

Q1 2019





Disclosure



This presentation and discussion will contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “expects,” “anticipates,” “intends,” “estimates,” or similar expressions are intended to identify these forward-looking statements. These statements are based on Marten’s current plans and expectations and involve risks and uncertainties that could cause future activities and results of operations to be materially different from those set forth in the forward-looking statements. For further information, please refer to Marten’s reports and filings with the Securities and Exchange Commission.



Operating Results



	Three Months Ended Mar. 31,		Percentage Change Three Months Ended Mar. 31, 2019 vs. 2018	Trailing Twelve Months Ended Mar. 31,		Percentage Change Trailing Twelve Months Ended Mar. 31, 2019 vs. 2018
	2019	2018		2019	2018	
(Dollars in thousands, except share information)						
Operating revenue	\$ 199,023	\$ 186,960	6.5%	\$ 799,657	\$ 711,921	12.3%
Operating income	\$ 17,733	\$ 13,594	30.4%	\$ 74,487	\$ 56,518	31.8%
Net income	\$ 13,546	\$ 10,331	31.1%	\$ 58,242	\$ 35,936	62.1%
Diluted earnings per common share	\$ 0.25	\$ 0.19	31.2%	\$ 1.06	\$ 0.65	61.6%
Operating ratio, excluding fuel surcharges	89.9%	91.7%		89.3%	91.1%	

Net income and diluted earnings per common share presented above for the TTM ended Mar. 31, 2018 exclude a \$56.5 million deferred income tax benefit in our fourth quarter of 2017.

“You can’t build a reputation on what you were going to do.” –Henry Ford



Marten's Strategic Vision

A growing business platform network designed to provide the best, most-efficient service for Marten's customers



Transportation Service Solutions for Today and **into the Future**

- Truckload Business – regional and OTR operating from 15 regional service centers – including **dry van operations** out of our Kansas City, Atlanta, Phoenix and Indianapolis facilities – \$91.7 million Q1 '19 revenue (46%)
- Dedicated Business – customized solutions tailored to individual customers' requirements utilizing refrigerated trailers, dry vans and other specialized equipment – \$57.7 million Q1 '19 revenue (29%)
- Intermodal Business – refrigerated TOFC with extended dray service from Marten's truck network – \$23.0 million Q1 '19 revenue (12%)
- Brokerage Business – surge flexibility to service our customer needs beyond Marten's assets – \$26.6 million Q1 '19 revenue (13%)
- MRTN de Mexico Business – door-to-door Mexican business service with our Mexican partner carriers – \$15.7 million Q1 '19 revenue (within truckload and brokerage segments)

“Transformation is a process, not an event.” – “Leading Change” by John P. Kotter



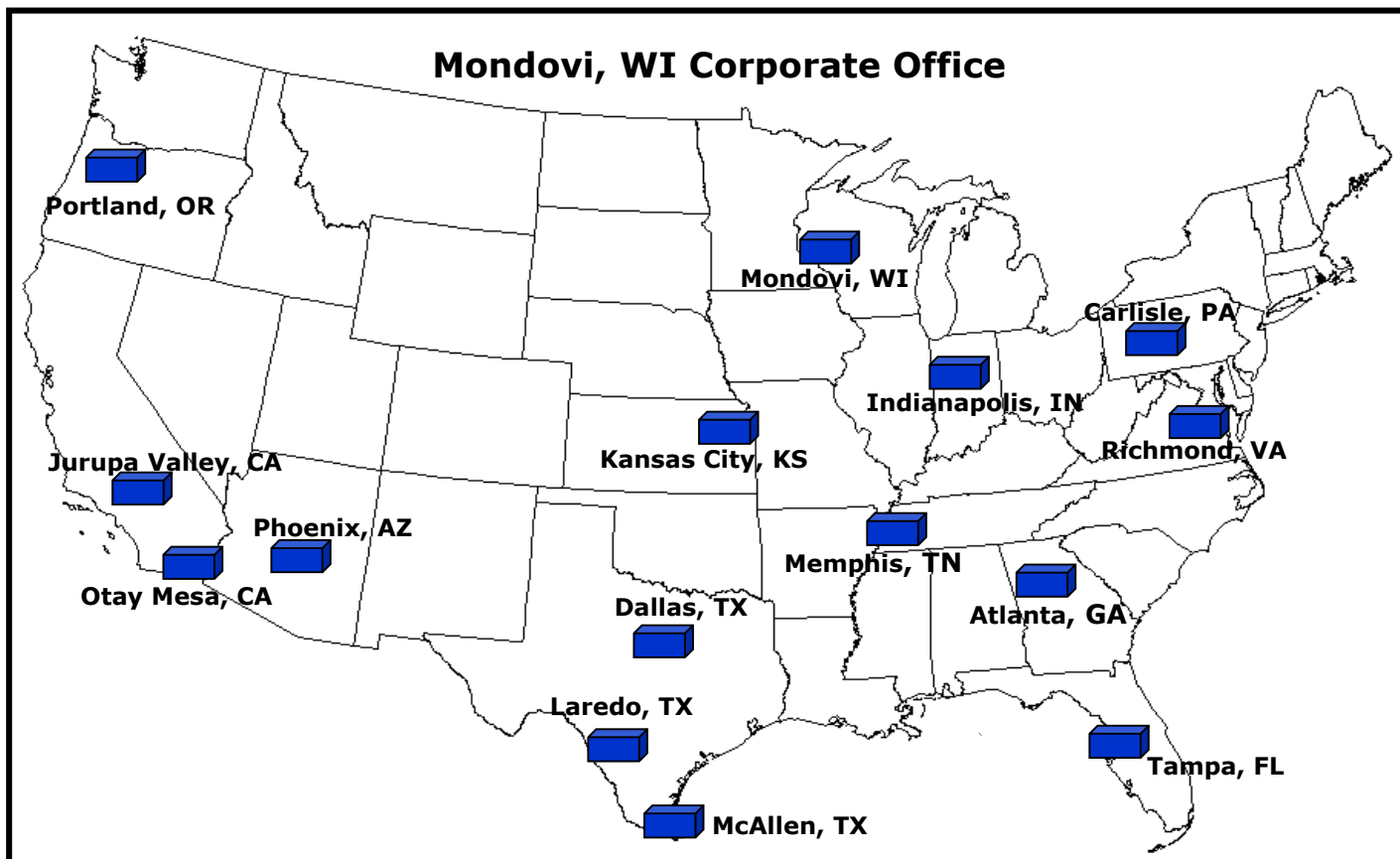
Marten's Vision and Plan – Regional Operating Centers Network



THE FOUNDATION of Marten's service and growth

A \$101 million expansion since '09 paid for through challenging times

- All locations acquired, replaced or updated since '09
- McAllen is the only leased facility
- **\$85.5 million in cash and no debt at March 31, 2019**

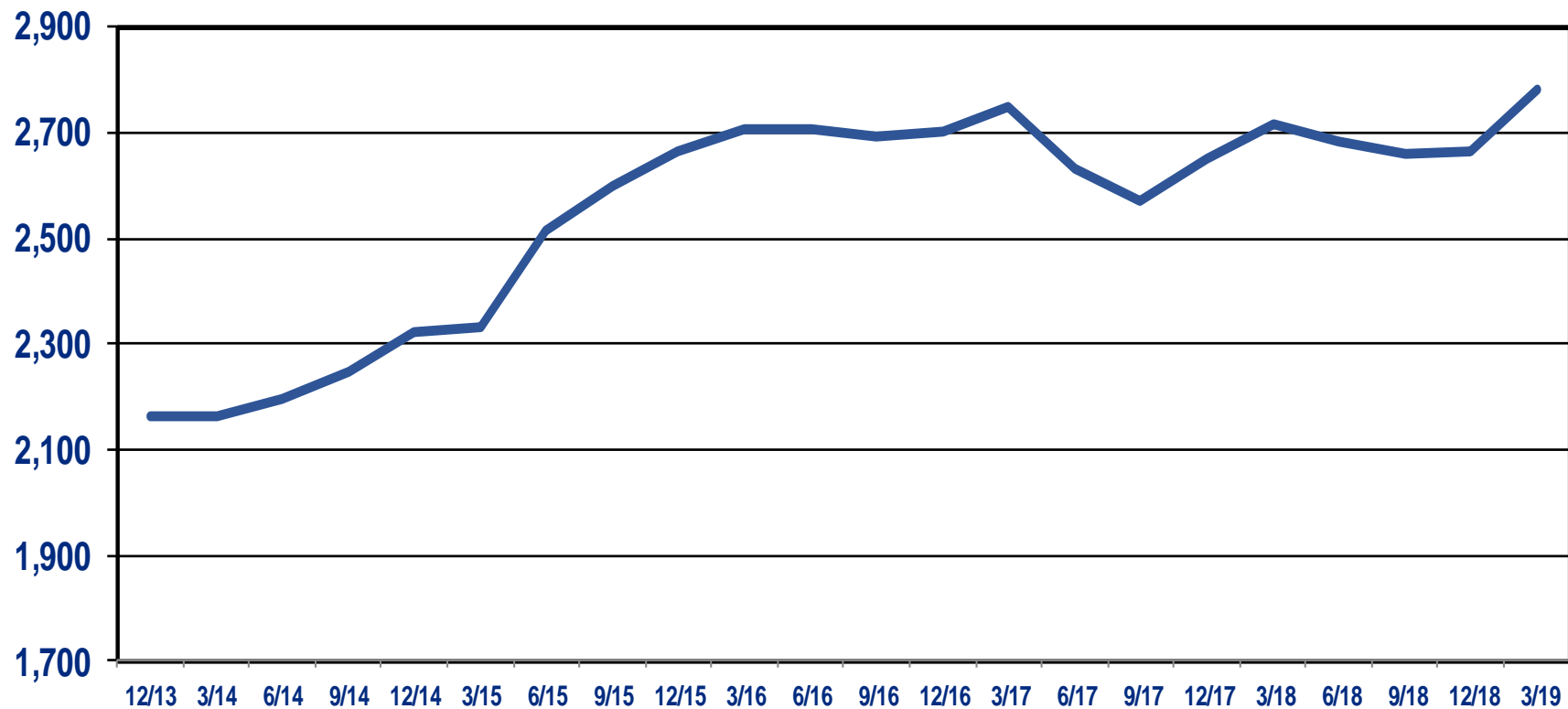




Marten's Vision and Plan – Truckload and Dedicated Tractor Growth



Continued Organic Tractor Growth



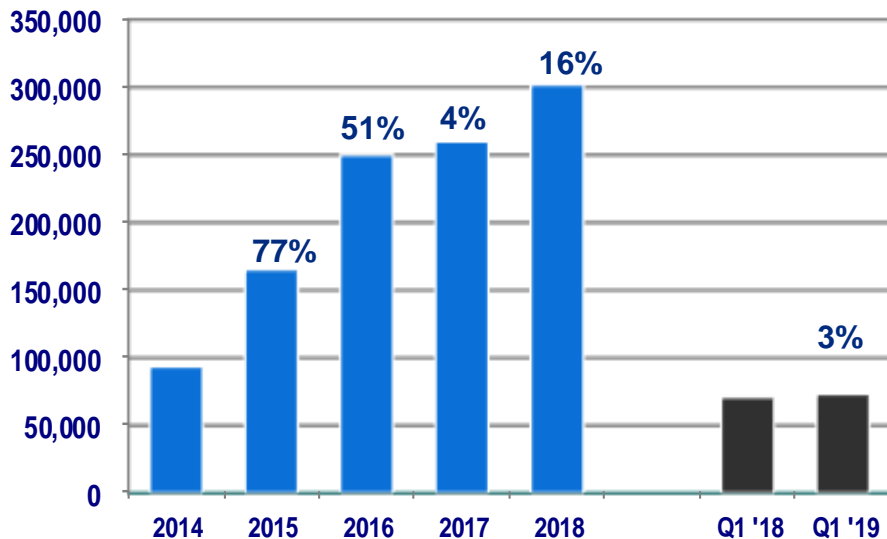


Marten's Vision and Plan for Future – Dedicated Growth

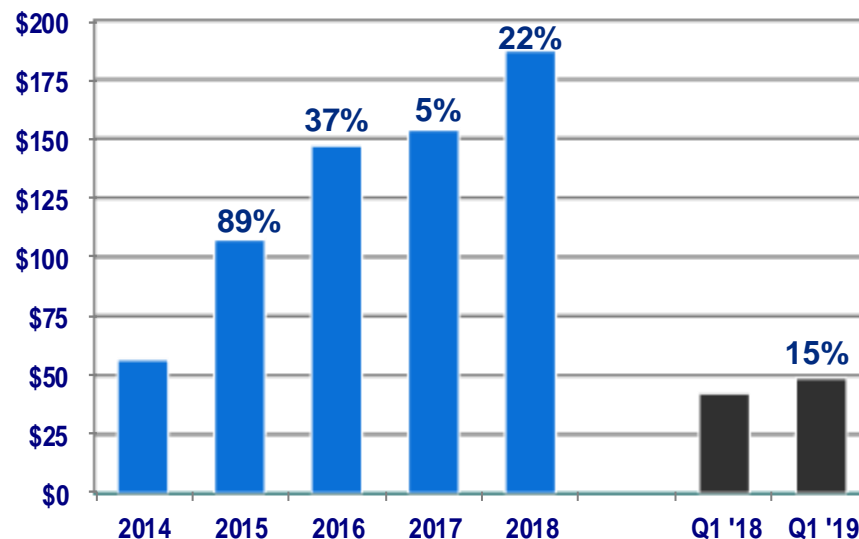


Revenue, excluding fuel surcharges, has increased 356% from Q1 '14 to Q1 '19

Load Growth



Revenue Growth (excluding fuel surcharges) *In millions*



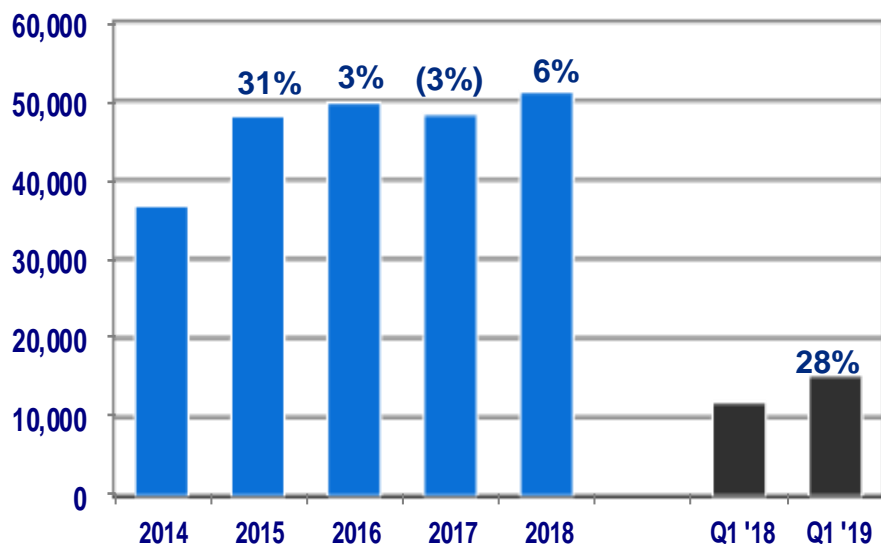


Marten's Vision and Plan – Brokerage Growth

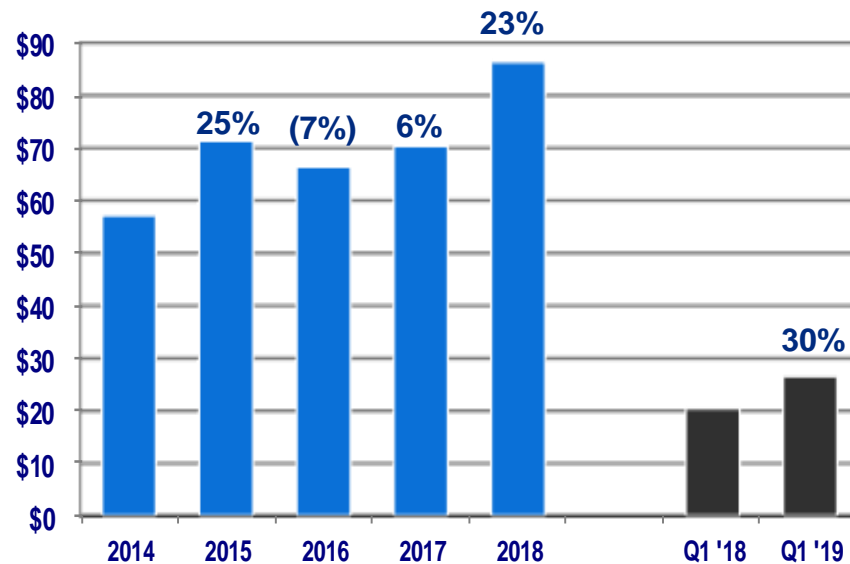


Provides capacity to surge and cover all of Marten's customers' freight needs

Load Growth



Revenue Growth (including fuel surcharges) *In millions*



Decentralization of brokerage operations for customer capacity solutions
Focus on maintaining growth and margins in volatile market environment



Marten's Vision and Plan - TOFC Intermodal

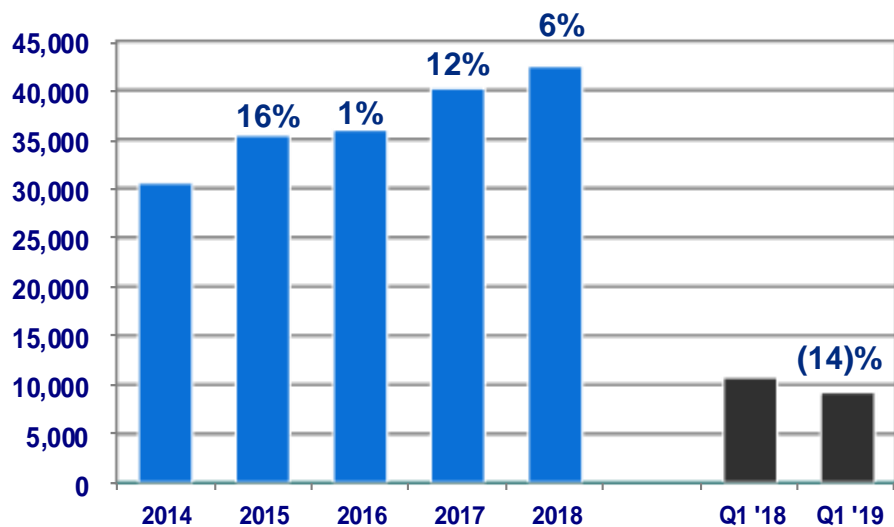


Initiated temperature-controlled TOFC in '05

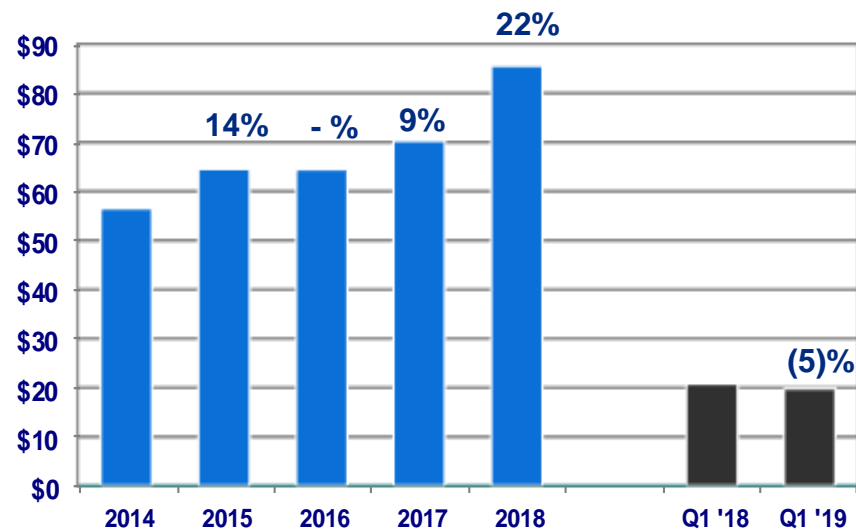
Marten is the largest truckload intermodal temperature-controlled carrier with BNSF

Expanded intermodal with longer drayage supported by Marten's regional business platform

Loads

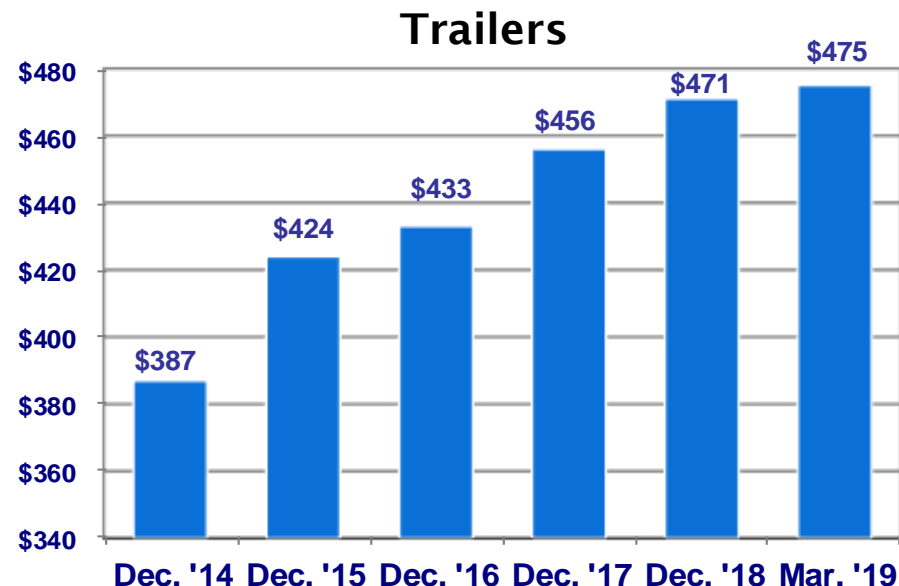
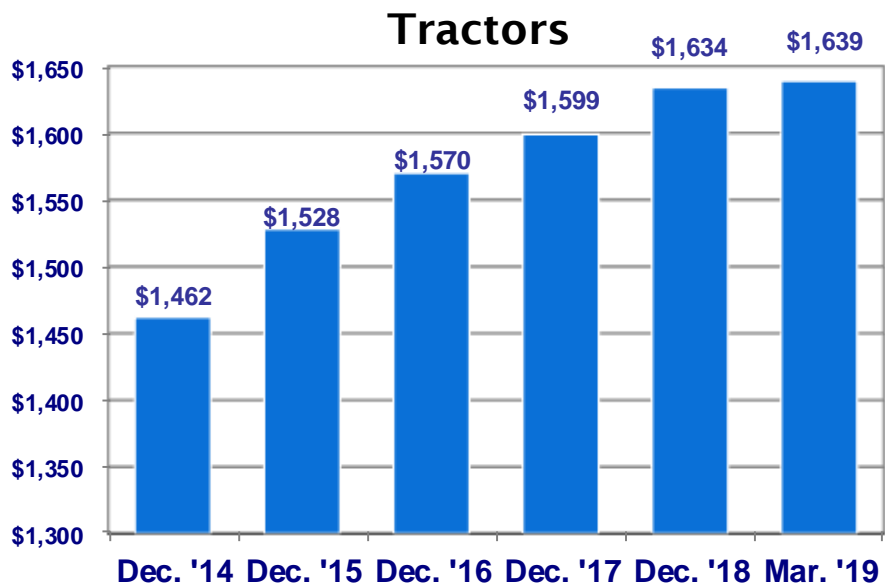


Revenue (excluding fuel surcharges)
In millions





Increasing Revenue Equipment Costs Average Monthly Depreciation



The monthly depreciation of tractors and trailers added in Q1 '19 was 7% and 12% higher than the depreciation of tractors and trailers traded in Q1 '19.

Trailer depreciation cost increased as fleet transitioned to new, more-costly CARB refrigeration units - all trailers now have new "evergreen" CARB refrigeration units.

Tractor depreciation cost increases as fleet transitions to automatic transmissions.

Tariff increases to the cost of steel and aluminum has increased the price of tractors and trailers.

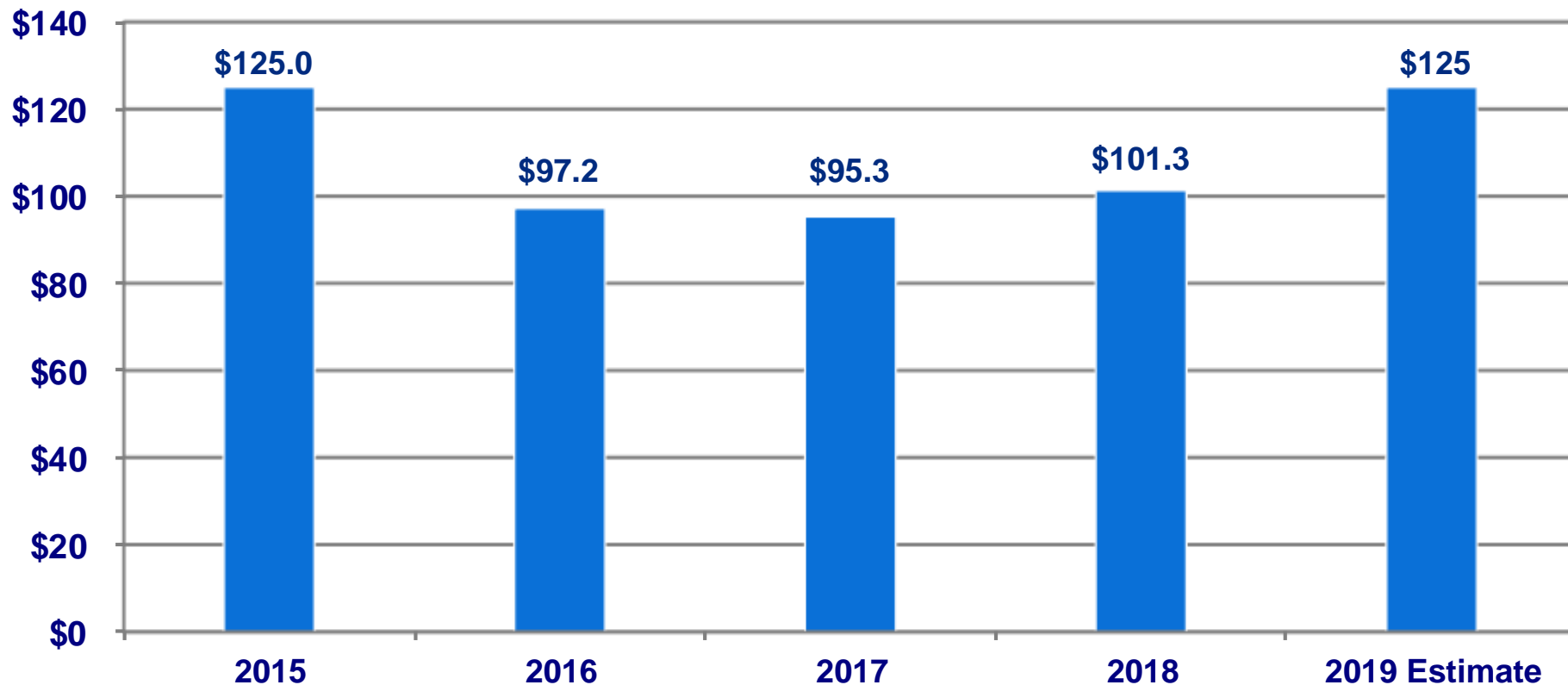
Tractor and trailer depreciation cost increases will be at a reduced rate in 2019. Our trailer fleet has fully converted to the CARB units and our tractor fleet will fully convert by Mid-2019 to the automatic transmissions.



Net Capital Expenditures



In millions





Marten's Vision and Plan Initiatives



Marten People – Data-Driven Measurement and Management

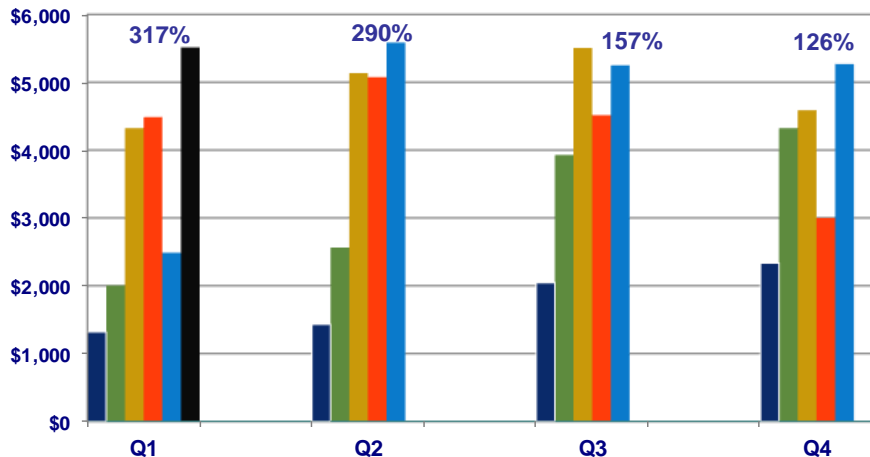
- Marten people initiate and implement our strategic vision and key strategic initiatives
- Marten people make real-time data-driven decisions for improved supply chain productivity
- “The more they know, the more they’ll understand. The more they understand, the more they’ll care. Once they care, there’s no stopping them.” –Sam Walton
- Marten’s culture: visible costs and operating data to improve and add value daily – we measure and manage as a team
- “Great things in business are never done by one person. They’re done by a team of people.” –Steve Jobs



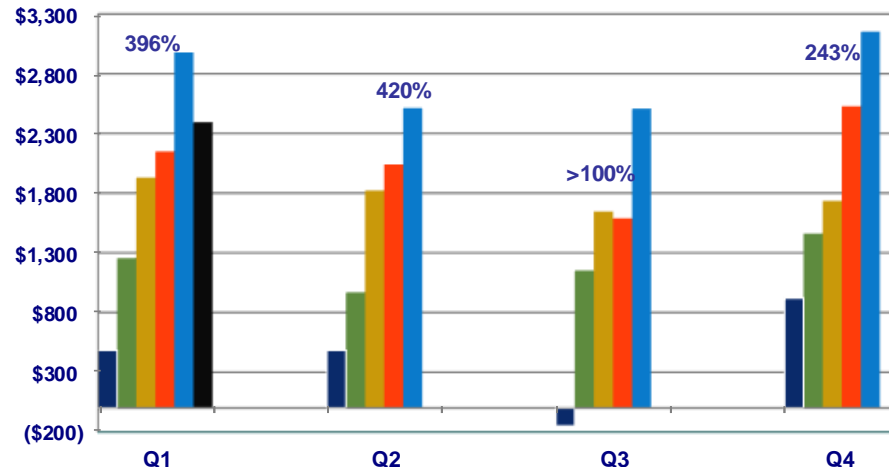
Consistent Growth in Quarterly Operating Income within each of our Dedicated, Intermodal and Brokerage Businesses Since 2014



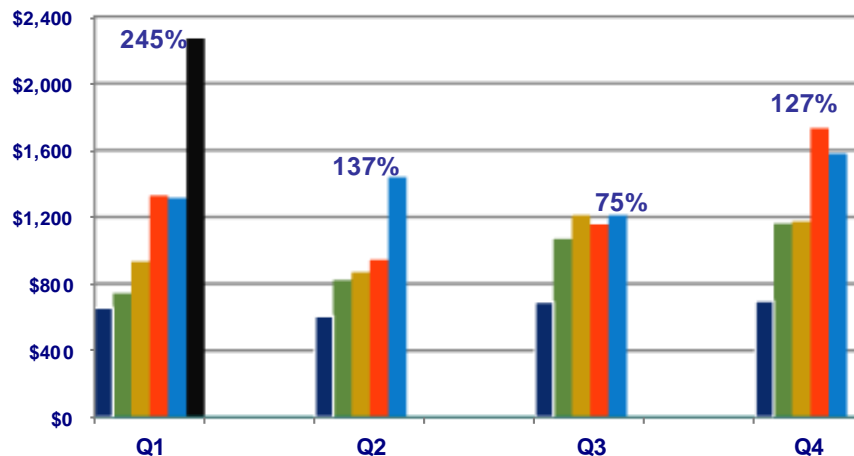
Dedicated Operating Income *In thousands*



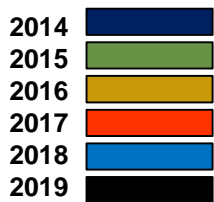
Intermodal Operating Income *In thousands*



Brokerage Operating Income *In thousands*



Key:



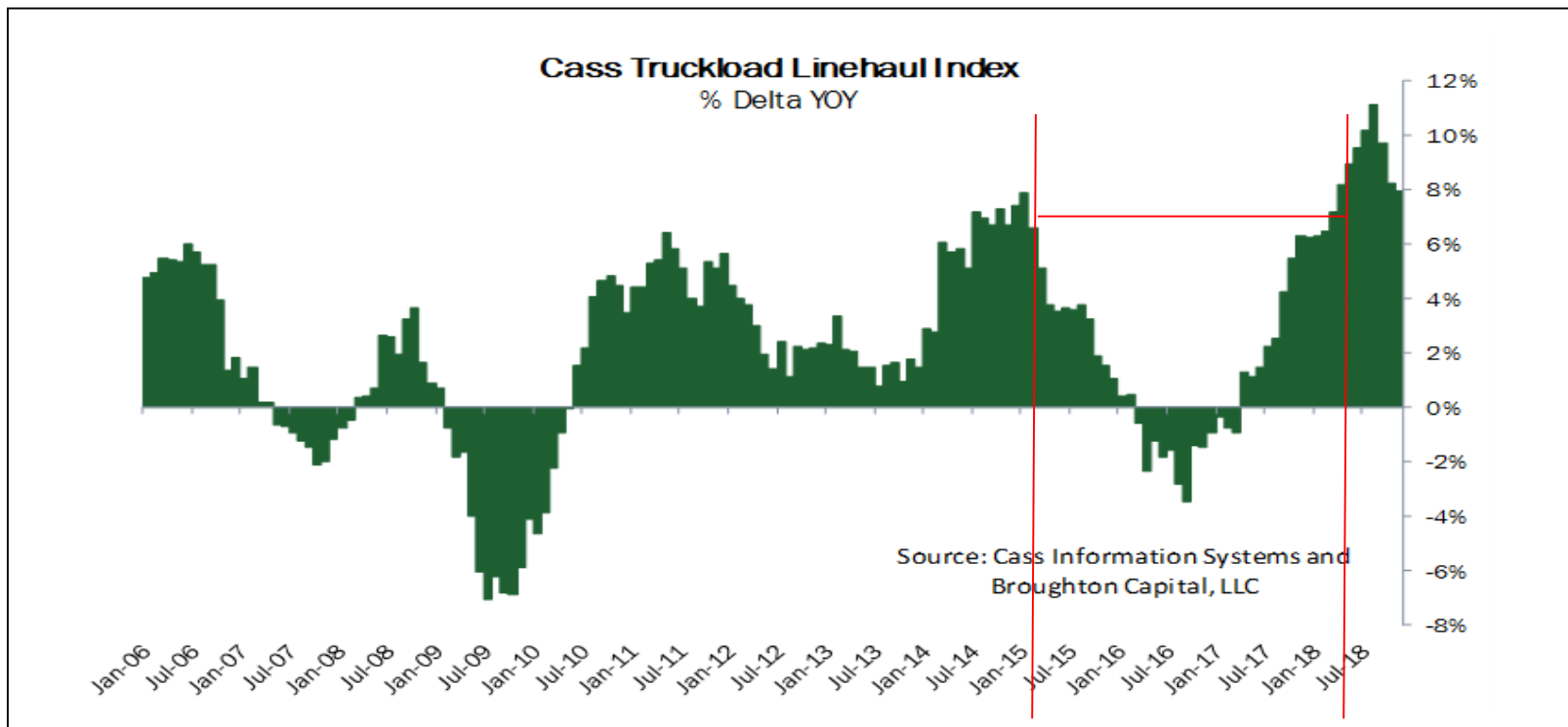
% increases are from '14 to '19
for Q1 and from '14 to '18 for
Q2-Q4



Operating Results through Prior Weak Freight Environment



The following four slides show our positive operating results in 2015 – 2017 -- overcoming a weak rate environment. The strong improvement in 2018 and in Q1 '19 was not enhanced by reduced comps.



“Cass Truckload Linehaul Index”
January 8, 2019
By Broughton Capital

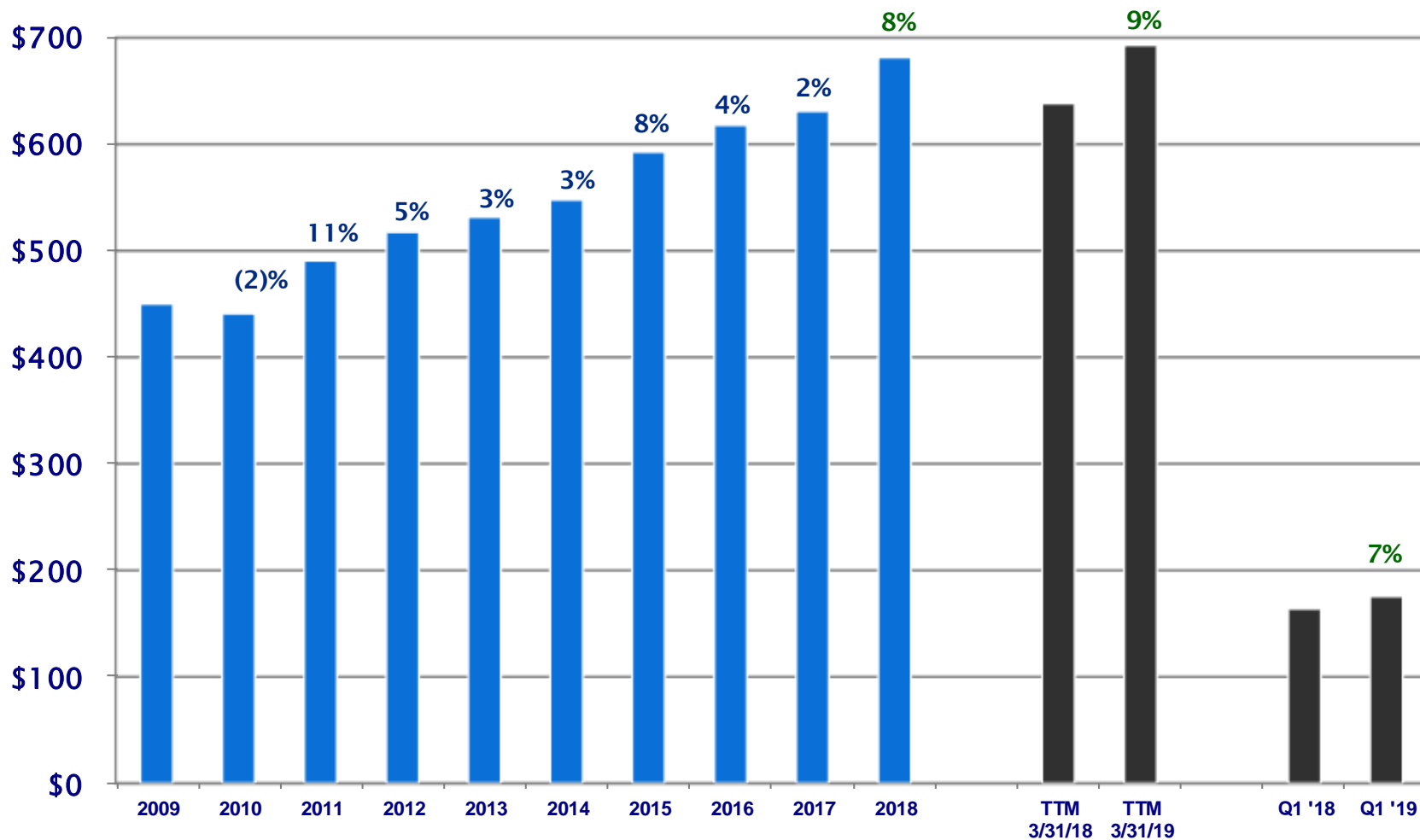


Improvement in Marten's Revenue Excluding Fuel Surcharges

Q1 '19 was Best First-Quarter Operating Revenue in our History



In millions



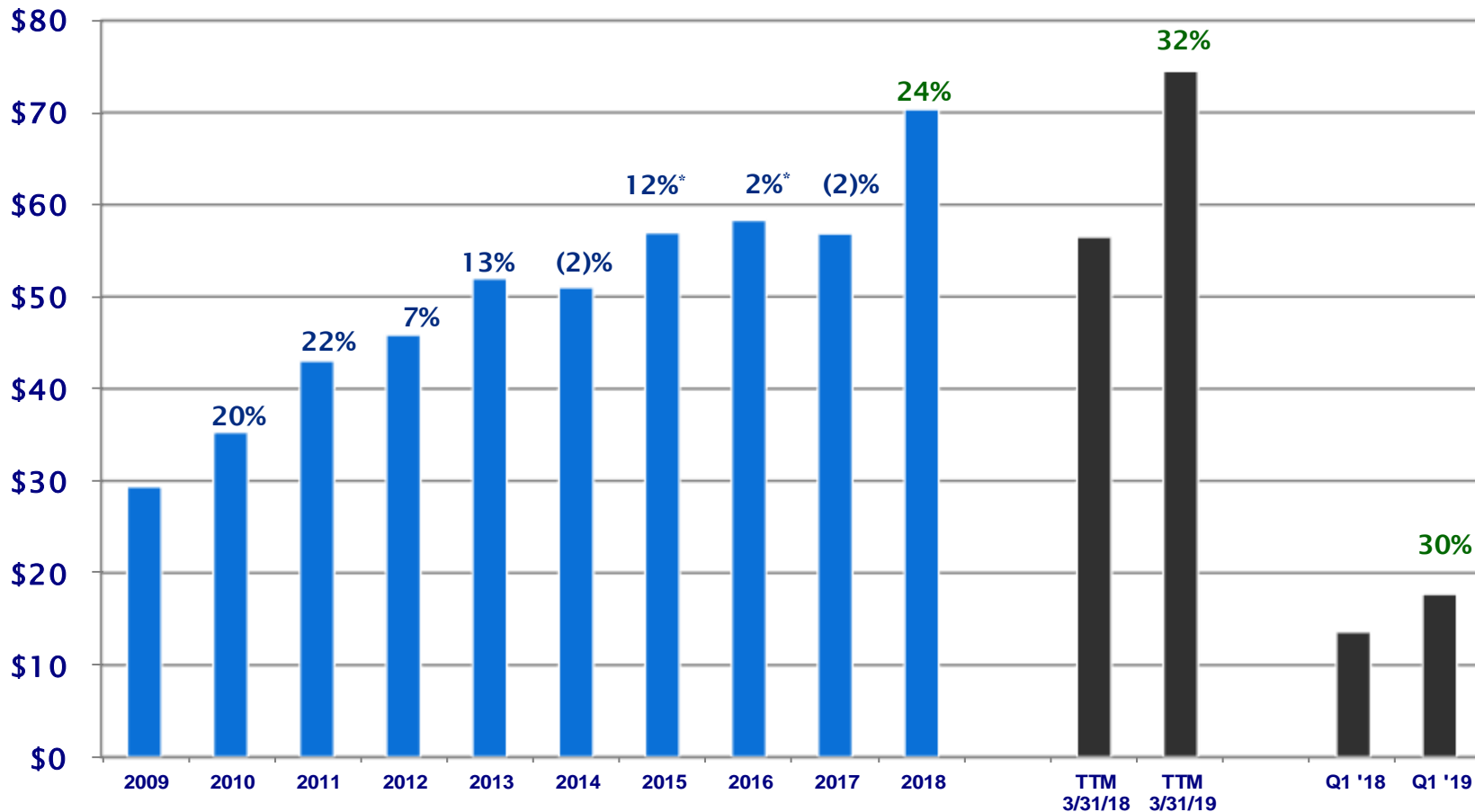


Improvement in Marten's Operating Income

Q1 '19 was Best First-Quarter Operating Income in our History



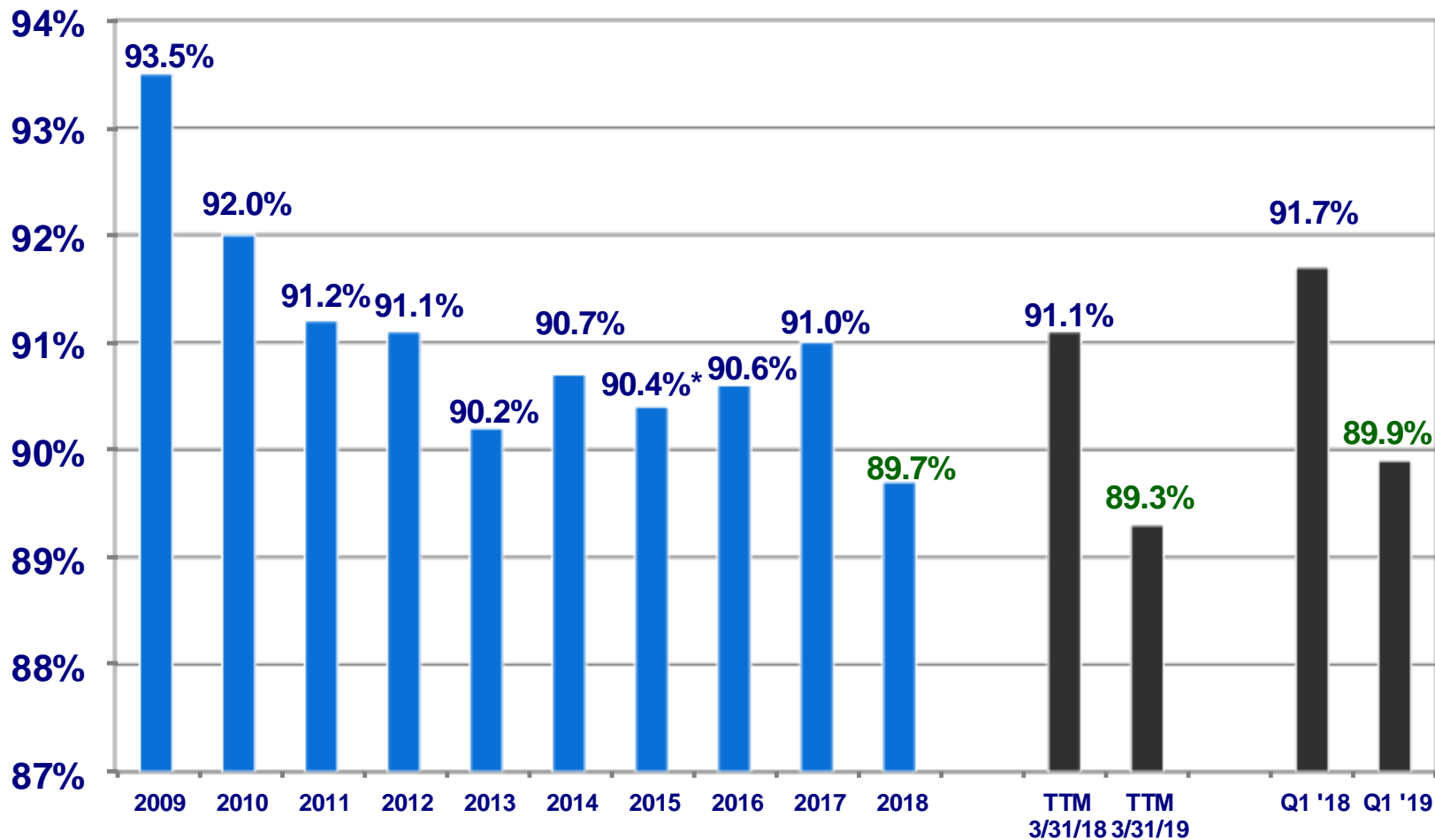
In millions



*Excluding a gain on disposition of two facilities in 2015



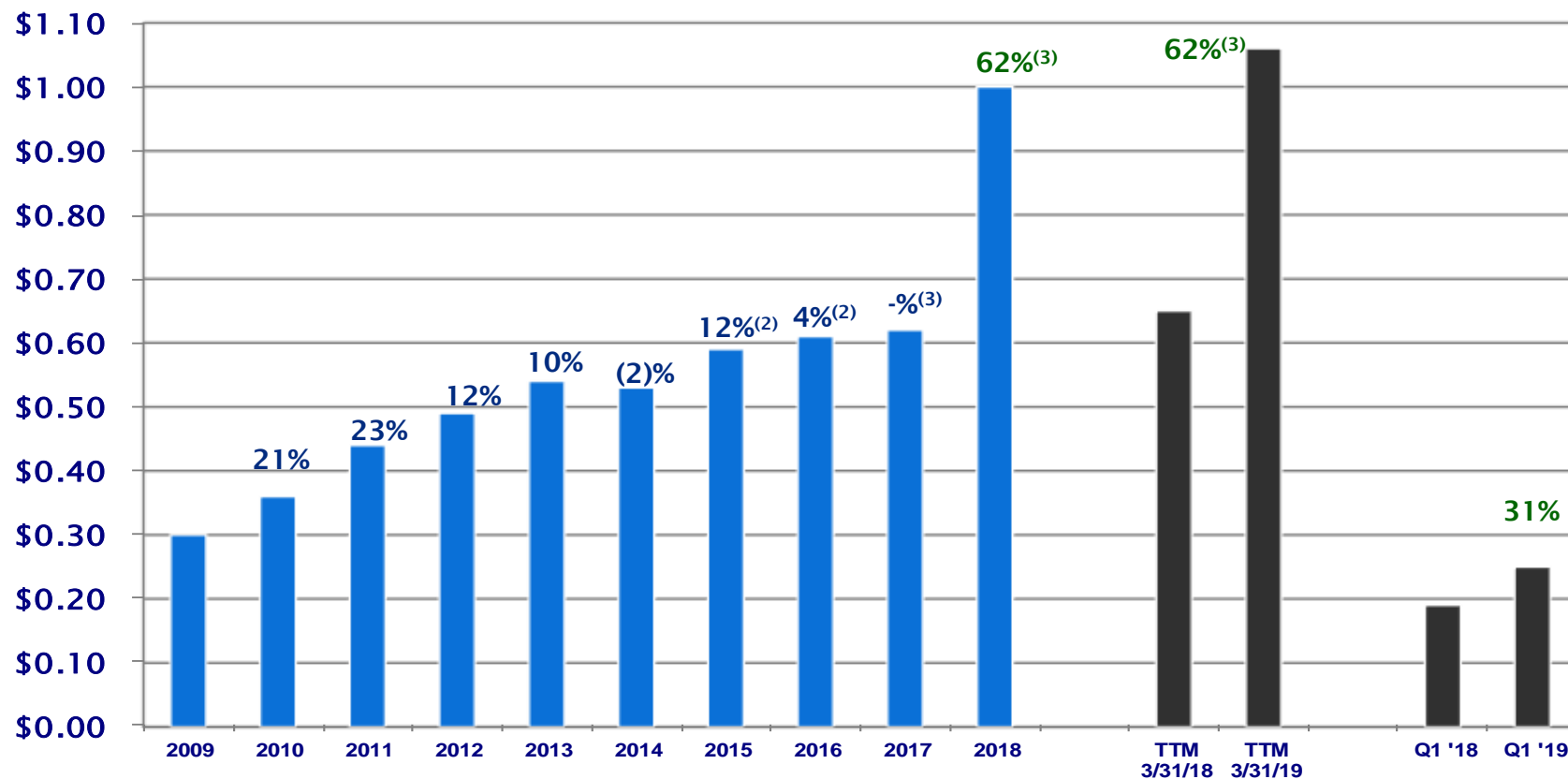
Improvement in Marten's Operating Ratio, Net of Fuel S/C 2018 - Best Over Last 13 Years



*Excluding a gain on disposition of two facilities in 2015



Improvement in Marten's Earnings – Cents Per Diluted Share⁽¹⁾



(1) Restated to reflect the five-for-three stock split on July 7, 2017 and the three-for-two stock split on June 14, 2013

(2) Excluding a gain on disposition of two facilities in 2015

(3) Excluding the deferred income taxes benefit related to the federal Tax Cuts and Jobs Act in 2017

233% increase from Q1 '09 to Q1 '19



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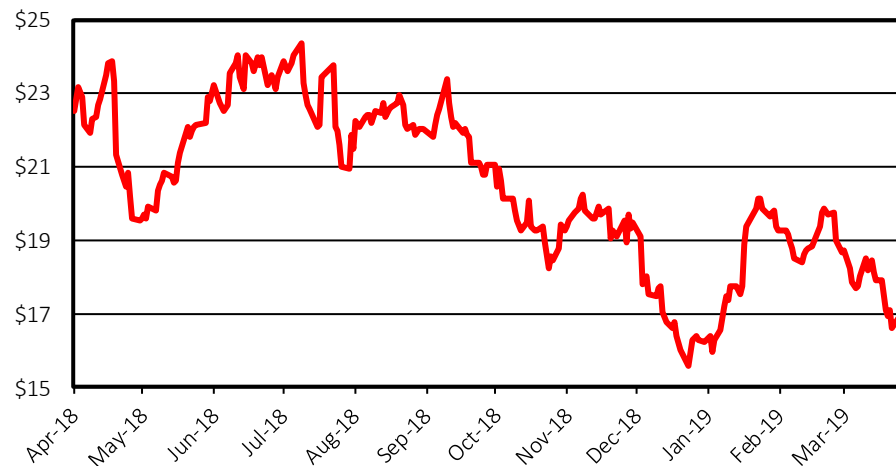


**-21.8% decrease in stock price
from Mar. 31, 2018 to Mar. 31,
2019**

**-In the TTM ended Mar. 31, 2019
from the TTM ended Mar. 31,
2018:**

- Operating revenue up 12.3%**
- Operating income up 31.8%**
- Net income up 62.1%**
- Operating ratio, net of fuel
s/c, improved to 89.3% from
91.1%**

Stock Price





Marten's Culture | Marten's Vision Marten's Plan | Marten's People



“Sufficient urgency around a strategically rational and emotionally exciting opportunity is the bedrock upon which all else is built.”

“Accelerate!”

Harvard Business Review

November 2012

By John P. Kotter

Konosuke Matsushita

Professor of Leadership, Emeritus

Harvard Business School

Marten's people have built a strong, growing and increasingly profitable business platform for now and the future based on our truckload, dedicated, intermodal, brokerage and MRTN de Mexico solutions in turbulent times. Capacity is still tight with a driver shortage which will continue to be a challenge and an opportunity in 2019 and beyond in the new generation of drivers and the ELD era. Our expectations are for a bright, more profitable growth outlook over the next several years.



“Marten Transport Delivers the Goods”

TCA Truckload Indexes

December 3, 2018 By Chris Henry



“Quarter-over-quarter, year-over-year, Marten Transport (NASDAQ: MRTN) has delivered consistent, top quartile results. Key word is consistent. When compared to many of the others, you don’t see very many blips in operating expenses or legal exposures that may cause multi-period hangovers for others. Everything I read about them through their earnings releases and SEC filings point to a very disciplined operating team... Marten has hung with, and bettered the performance of many of the big dogs.”