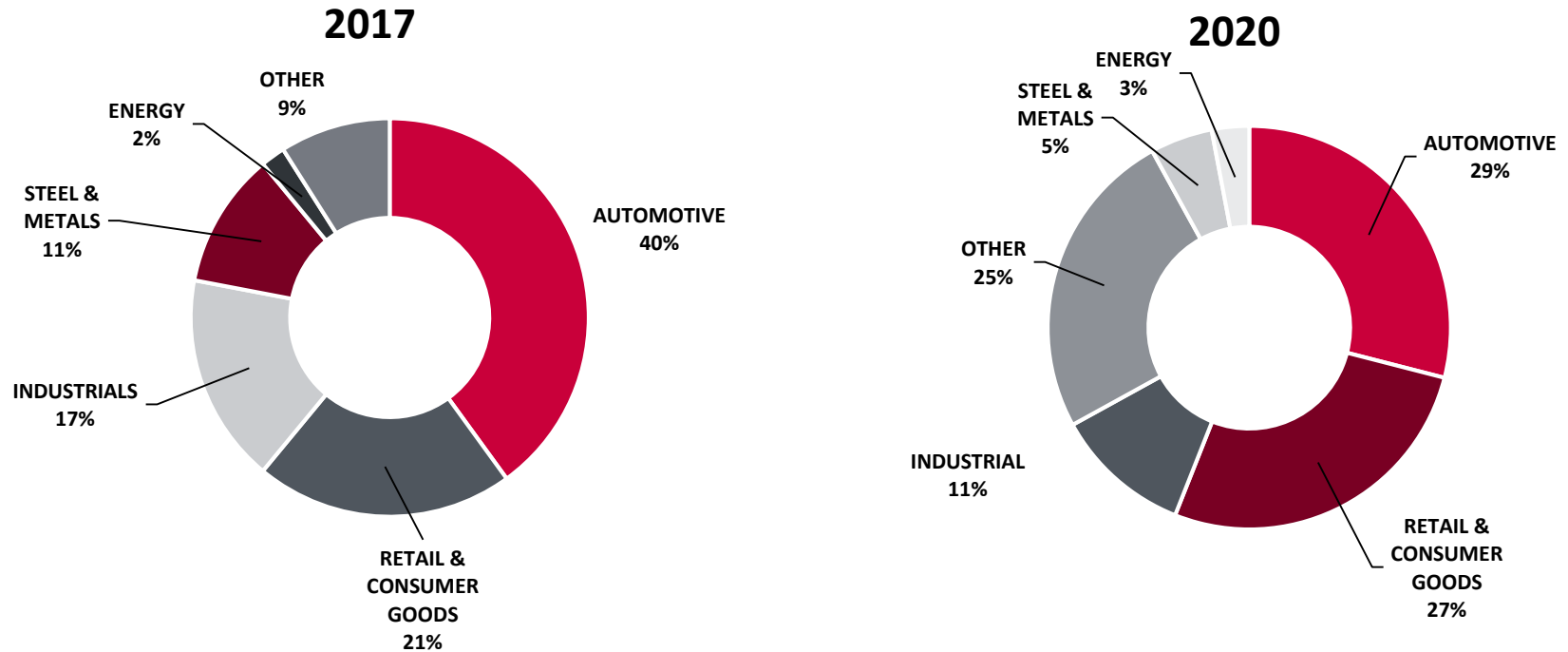
HL NITSUM



ROSS
DRESS FOR LESS



| Customer | Truckload | Brokerage | Value-Added | Dedicated | Intermodal |
|------------------|-----------|-----------|-------------|-----------|------------|
| General Motors | ✓ | ✓ | ✓ | ✓ | ✓ |
| Walmart | ✓ | ✓ | ✓ | | ✓ |
| Ford | ✓ | ✓ | ✓ | ✓ | ✓ |
| General Electric | ✓ | | | | |
| Fiat Chrysler | | ✓ | ✓ | ✓ | ✓ |
| Mack | | | ✓ | | |
| Ross Stores | | | | | ✓ |
| Kraft Heinz | ✓ | ✓ | | | |
| Niagara Bottling | ✓ | ✓ | | | |
| Boeing | ✓ | | ✓ | ✓ | |



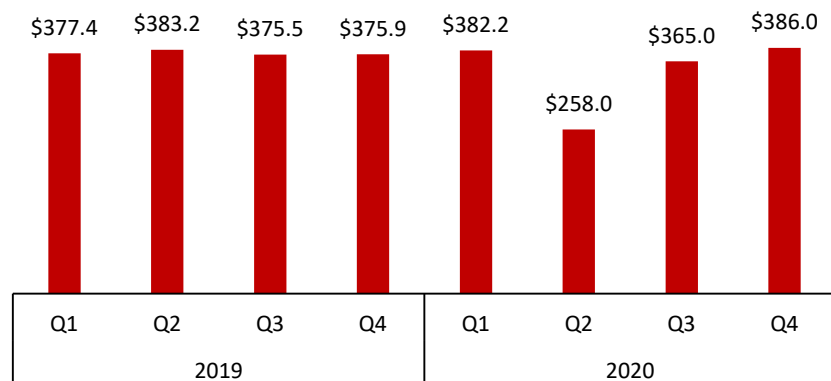
Reduced exposure to automotive sector from 40% of revenue in 2017 to 29% of revenue in 2020



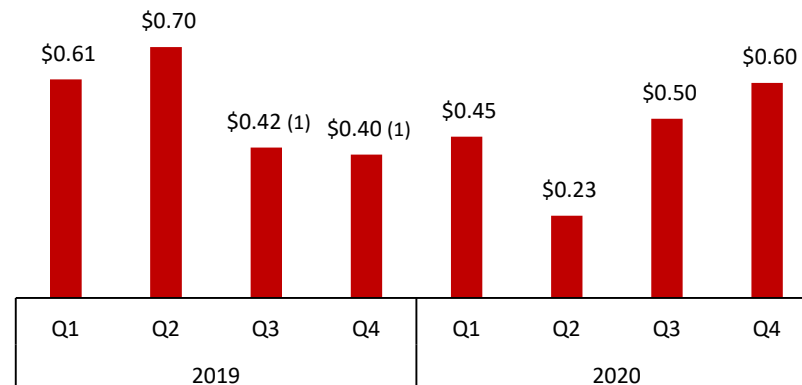
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FINANCIAL OVERVIEW

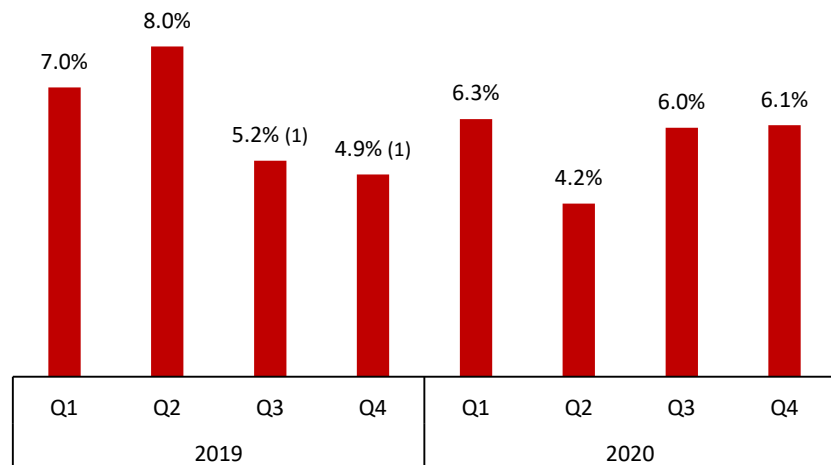
Revenue (in million)



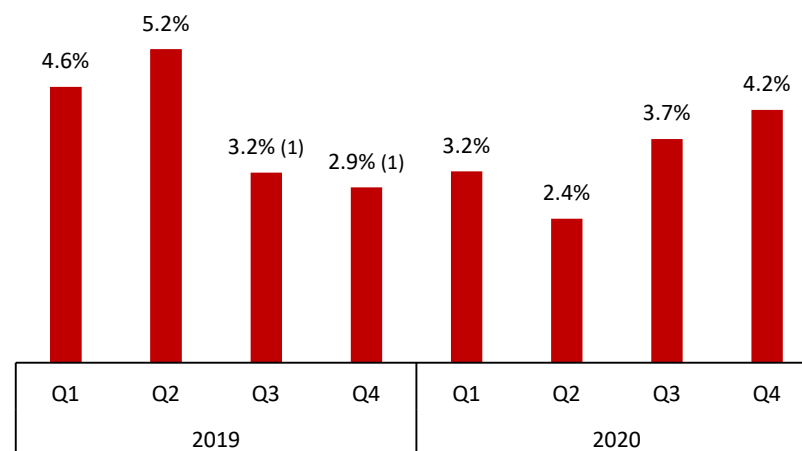
Adjusted EPS



Adjusted Operating Margin



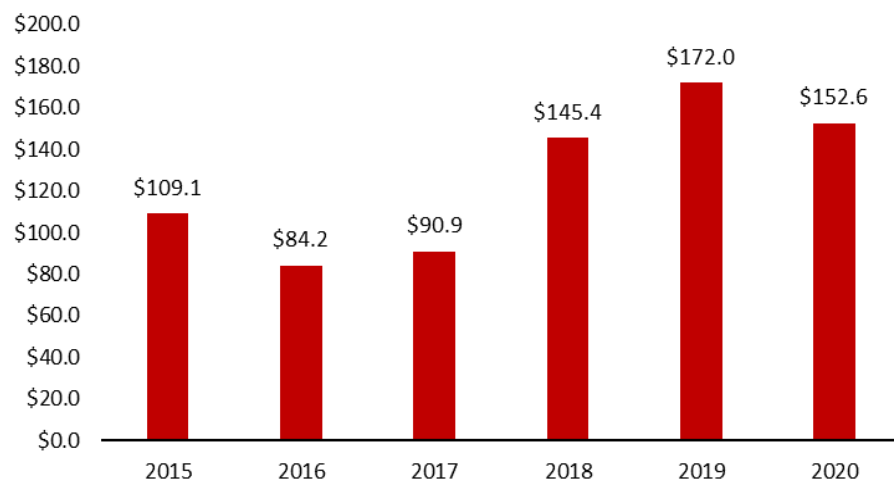
Adjusted Net Margin



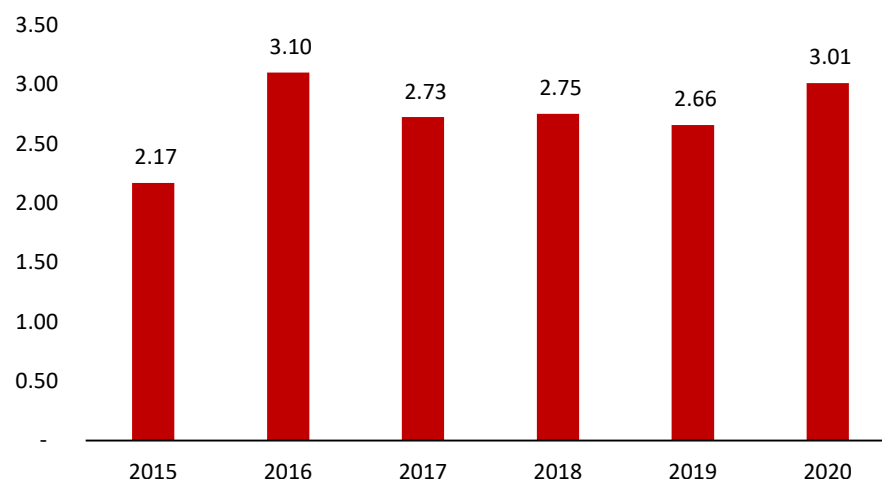
(1) Q3 2019 is adjusted to exclude the impact of \$27.0 million or \$0.72 per share in litigation charges; Q4 2019 is adjusted to exclude the impact of \$2.9 million or \$0.08 per share in litigation charges. See appendix.

- Flexible balance sheet with ability to raise capital:
 - \$350 million shelf offering
 - \$48.7 million available on revolver
 - \$100 million accordion feature on existing credit facility
 - Can leverage up to 3.5x debt to adjusted EBITDA

Adjusted EBITDA (in millions)



Debt to adjusted EBITDA




(1) Q3 2017 is adjusted to exclude the impact of \$17.4 million or \$0.38 per share in litigation charges; Q4 2018 is adjusted to exclude the impact of \$7.0 million or \$0.19 per share in litigation charges; Q3 2019 is adjusted to exclude the impact of \$27.0 million or \$0.72 per share in litigation charges; Q4 2019 is adjusted to exclude the impact of \$2.9 million or \$0.08 per share in litigation charges. See appendix



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CURRENT OUTLOOK

|  | Revenue Estimate Midpoint (\$ Millions) | Target Margin Low-End % | Target Margin Low-End (\$ Millions) | Target Margin High-End % | Target Margin High-End (\$ Millions) |
|--|---|-------------------------|-------------------------------------|--------------------------|--------------------------------------|
| Segments | | | | | |
| Contract Logistics - Value-Added | \$ 415 | 10% | \$ 39 | 12% | \$ 48 |
| Contract Logistics - Dedicated | 185 | 10% | 19 | 12% | 22 |
| Intermodal | 475 | 10% | 48 | 12% | 57 |
| Trucking | 375 | 4% | 15 | 6% | 23 |
| Company-Managed Brokerage | 210 | 1% | 2 | 3% | 6 |
| Total | \$ 1,660 | 7% | \$ 123 | 9% | \$ 156 |

Near-Term Targets

- Target revenue: \$2.0 billion
- Reduce back-office expenses by 50-100 bps
- Operating ratio target: 90.0%



Proven business model built on a highly variable cost structure

Highly experienced leadership team, with deep industry knowledge

Ingrained customer relationships with some of the most recognizable companies in the world

Well positioned to deliver long-term shareholder value

APPENDIX



Universal

USDOT 3221607

Universal

This presentation includes certain non-U.S. generally accepted accounting principles (GAAP) financial measures and adjustments. Presented are EBITDA, adjusted EBITDA, debt to EBITDA, adjusted operating margin, adjusted net margin and adjusted diluted earnings per share. The Company defines EBITDA as net income plus (i) interest expense, net, (ii) provision for income taxes and (iii) depreciation and amortization. EBITDA, Debt to EBITDA, adjusted operating margin, adjusted net margin and diluted earnings per share are adjusted in 2017 to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance, including the impact of a \$17.4 million pre-tax litigation charge, or \$0.38 per diluted share, recorded in the third quarter 2017. EBITDA, Debt to EBITDA, adjusted operating margin, adjusted net margin and diluted earnings per share are adjusted in 2018 to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance, including the impact of a \$7.0 million pre-tax litigation charge, or \$0.19 per diluted share, recorded in the fourth quarter 2018. EBITDA, Debt to EBITDA, adjusted operating margin, adjusted net margin and diluted earnings per share are adjusted in 2019 to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance, including the impact of \$27.0 million in pre-tax litigation charges, or \$0.72 per diluted share, recorded in the third quarter 2019 and \$2.9 million in pre-tax litigation charges, or \$0.08 per diluted share, recorded in the fourth quarter of 2019. The calculation of these measures, and a reconciliation to previously reported comparable measures calculated in accordance with U.S. GAAP is shown in the accompanying Appendix. The Company believes that this information, when used in conjunction with information presented in accordance with U.S. GAAP, can facilitate a better understanding of the impact of various factors and trends on the Company's financial condition and results of operations. The Company believes that this information should be used in conjunction with the Company's Quarterly Report on Form 10-Q for the quarter ended July 4, 2020 and previously filed public financial reports.

| | Year Ended December 31, | Year Ended December 31, | Year Ended December 31, | Year Ended December 31, | Year Ended December 31, | Year Ended December 31, |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| | (in thousands) | (in thousands) | (in thousands) | (in thousands) | (in thousands) | (in thousands) |
| Revenue | \$ 1,128,773 | \$ 1,072,751 | \$ 1,216,665 | \$ 1,461,708 | \$ 1,511,998 | \$ 1,391,083 |
| Adjusted Income from Operations | | | | | | |
| Income from operations | \$ 73,395 | \$ 46,580 | \$ 25,214 | \$ 83,794 | \$ 65,380 | \$ 80,360 |
| Litigation charges | - | - | 17,356 | 7,000 | 29,992 | - |
| Adjusted income from operations | \$ 73,395 | \$ 46,580 | \$ 42,570 | \$ 90,794 | \$ 95,372 | \$ 80,360 |
| Adjusted operating margin | 6.5% | 4.3% | 3.5% | 6.2% | 6.3% | 5.8% |
| Adjusted EBITDA | | | | | | |
| Net Income | \$ 40,001 | \$ 24,244 | \$ 28,153 | \$ 52,178 | \$ 37,586 | \$ 48,132 |
| Provision for income taxes | 25,004 | 15,161 | (11,012) | 17,211 | 12,600 | 15,778 |
| Interest expense, net | 9,180 | 8,109 | 9,446 | 14,593 | 17,012 | 14,579 |
| Depreciation | 25,868 | 29,207 | 41,030 | 48,679 | 59,023 | 58,934 |
| Amortization | 9,005 | 7,495 | 5,965 | 5,746 | 15,742 | 15,207 |
| EBITDA | \$ 109,058 | \$ 84,216 | \$ 73,582 | \$ 138,407 | \$ 141,963 | \$ 152,630 |
| Litigation Charges | - | - | 17,356 | 7,000 | 29,992 | - |
| Adjusted EBITDA | \$ 109,058 | \$ 84,216 | \$ 90,938 | \$ 145,407 | \$ 171,955 | \$ 152,630 |
| Debt to Adjusted EBITDA | | | | | | |
| Total debt, net of debt issuance costs | \$ 236,894 | \$ 261,267 | \$ 247,978 | \$ 400,452 | \$ 457,612 | \$ 460,120 |
| Adjusted EBITDA | 109,058 | 84,216 | 90,938 | 145,407 | 171,955 | 152,630 |
| Debt to adjusted EBITDA | 2.17 | 3.10 | 2.73 | 2.75 | 2.66 | 3.01 |

| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2019 | 2019 | 2019 | 2019 | 2020 | 2020 | 2020 | 2020 |
| | (in thousands) | (in thousands) | (in thousands) | (in thousands) | (in thousands) | (in thousands) | (in thousands) | (in thousands) |
| Revenue | \$ 377,407 | \$ 383,175 | \$ 375,485 | \$ 375,931 | \$ 382,162 | \$ 257,980 | \$ 364,988 | \$ 385,953 |
| Adjusted Income from Operations | | | | | | | | |
| Income from Operations | \$ 26,513 | \$ 30,716 | \$ (7,353) | \$ 15,504 | \$ 23,908 | \$ 10,839 | \$ 22,063 | \$ 23,549 |
| Litigation charges | - | - | 27,044 | 2,948 | - | - | - | - |
| Adjusted Income from Operations | \$ 26,513 | \$ 30,716 | \$ 19,691 | \$ 18,452 | \$ 23,908 | \$ 10,839 | \$ 22,063 | \$ 23,549 |
| Adjusted operating margin | 7.0% | 8.0% | 5.2% | 4.9% | 6.3% | 4.2% | 6.0% | 6.1% |
| Adjusted EPS | | | | | | | | |
| EPS Diluted | \$ 0.61 | \$ 0.70 | \$ (0.30) | \$ 0.32 | \$ 0.45 | \$ 0.23 | \$ 0.50 | \$ 0.60 |
| Litigation charges net of tax | - | - | 0.72 | 0.08 | - | - | - | - |
| Adjusted EPS | \$ 0.61 | \$ 0.70 | \$ 0.42 | \$ 0.40 | \$ 0.45 | \$ 0.23 | \$ 0.50 | \$ 0.60 |
| Adjusted net income | | | | | | | | |
| Net income | \$ 17,297 | \$ 19,972 | \$ (8,416) | \$ 8,737 | \$ 12,163 | \$ 6,168 | \$ 13,578 | \$ 16,223 |
| Litigation charges net of tax | | | 20,283 | 2,212 | | | | |
| Adjusted net income | \$ 17,297 | \$ 19,972 | \$ 11,867 | \$ 10,949 | \$ 12,163 | \$ 6,168 | \$ 13,578 | \$ 16,223 |
| Adjusted net margin | 4.6% | 5.2% | 3.2% | 2.9% | 3.2% | 2.4% | 3.7% | 4.2% |



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