

HUNT J B TRANSPORT SERVICES INC  
Form 10-Q  
April 26, 2019

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-Q**

**(Mark One)**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the quarterly period ended March 31, 2019**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**Commission File Number: 0-11757**

**J.B. HUNT TRANSPORT SERVICES, INC.**

**(Exact name of registrant as specified in its charter)**

**Arkansas 71-0335111  
(State or other jurisdiction (I.R.S. Employer  
of incorporation or Identification No.)  
organization)**

**615 J.B. Hunt Corporate Drive, Lowell, Arkansas 72745**

(Address of principal executive offices)

479-820-0000

(Registrant's telephone number, including area code)

www.jbhunt.com

(Registrant's web site)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer

Smaller reporting company  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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The number of shares of the registrant's \$0.01 par value common stock outstanding on March 31, 2019 was 108,738,893.

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**J.B. HUNT TRANSPORT SERVICES, INC.**

**Form 10-Q**

**For The Quarterly Period Ended March 31, 2019**

**Table of Contents**

	<u>Page</u>
<b>Part I. Financial Information</b>	
Item 1. Financial Statements	
Condensed Consolidated Statements of Earnings for the Three Months Ended March 31, 2019 and 2018	3
Condensed Consolidated Balance Sheets as of March 31, 2019 and December 31, 2018	4
Condensed Consolidated Statements of Stockholders' Equity for the Three Months Ended March 31, 2019 and 2018	5
Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2019 and 2018	6
Notes to Condensed Consolidated Financial Statements as of March 31, 2019	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	14
Item 3. Quantitative and Qualitative Disclosures About Market Risk	19
Item 4. Controls and Procedures	19
<b>Part II. Other Information</b>	
Item 1. Legal Proceedings	20
Item 1A. Risk Factors	21
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	21
Item 3. Defaults Upon Senior Securities	21

Item 4.	Mine Safety Disclosures	21
Item 5.	Other Information	21
Item 6.	Exhibits	21
	Exhibits	22
	Signatures	23

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**Part I. Financial Information****ITEM 1. FINANCIAL STATEMENTS****J.B. HUNT TRANSPORT SERVICES, INC.****Condensed Consolidated Statements of Earnings**

(in thousands, except per share amounts)

(unaudited)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2019</b>	<b>2018</b>
Operating revenues, excluding fuel surcharge revenues	\$1,855,341	\$1,712,934
Fuel surcharge revenues	234,286	235,311
Total operating revenues	2,089,627	1,948,245
Operating expenses:		
Rents and purchased transportation	999,889	964,892
Salaries, wages and employee benefits	516,326	450,265
Depreciation and amortization	119,930	105,583
Fuel and fuel taxes	112,125	107,881
Operating supplies and expenses	78,172	70,681
General and administrative expenses, net of asset dispositions	45,038	32,326
Insurance and claims	28,994	28,499
Operating taxes and licenses	13,160	11,588
Communication and utilities	8,198	7,749
Total operating expenses	1,921,832	1,779,464
Operating income	167,795	168,781
Net interest expense	13,033	9,152
Earnings before income taxes	154,762	159,629
Income taxes	35,161	41,487
Net earnings	\$119,601	\$118,142
Weighted average basic shares outstanding	108,730	109,754

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Basic earnings per share	\$1.10	\$1.08
Weighted average diluted shares outstanding	109,664	110,863
Diluted earnings per share	\$1.09	\$1.07
Dividends declared per common share	\$0.26	\$0.24

See Notes to Condensed Consolidated Financial Statements.

**J.B. HUNT TRANSPORT SERVICES, INC.****Condensed Consolidated Balance Sheets**

(in thousands)

	<b>March 31, 2019 (unaudited)</b>	<b>December 31, 2018</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 52,363	\$ 7,600
Trade accounts receivable, net	1,002,483	1,051,698
Prepaid expenses and other, net	383,313	443,683
Total current assets	1,438,159	1,502,981
Property and equipment, at cost	5,453,569	5,329,243
Less accumulated depreciation	1,913,831	1,884,132
Net property and equipment	3,539,738	3,445,111
Goodwill and intangible assets, net	196,940	105,157
Other assets	152,445	38,398
Total assets	\$ 5,327,282	\$ 5,091,647

**LIABILITIES AND  
STOCKHOLDERS'  
EQUITY**

Current liabilities:		
Current portion of long-term debt	\$-	\$ 250,706
Trade accounts payable	594,704	709,736
Claims accruals	267,481	275,139
Accrued payroll	63,991	80,922
Other accrued expenses	72,063	35,845
	998,239	1,352,348



Total current liabilities

Long-term debt	1,284,550	898,398
Other long-term liabilities	172,239	96,056
Deferred income taxes	668,490	643,461
Stockholders' equity	2,203,764	2,101,384
Total liabilities and stockholders' equity	\$5,327,282	\$5,091,647

See Notes to Condensed Consolidated Financial Statements.

**J.B. HUNT TRANSPORT SERVICES, INC.**

**Condensed Consolidated Statements of Stockholders' Equity**

(in thousands, except per share amounts)

(unaudited)

**Additional**