



Transforming for Profitable Growth

Presented to:
Deutsche Bank Securities
Global Transportation Conference

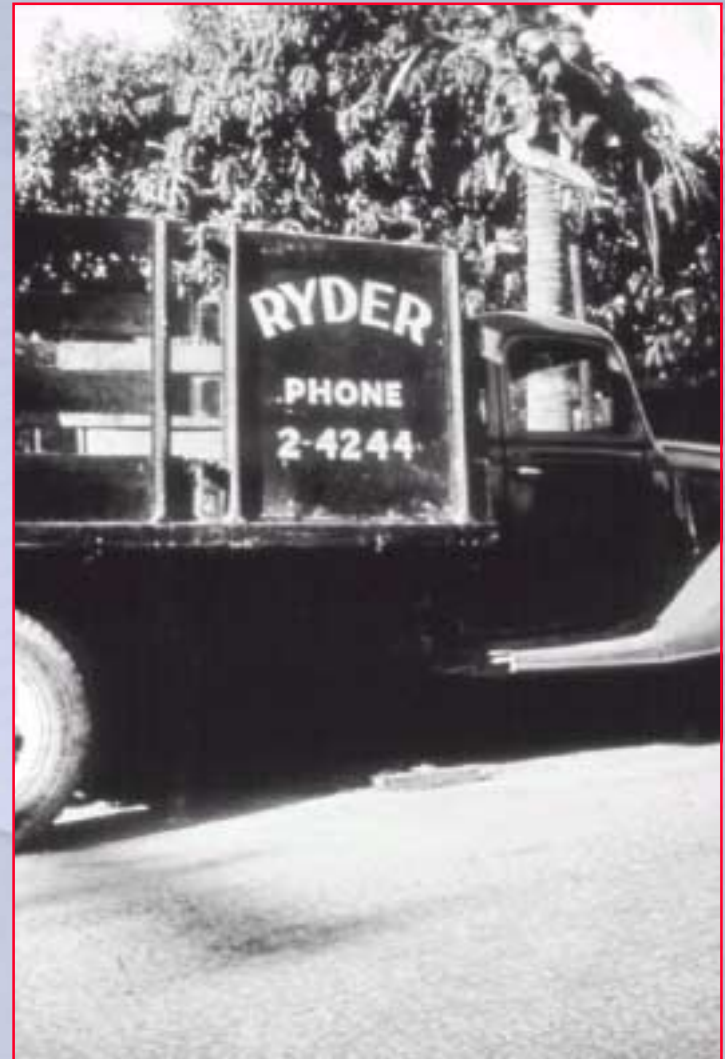
Greg Swinton
Chairman, President and CEO
February 12, 2003

Safe Harbor Language

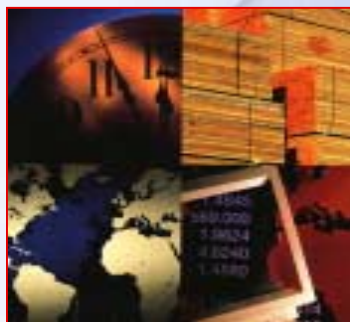
- ▶ Note: Certain statements and information included in this presentation are "forward-looking statements" under the Federal Private Securities Litigation Reform Act of 1995. Accordingly, we advise that these forward-looking statements be evaluated with consideration given to the many uncertainties inherent in our business that could cause actual results and events to differ materially from those in the forward-looking statements. Important factors that could cause such differences include, among others, the competitive pricing environment applicable to the Company's businesses, customer retention levels, changes in customers' business environments, changes in market conditions affecting the sale of used vehicles, adverse changes in debt ratings, changes in accounting assumptions, greater than expected expenses associated with the Company's activities and changes in general economic conditions.

The Early Years

- ▶ **1933 - Ryder was founded by James A. Ryder in Miami**
- ▶ **1939 - 50 trucks in service**
- ▶ **1945 - began work with The Miami Herald – our oldest customer!**
- ▶ **1955 - Incorporated and “went public”**



Supply Chain Solutions



Dedicated Contract Carriage



Fleet Management Solutions



Full Year 2002

Revenue	\$4.8 Billion
Pretax Earnings ⁽¹⁾	\$180 Million
Assets	\$4.8 Billion
Vehicles	161,400
Employees	27,770

Excludes Discontinued Operations

(1) Pretax earnings excludes \$4M of restructuring & other charges.



Fleet Management Solutions

Commercial Rental

- ◆ Thousands of clean, mechanically-sound commercial vehicles for short-term customer needs

Full Service Leasing

- ◆ Custom vehicle specifications
- ◆ State-of-the-art preventive maintenance
- ◆ Comprehensive package of fleet support services

Programmed Maintenance

- ◆ Flexible package of maintenance and fleet support services on vehicles owned by our clients

Fleet Support Services

- ◆ Used vehicle sales
- ◆ Insurance
- ◆ Fuel
- ◆ Safety
- ◆ Parts
- ◆ Backhaul capabilities

► Representative Client List Includes:



Georgia-Pacific

► 13,800⁺ Customers



Dedicated Contract Carriage

- ▶ **Turnkey transportation service with drivers, vehicles, administrative & management services**

Dedicated Contract Carriage

► Representative Client List Includes:



THE KANSAS CITY STAR.



► 650 Customers



Supply Chain Solutions

Transportation Management

- ◆ Procurement
- ◆ Freight bill audit and payment
- ◆ Shipment planning and execution

Distribution Management

- ◆ Product supply, distribution and support services

Integrated Logistics Ops.

- ◆ Total process management
- ◆ Multiple product line services

Supply Chain Consulting

- ◆ Value chain assessment
- ◆ Logistics strategy
- ◆ Functional design
- ◆ Process management

Supply Chain Design/Execution

- ◆ Supply chain manager
- ◆ Technology integration
- ◆ e-Business solutions

Supply Chain Solutions

Customers and Industries

► Representative Client List Includes:



PHILIPS



Lucent Technologies
Bell Labs Innovations



NORTHROP GRUMMAN

Raytheon



DAIMLERCHRYSLER



TOYOTA

ERICSSON



**HEWLETT
PACKARD**

► Target Industry Focus

- Expanding role with current clients
- Proactive approach to selected new accounts
- Value chain assessments and value-added solutions
- High end global supply chain design and management with leading customers in target industries

Product Mix Comparison

Strategic Changes

Operations	Business Nature	Revenue Mix	
		1991	2002
♦ Fleet Management Solutions (FMS)			
‣ Full Service Lease/Maint.	Contractual	28%	55%
‣ Commercial Rental	Cyclical/Supplemental	<u>6%</u>	<u>5%</u>
	Total FMS	34%	60%
♦ Dedicated Contract Carriage	Contractual/ Volume Sensitive	7%	11%
♦ Supply Chain Solutions	Contractual/ Volume Sensitive	2%	29%
♦ Public Transport	<i>Contractual/Seasonal</i>	6%	-0-
♦ Aviation Services	<i>Highly Cyclical</i>	28%	-0-
♦ Auto Carriers	<i>Highly Cyclical</i>	14%	-0-
♦ Consumer Rental	<i>Highly Cyclical</i>	9%	-0-

More Focused On Core Competencies

Building on Successes and Creating Opportunities



Building on Successes and Creating Opportunities



Building on Successes and Creating Opportunities



Building on Successes and Creating Opportunities



Key Financial Statistics

(\$ Millions, Except Per Share Amounts)

Full Year

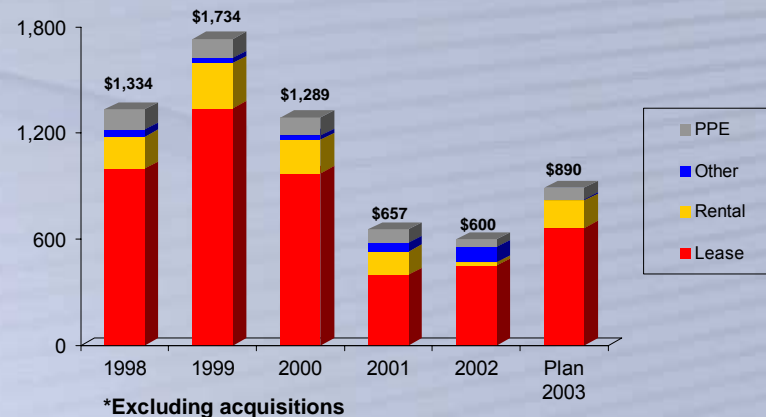
	2002	2001	% B/(W)
Revenue	\$ 4,776.3	\$ 5,006.1	(5)%
Pretax Earnings:			
Before Restructuring	\$ 180.1	\$ 147.3	22%
Restructuring and Other Charges, Net	(4.2)	(116.6)	96%
Total Pretax Earnings	\$ 175.9	\$ 30.7	473%
EPS:			
Before Restructuring and Cum. Effect	\$ 1.84	\$ 1.65	12%
Restructuring and Other Charges, Net	(0.04)	(1.34)	97%
Before Cum. Effect	1.80	0.31	481%
Cumulative Effect of Change in Accounting Principle	(0.30)	-	NM
Total EPS	\$ 1.50	\$ 0.31	384%
Memo:			
EPS Impact of Pension Income/(Expense)	\$ (0.30)	\$ 0.01	
Average Shares (millions)-Diluted	62.6	60.7	
Tax Rate	36.0%	39.2%	

How are We Tracking?

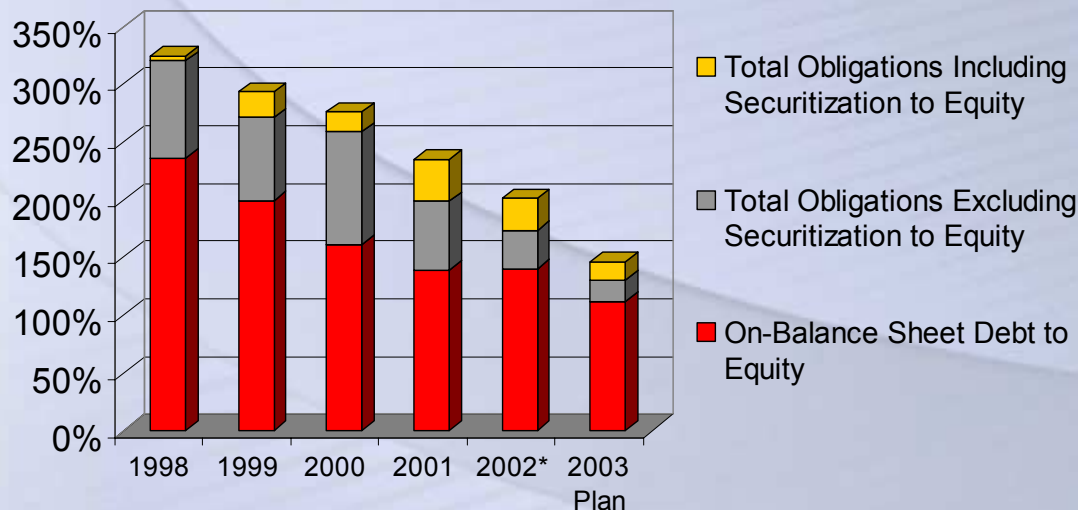
Free Cash Flow (\$ Millions)



Capital Expenditures* (\$ Millions)



Debt to Equity Ratio



* 2002 includes a pension related equity charge of \$228 million.

- ▶ **We continue to forecast a soft economy into 2003 with customers slow to commit to large capital expenditures and long-term leases**
- ▶ **Overall revenue growth is planned to be flat with 2002 projection with growth anticipated in the rental product line and in European operations**
- ▶ **Earnings growth stems from the cumulative effect of process improvements and cost management activities taken over the past several years**

- ▶ The emerging trends in corporate governance are, in the main, already part of Ryder's corporate governance culture
- ▶ Ryder has had a high level of commitment to sound corporate governance practices for many years
- ▶ We are aware that institutional investors will increasingly look to corporate governance as an indicator of the competence of senior management and thus as a factor in whether to invest in a company
- ▶ Like most public companies, Ryder has spent a considerable amount of time analyzing the new requirements/suggestions for corporate governance practices from a variety of sources including Congress, the Securities and Exchange Commission, the New York Stock Exchange and The Business Roundtable
- ▶ Our Board of Directors has demanded regular detailed reports on the company's corporate governance structure. Since the time the public learned of Enron's problems, senior management has reported to the Board on corporate governance at every meeting of the Board of Directors.

Ryder's Board of Directors

- ▶ Ryder's sound corporate governance practices have helped us attract an experienced and knowledgeable board of directors
- ▶ Four of Ryder's twelve directors have been added since May 2002:
 - John H. Dasburg: Chairman of Burger King; Former President and Chief Executive Officer of Northwest Airlines and Partner with KPMG; Director of Genuity, The Mayo Foundation and St. Paul Companies
 - Eugene A. Renna: Former President and Chief Operating Officer and Director of Mobil Corporation where his career began in 1968; Director of Fortune Brands
 - Daniel H. Mudd: Vice Chairman and Chief Operating Officer of Fannie Mae; Former President and Chief Executive Officer of GE Capital, Japan; Director of Oriental and General Fund and the Fannie Mae Foundation
 - Hansel E. Tookes II: Former President of Raytheon International, Inc.; Former President of Pratt & Whitney's Large Military Engines Group; Director of Corning Incorporated

Gregory T. Swienton

Chairman, President and CEO

Appendix

How Does Ryder Compare with Emerging Corporate Governance Trends/Requirements?

Corporate Governance Standard

- ▶ Majority of independent directors
- ▶ Heightened standard for "independence"
- ▶ Independent directors to meet in executive session (i.e., without management participation)
- ▶ Company should have standing audit, compensation and nominating committees
- ▶ Only independent directors on committees

Ryder's Position

- ▶ Ten of Ryder's twelve directors are independent; all outside directors are independent
- ▶ All of Ryder's independent directors are independent under the newly proposed standards
- ▶ All independent directors meet in executive session as part of every board meeting
- ▶ Ryder has four standing committees of the board (audit, compensation, nominating/governance and finance)
- ▶ Ryder's four committees are comprised entirely of independent directors

How Does Ryder Compare with Emerging Corporate Governance Trends/Requirements?

Corporate Governance Standard

- ▶ Committees to have written charters
- ▶ Audit committee to approve all non-audit services of auditor
- ▶ Audit committee to have member who qualifies as a “financial expert” under new SEC regulations
- ▶ Companies to have internal audit function
- ▶ Shareholders to vote on all equity-based compensation plans

Ryder’s Position

- ▶ All four committees have written charters describing their purpose and duties which are reviewed and updated periodically
- ▶ Ryder’s audit committee has adopted these requirements in advance of them becoming law
- ▶ Ryder’s audit committee is comprised of individuals with significant financial experience and satisfies the SEC’s new “financial expert” requirements
- ▶ Ryder has a longstanding internal audit department with ten full-time professionals who report to the audit committee at each board meeting
- ▶ All of Ryder’s option plans have been approved by its shareholders

How Does Ryder Compare with Emerging Corporate Governance Trends/Requirements?

Corporate Governance Standard

- ▶ CEO and CFO to certify on accuracy of SEC reports and “disclosure controls and procedures”
- ▶ Board to receive comprehensive review of strategic plan and long-range view

Ryder's Position

- ▶ Ryder's quarterly “sign-off” process (led by the controller's group) has been in place for many years and is specifically designed to ensure that information required to be disclosed in Ryder's SEC reports (including business trends) is identified and reported; this process also includes internal certifications from over twenty Ryder business leaders who attest to the accuracy of Ryder's SEC reports and the adequacy of its disclosure controls
- ▶ Ryder's board is presented with a comprehensive strategic plan for the company at an annual “summit” which lasts one full day and is in addition to a standard board meeting

How Does Ryder Compare with Emerging Corporate Governance Trends/Requirements?

Corporate Governance Standard

- ▶ **Sarbanes-Oxley imposes enhanced conflict of interest provisions for public companies and their officers and directors (e.g., a prohibition against loans to officers and directors)**
- ▶ **Officers and directors should own company stock**

Ryder's Position

- ▶ **Ryder has reviewed its internal policies and procedures and, with some minor modifications, has concluded that they comply with the new conflict of interest laws**
- ▶ **All Ryder officers are subject to minimum stock ownership guidelines; Ryder's policies ensure that all directors are stockholders**

