

**UNIVERSAL LOGISTICS
HOLDINGS, INC.**

Universal



FALL 2020

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This presentation and any other written or oral statements made by us or on our behalf to analysts, investors, the media, and others may include forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. The terms “Universal,” the “Company,” “we,” “us” and “our” mean collectively Universal Logistics Holdings, Inc., a Michigan corporation, together with its subsidiaries when or where appropriate. The words “future,” “anticipates,” “assumes,” “intends,” “plans,” “seeks,” “believes,” “predicts,” “potential,” “objectives,” “estimates,” “expects,” “targets,” “projects,” “outlook,” “forecast,” “would,” “will,” “may,” “might,” “could,” “should,” “can,” and similar terms and expressions often signify forward-looking statements. Forward-looking statements are not based on historical information, but rather are related to future operations, strategies, financial results, or other developments. Forward-looking statements are based on management’s current expectations as well as certain assumptions and estimates made by, and information available to, management at the time the statements are made. Those statements are based on general assumptions and are subject to various risks, and because they also relate to the future, they are likewise subject to inherent uncertainties and other factors that may cause actual results to differ materially from the views, beliefs, and projections expressed in such statements. Therefore, we caution you against relying on any of these forward-looking statements. You should not place undue reliance on any forward-looking statements, which speak only as of the date made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible to predict all of them. We assume no obligation to update or revise any forward-looking statements that are made from time to time, either as a result of future developments, new information, or otherwise, except as may be required by law. See also our reports filed with the Securities and Exchange Commission. This presentation is the property of Universal, and any redistribution in any form without the express written consent of Universal is strictly prohibited.



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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

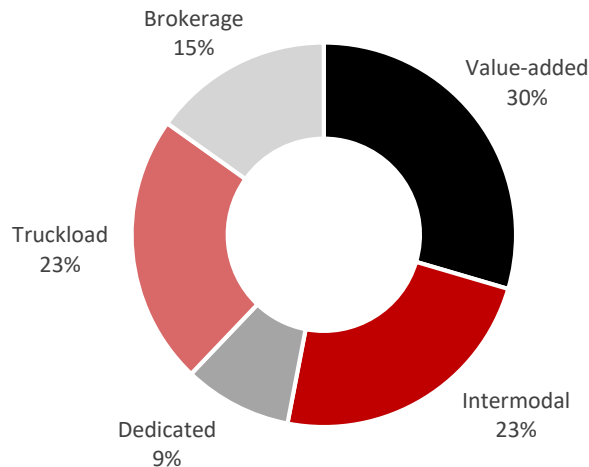
\$520 million
Market Cap

4,600+ Tractor
Fleet Size

7,550 Direct Employees
and FTE's

55 Active
Value-Added Programs

New Business Mix



<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>



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SERVICE LINES

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

TRUCKLOAD

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

BROKERAGE

Truckload 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

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

- Asset-right variable cost model
- Local and regional drayage
- 50+ terminals, 14 full service container yards and 2,550 total tractors
- Diversified customer base
 - *BCO's*
 - *Steamship lines*
 - *Railroads*
- Target revenue: \$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.

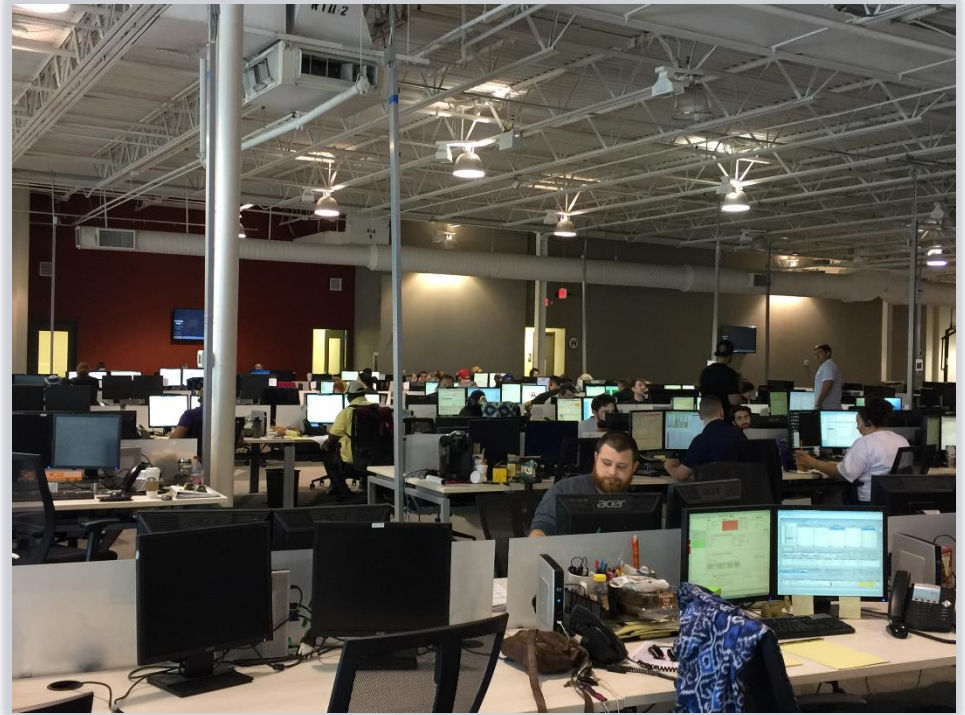
- Asset-light variable cost model
- A national network of 196 agents and company terminals in the U.S. and Canada
- 1,290 total tractors
- Mix of spot and contractual rates
- Expertise and specialization in end markets served
 - *Steel & metals*
 - *Oil & gas*
 - *Industrials*
 - *Retail & consumer goods*
- Target revenue: \$200 million
- Target margins: 6% - 8%



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: \$300 million
- Target margins: 4% - 6%



Business strategy

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

- Customized customer solutions: in-plant or offsite using proprietary technology
- 5 – 10 year contracts with high renewal rate; 55 active programs
- 4,025 full-time equivalents
- Long-tenured customer base
 - *Retail & consumer goods*
 - *Automotive*
 - *Class 8*
 - *Aerospace*
- Target revenue: \$450 million
- Target margins: 11% - 13%



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
- 770 total tractors
- Target revenue: \$175 million - \$200 million
- Target margins: 10% - 12%



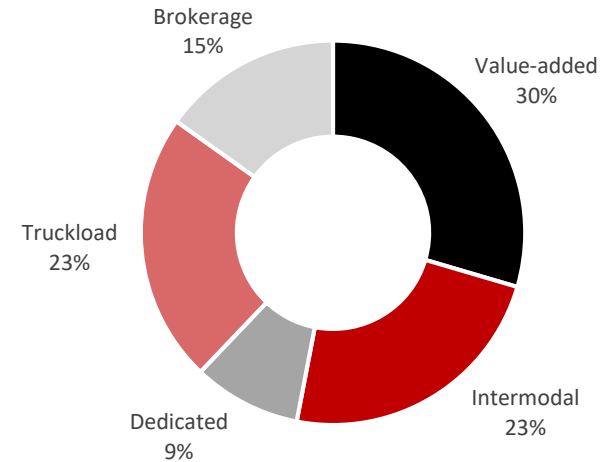
Business strategy

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

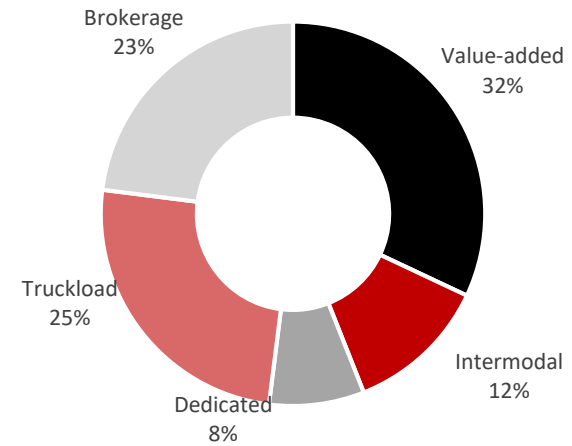
Strategic shift to more profitable services lines:

- \$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

New Business Mix



Former Business Mix





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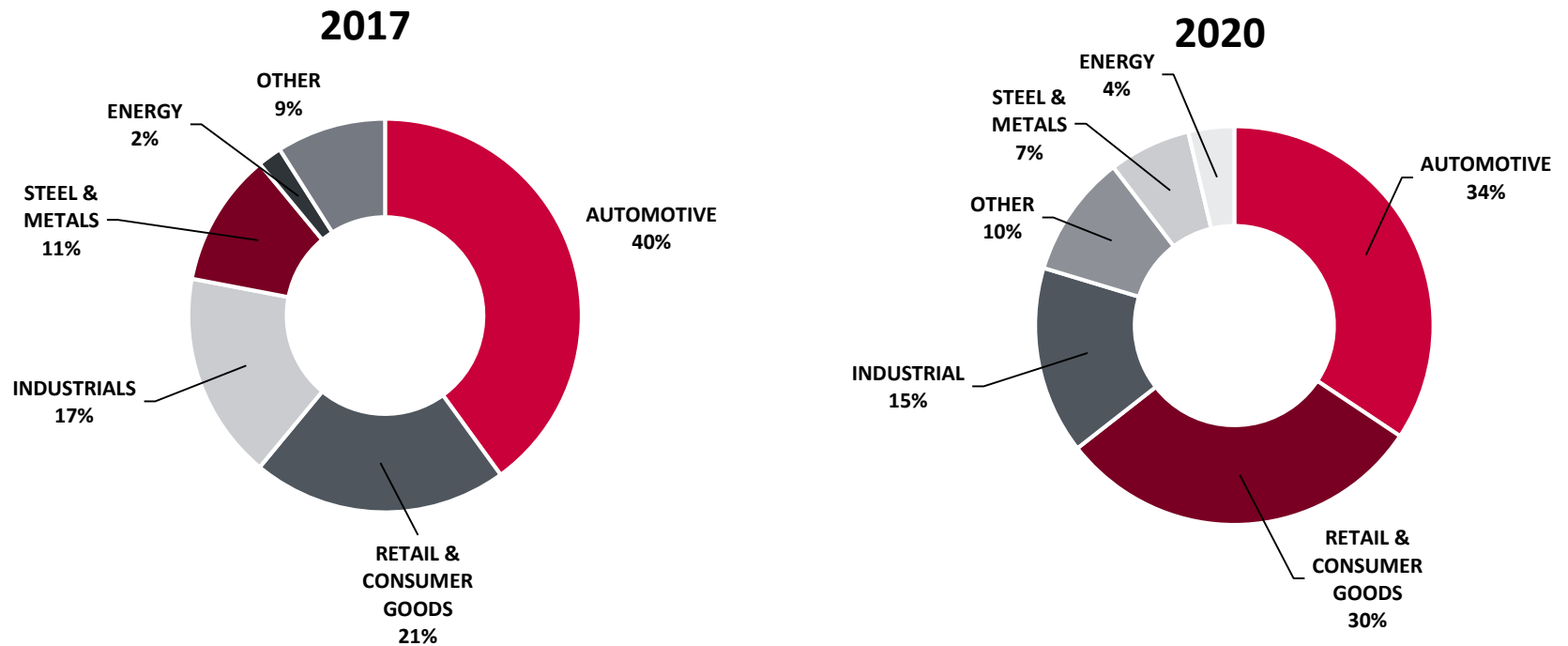
WHO WE SERVE



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	✓		✓	✓	



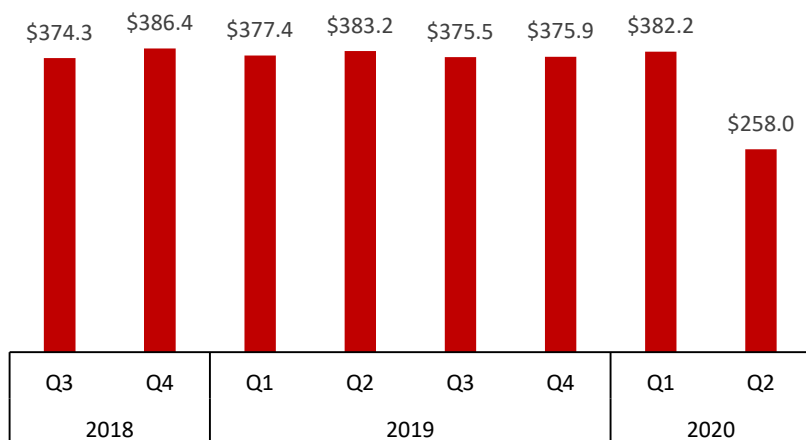
Reduced exposure to automotive sector from 40% of revenue in 2017 to 34% of revenue in the first half of 2020



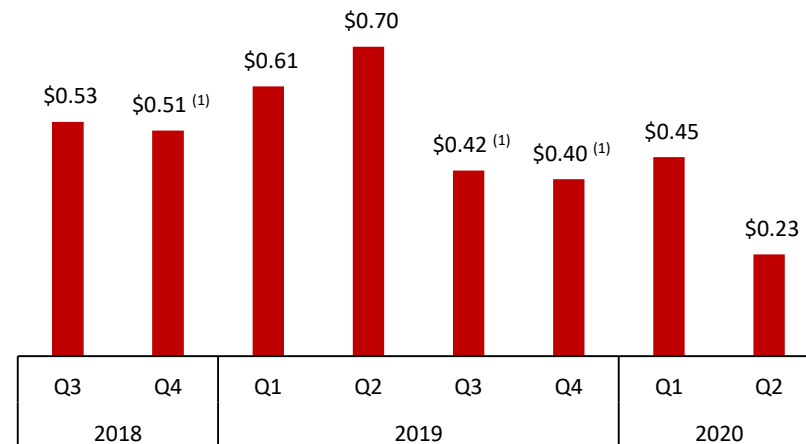
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FINANCIAL OVERVIEW

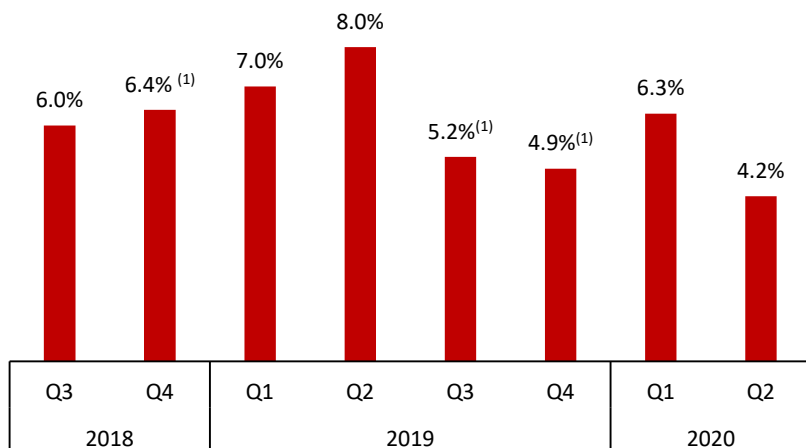
Revenue (in millions)



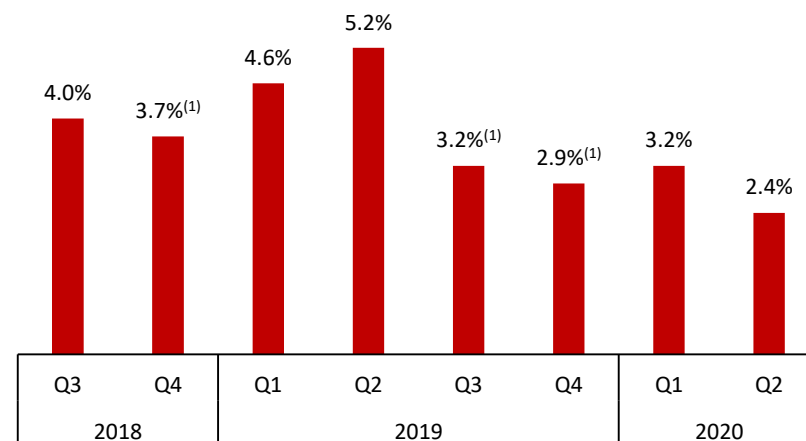
Adjusted EPS



Adjusted Operating Margin



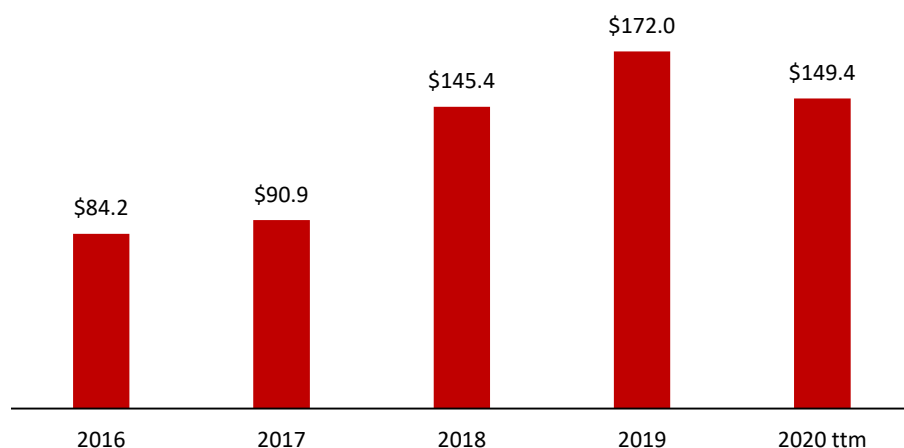
Adjusted Net Margin



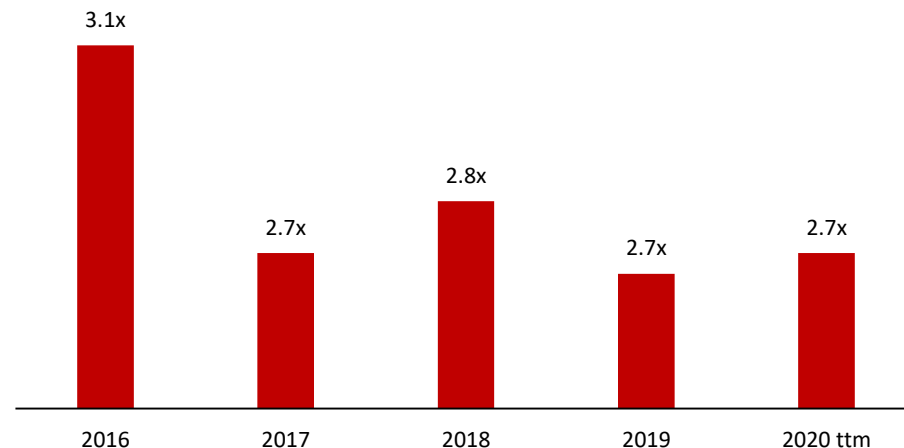
(1) Q4 2018 is adjusted to exclude the impact of \$7.0 million or \$0.19 per share in litigation charges; Q3 2019 is adjusted to exclude the impact of \$27.0 million or \$0.72 per share in litigation charges; Q4 2019 is adjusted to exclude the impact of \$2.9 million or \$0.08 per share in litigation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

- Flexible balance sheet with ability to raise capital:
 - \$350 million shelf offering
 - \$110 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)



Adjusted Debt to 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 (Millions)	Target Margin Low-End %	Target Margin Low-End (\$ Millions)	Target Margin High-End %	Target Margin High-End (\$ Millions)
Services					
Intermodal	\$ 390	8%	\$ 31	10%	\$ 39
Value-Added	310	10%	31	12%	37
Dedicated	120	8%	10	10%	12
Brokerage	300	4%	12	6%	18
Truckload	200	6%	12	8%	16
Total	\$ 1,320	7%	\$ 96	9%	\$ 122

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



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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,	Twelve Months Ended July 4,
	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	\$ 1,391,558
Adjusted Income from Operations						
Income from operations	\$ 73,395	\$ 46,580	\$ 25,214	\$ 83,794	\$ 65,380	\$ 42,898
Litigation charges	-	-	17,356	7,000	29,992	29,992
Adjusted income from operations	\$ 73,395	\$ 46,580	\$ 42,570	\$ 90,794	\$ 95,372	\$ 72,890
Adjusted operating margin	6.5%	4.3%	3.5%	6.2%	6.3%	5.2%
Adjusted EBITDA						
Net Income	\$ 40,001	\$ 24,244	\$ 28,153	\$ 52,178	\$ 37,586	\$ 18,652
Provision for income taxes	25,004	15,161	(11,012)	17,211	12,600	6,035
Interest expense, net	9,180	8,109	9,446	14,593	17,012	16,191
Depreciation	25,868	29,207	41,030	48,679	59,023	62,774
Amortization	9,005	7,495	5,965	5,746	15,742	15,706
EBITDA	\$ 109,058	\$ 84,216	\$ 73,582	\$ 138,407	\$ 141,963	\$ 119,358
Litigation Charges	-	-	17,356	7,000	29,992	29,992
Adjusted EBITDA	\$ 109,058	\$ 84,216	\$ 90,938	\$ 145,407	\$ 171,955	\$ 149,350
Debt to Adjusted EBITDA						
Total debt, net of debt issuance costs	\$ 236,894	\$ 261,267	\$ 247,978	\$ 400,452	\$ 457,612	\$ 403,721
Adjusted EBITDA	109,058	84,216	90,938	145,407	171,955	149,350
Debt to adjusted EBITDA	2.17	3.10	2.73	2.75	2.66	2.70

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	2018	2018	2019	2019	2019	2019	2020	2020
	(in thousands)	(in thousands)	(in thousands)	(in thousands)	(in thousands)	(in thousands)	(in thousands)	(in thousands)
Revenue	\$ 374,292	\$ 386,378	\$ 377,407	\$ 383,175	\$ 375,485	\$ 375,931	\$ 382,162	\$ 257,980
Adjusted Income from Operations								
Income from Operations	\$ 22,530	\$ 17,907	\$ 26,513	\$ 30,716	\$ (7,353)	\$ 15,504	\$ 23,908	\$ 10,839
Litigation charges	-	7,000	-	-	27,044	2,948	-	-
Adjusted Income from Operations	\$ 22,530	\$ 24,907	\$ 26,513	\$ 30,716	\$ 19,691	\$ 18,452	\$ 23,908	\$ 10,839
Adjusted operating margin	6.0%	6.4%	7.0%	8.0%	5.2%	4.9%	6.3%	4.2%
Adjusted EPS								
EPS Diluted	\$ 0.53	\$ 0.32	\$ 0.61	\$ 0.70	\$ (0.30)	\$ 0.32	\$ 0.45	\$ 0.23
Litigation charges net of tax	-	0.19	-	-	0.72	0.08	-	-
Adjusted EPS	\$ 0.53	\$ 0.51	\$ 0.61	\$ 0.70	\$ 0.42	\$ 0.40	\$ 0.45	\$ 0.23
Adjusted net income								
Net income	\$ 15,055	\$ 9,020	\$ 17,297	\$ 19,972	\$ (8,416)	\$ 8,737	\$ 12,163	\$ 6,168
Litigation charges net of tax		5,250			20,283	2,212		
Adjusted net income	\$ 15,055	\$ 14,270	\$ 17,297	\$ 19,972	\$ 11,867	\$ 10,949	\$ 12,163	\$ 6,168
Adjusted net margin	4.0%	3.7%	4.6%	5.2%	3.2%	2.9%	3.2%	2.4%



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