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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934

For the quarterly period ended September 30, 2001 or

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from ________ to ________

Commission file number: 0-27754

HUB GROUP, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	36-4007085
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

377 EAST BUTTERFIELD ROAD, SUITE 700
LOMBARD, ILLINOIS 60148
(Address, including zip code, of principal executive offices)
(630) 271-3600
(Registrant's telephone number, including area code)

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 such filing requirements for the past 90 days. Yes X No __

On November 13, 2001, the registrant had 7,046,250 outstanding shares of Class A common stock, par value $.01 per share, and 662,296 outstanding shares of Class B common stock, par value $.01 per share.

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HUB GROUP, INC.

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HUB GROUP, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)

	SEPTEMBER 30, 2001	DECEMBER 31, 2000
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ -	$ -
Accounts receivable, net	195,315	195,765
Deferred taxes	11,183	7,933
Prepaid expenses and other current assets	4,551	3,609
TOTAL CURRENT ASSETS	211,049	207,307
PROPERTY AND EQUIPMENT, net	39,900	43,854
GOODWILL, net	209,602	213,907
OTHER ASSETS	1,737	2,177
TOTAL ASSETS	$ 462,288	$ 467,245
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable		
Trade	$ 157,377	$ 166,743
Other	6,133	8,529
Accrued expenses		
Payroll	11,669	9,559
Other	10,385	9,658
Current portion of long-term debt	8,037	12,341
TOTAL CURRENT LIABILITIES	193,601	206,830
LONG-TERM DEBT, EXCLUDING CURRENT PORTION	115,096	109,089
DEFERRED TAXES	17,950	15,202
CONTINGENCIES AND COMMITMENTS		
MINORITY INTEREST	1,032	352
STOCKHOLDERS' EQUITY:		
Preferred stock, $.01 par value, 2,000,000 shares authorized; no shares issued or outstanding in 2001 and 2000	-	-
Common stock,		
Class A: $.01 par value; 12,337,700 shares authorized; 7,046,250 shares issued and outstanding in 2001 and 7,046,050 shares issued and outstanding in 2000	70	70
Class B: $.01 par value; 662,300 shares authorized; 662,296 shares issued and outstanding in 2001 and 2000	7	7
Additional paid-in capital	110,817	110,817
Purchase price in excess of predecessor basis, net of tax benefit of $10,306	(15,458)	(15,458)
Retained earnings	39,613	40,336
Accumulated other comprehensive loss	(440)	-
TOTAL STOCKHOLDERS' EQUITY	134,609	135,772
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 462,288	$ 467,245

See notes to unaudited condensed consolidated financial statements.

HUB GROUP, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2001	2000	2001	2000
Revenue	$ 323,046	$ 354,797	$ 987,004	$ 1,027,694
Transportation costs	278,475	310,574	851,066	899,423
Gross margin	44,571	44,223	135,938	128,271
Costs and expenses:				
Salaries and benefits	23,461	24,648	71,663	71,972
Selling, general and administrative	16,989	11,698	41,541	34,129
Depreciation and amortization of property and equipment	2,147	1,508	8,117	3,908
Amortization of goodwill	1,435	1,435	4,305	4,305
Impairment of property and equipment	-	-	3,401	-
Total costs and expenses	44,032	39,289	129,027	114,314
Operating income	539	4,934	6,911	13,957
Other income (expense):				
Interest expense	(2,426)	(2,558)	(7,793)	(8,566)
Interest income	189	228	522	568
Other, net	93	47	(185)	170
Total other expense	(2,144)	(2,283)	(7,456)	(7,828)
Income (loss) before minority interest and provision for income taxes	(1,605)	2,651	(545)	6,129
Minority interest	280	-	680	120
Income (loss) before provision for income taxes	(1,885)	2,651	(1,225)	6,009
Provision for (benefit from) income taxes	(773)	1,087	(502)	2,464
Net income (loss)	$ (1,112)	$ 1,564	$ (723)	$ 3,545
Basic earnings (loss) per common share	$ (0.14)	$ 0.20	$ (0.09)	$ 0.46
Diluted earnings (loss) per common share	$ (0.14)	$ 0.20	$ (0.09)	$ 0.46

See notes to unaudited condensed consolidated financial statements.

HUB GROUP, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
For the nine months ended September 30, 2001
(in thousands, except shares)

	CLASS A & B COMMON STOCK SHARES	CLASS A & B COMMON STOCK AMOUNT	ADDITIONAL PAID-IN CAPITAL	PURCHASE PRICE IN EXCESS OF PREDECESSOR BASIS, NET OF TAX	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE LOSS	TOTAL STOCKHOLDERS' EQUITY
Balance at December 31, 2000	7,708,346	$ 77	$ 110,817	$ (15,458)	$ 40,336	$ -	$ 135,772
Comprehensive income							
Net loss	-	-	-	-	(723)	-	(723)
Other comprehensive income (loss):							
Cumulative effect of adopting Statement 133, net of tax of $55	-	-	-	-	-	79	79
Unrealized interest rate swap loss net of tax benefit of ($361)	-	-	-	-	-	(519)	(519)
Comprehensive loss							(1,163)
Balance at September 30, 2001	7,708,346	$ 77	$ 110,817	$ (15,458)	$ 39,613	$ (440)	$ 134,609

See notes to unaudited condensed consolidated financial statements.

HUB GROUP, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	NINE MONTHS ENDED SEPTEMBER 30, 2001	2000
Cash flows from operating activities:		
Net income (loss)	$ (723)	$ 3,545
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	8,612	4,505
Amortization of goodwill	4,305	4,305
Impairment of property and equipment	3,401	-
Deferred taxes	(502)	2,464
Minority interest	680	120
Loss/(Gain) on sale of assets	410	(3)
Changes in working capital:		
Accounts receivable, net	450	(3,533)
Prepaid expenses and other current assets	(942)	(2,526)
Accounts payable	(11,762)	22,562
Accrued expenses	2,397	3,757
Other assets	440	18
Net cash provided by operating activities	6,766	35,214
Cash flows from investing activities:		
Purchases of property and equipment, net	(8,469)	(20,050)
Net cash used in investing activities	(8,469)	(20,050)
Cash flows from financing activities:		
Proceeds from sale of common stock	-	31
Distributions to minority interest	-	(454)
Net borrowings/(payments) on long-term debt	1,703	(16,633)
Proceeds from issuance of long-term debt	-	27
Net cash provided by (used in) financing activities	1,703	(17,029)
Net decrease in cash and cash equivalents	-	(1,865)
Cash and cash equivalents, beginning of period	-	1,865
Cash and cash equivalents, end of period	$ -	$ -
Supplemental disclosures of cash flow information		
Cash paid for:		
Interest	$ 7,488	$ 9,377
Income taxes	60	1,520
Non-cash activity:		
Unrealized loss on derivative instrument	$ 440	$ -

See notes to unaudited condensed consolidated financial statements.

HUB GROUP, INC.

NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. Interim Financial Statements

The accompanying unaudited condensed consolidated financial statements of Hub Group, Inc. (the "Company") have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in annual financial statements have been condensed or omitted pursuant to those rules and regulations. However, the Company believes that the disclosures contained herein are adequate to make the information presented not misleading.

The financial statements reflect, in the opinion of management, all material adjustments (which include only normal recurring adjustments) necessary to present fairly the Company's financial position and results of operations. These condensed consolidated financial statements and notes thereto should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2000. Results of operations in interim periods are not necessarily indicative of results to be expected for a full year.

NOTE 2. Earnings (Loss) per Share

The following is a reconciliation of the Company's Earnings (Loss) per Share:

	Three Months Ended September 30, 2001			Three Months Ended September 30, 2000		
	(000's)			(000's)		
	Loss	Shares	Per-Share Amount	Income	Shares	Per-Share Amount
Basic (Loss) Earnings per Share Income (loss) available to common stockholders	$(1,112)	7,709	$ (0.14)	$1,564	7,708	$ 0.20
Effect of Dilutive Securities Stock options	-	15	-	-	-	-
Diluted (Loss) Earnings per Share Income (loss) available to common stockholders plus assumed exercises	$(1,112)	7,724	$ (0.14)	$1,564	7,708	$ 0.20

	Nine Months Ended September 30, 2001			Nine Months Ended September 30, 2000		
	(000's)			(000's)		
	Loss	Shares	Per-Share Amount	Income	Shares	Per-Share Amount
Basic (Loss) Earnings per Share Income (loss) available to common stockholders	$ (723)	7,708	$(0.09)	$3,545	7,708	$ 0.46
Effect of Dilutive Securities Stock options	-	9	-	-	11	-
Diluted (Loss) Earnings per Share Income (loss) available to common stockholders plus assumed exercises	$ (723)	7,717	$(0.09)	$3,545	7,719	$ 0.46

NOTE 3. Property and Equipment

Property and equipment consist of the following:

	September 30, 2001	December 31, 2000
	(000's)	
Building and improvements	$ 57	$ 57
Leasehold improvements	2,096	2,111
Computer equipment and software	47,828	46,396
Furniture and equipment	7,722	7,635
Transportation equipment and automobiles	3,540	3,678
	61,243	59,877
Less: Accumulated depreciation and amortization	(21,343)	(16,023)
PROPERTY AND EQUIPMENT, net	$ 39,900	$ 43,854

Depreciation and amortization expense for the nine months ending September 30, 2001, includes approximately $1.5 million in additional depreciation due primarily to a change in estimated useful lives for various assets. Of this amount, $0.9 million relates to various assets, that in December 2000, were determined to be no longer useful once the Company's new operating system was completed. The remaining $0.6 million of additional depreciation relates to the Company's decision to accelerate depreciation for a piece of communications software that was replaced with a more stable and cost effective software application during the second quarter of 2001.

NOTE 4. Impairment of Property and Equipment

On March 30, 2001, a $3.4 million pretax charge was recorded due to the impairment of Hub Group Distribution Services' ("Hub Distribution") e-Logistics software ("e-software"). This e-software was used to process orders relating to the home delivery of large box items purchased over the internet. Management made the decision to exit the internet home delivery business and, in conjunction with this decision, all customer contracts associated with the internet home delivery business were terminated as of March 30, 2001. Consequently, the e-software's fair value was reduced to zero based on the lack of any future cash flows attributable to Hub Distribution's e-Logistics initiative. The Company does not intend to use the software in the future.

NOTE 5. Restructuring Charge

In the fourth quarter of 2000, management approved a plan to restructure the Company's accounting functions and centralize them at its corporate headquarters in Lombard, Illinois. This centralization plan was to result in the reduction of 56 accounting-related positions from the operating companies. All affected employees were informed in mid-November 2000. In connection with this plan, the Company recorded a pre-tax charge of $250,000 included in salaries and benefits in the fourth quarter of 2000. As of September 30, 2001, $206,000 had been paid related to the accounting restructuring and thirty-one employees had been terminated. The remaining $44,000 of accrual was reversed during the third quarter, thereby reducing salaries and benefits expense.

NOTE 6. Derivative Financial Instrument

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 ("Statement 133"), "Accounting for Derivative Instruments and Hedging Activities." On January 1, 2001, the Company adopted Statement 133 and recorded the fair value of its interest rate swap of $79,000, net of related income taxes of $55,000, as an asset. The transition adjustment to record the asset was included in other comprehensive income.

The Company uses this interest rate swap to manage its exposure to changes in interest rates for its floating rate debt. This interest rate swap qualifies as a cash flow hedge. The interest rate differential to be received or paid on the swap is recognized in the condensed consolidated statements of operations as a reduction or increase in interest expense, respectively. In accordance with the new derivative requirements, the effective portion of the change in the fair value of the derivative instrument is recorded in the condensed consolidated balance sheets as a component of current assets or liabilities and other comprehensive income. The ineffective portion of the change in the fair value of the derivative instrument, along with the gain or loss on the hedged item, is recorded in earnings and reported in the condensed consolidated statements of operations, on the same line as the hedged item.

For the nine months ended September 30, 2001, the Company adjusted its derivative financial instrument to fair value which resulted in an unrealized loss of $519,000, net of the related income tax benefit of $361,000. This adjustment is included in other comprehensive loss.

NOTE 7. Bad Debt Write-off

During September 2001, the Company recognized bad debt expense which is included in selling, general and administrative expense in the accompanying condensed consolidated statements of operations in the amount of $4.7 million related to a Korean steamship line customer ("Customer"). The Customer filed for reorganization under the Corporate Reorganization Act of Korea in May 2001 and has subsequently been forced into liquidation by the Korean courts. According to court filings, the Customer does not have adequate funds to pay its secured creditors. The Company, as an unsecured creditor, was notified by the trustee appointed by the court during September 2001 that it should not expect to recover any funds from the Customer.

NOTE 8. Recent Accounting Pronouncements

On June 30, 2001, the Financial Accounting Standards Board ("FASB") issued Statement No. 141, "Business Combinations"("Statement 141"). Under Statement 141, all business combinations initiated after June 30, 2001 must be accounted for using the purchase method of accounting. Use of the pooling-of-interests method will be prohibited. Additionally, Statement 141 requires that certain intangible assets that can be identified and named be recognized as assets apart from goodwill. Statement 141 is effective for all business combinations initiated after June 30, 2001.

On June 30, 2001, the FASB issued Statement No. 142, "Goodwill and Other Intangible Assets" ("Statement 142"). Under Statement 142, goodwill and intangible assets that have indefinite useful lives will not be amortized but rather will be tested at least annually for impairment. Intangible assets that have finite useful lives will continue to be amortized over their useful lives. The Company will adopt Statement 142 as of January 1, 2002 for goodwill and other intangible assets acquired prior to June 30, 2001. As of September 30, 2001, goodwill, net of accumulated amortization, is $209.6 million and amortization expense for the nine months ended September 30, 2001 is $4.3 million. Except as set forth in Outlook, Risks and Uncertainties - Amortization of Goodwill, the Company has not yet fully determined the impact that Statement 142 will have on the Company's financial condition or results of operations.

In August 2001, the FASB issued Statement No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("Statement 144") which supercedes Statement No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." Statement 144 created one accounting model for long-lived assets to be disposed of by sale that applies to all long-lived assets, including discontinued operations, and replaces the provisions of Accounting Principles Board Opinion No. 30, "Reporting Results of Operations--Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual, and Infrequently Occurring Events and Transactions", for the disposal of segments of a business. Statement 144 requires that those long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reporting in continuing operations or in discontinued operations. The provisions of Statement 144 are effective for financial statements issued for fiscal years beginning after December 15, 2001 and, generally, are to be applied prospectively. The Company does not expect this statement to have a material impact on its statements of financial condition or results of operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 2001 COMPARED TO THE THREE MONTHS ENDED SEPTEMBER 30, 2000

REVENUE

Revenue for Hub Group, Inc. (the "Company") decreased 8.9% to $323.0 million in 2001 from $354.8 million in 2000. Overall, management believes that a soft economy has negatively impacted the current year growth. Intermodal revenue decreased 14.9% from 2000. The decline in intermodal revenue was primarily due to a $31.8 million reduction in demand for intermodal service from the Company's steamship customers. Two large steamship customers ceased doing business with the Company in the second quarter of 2001. While one steamship customer has terminated operations worldwide, the other has changed its method of business. Truckload brokerage revenue increased 4.7% from 2000. Logistics revenue, which includes revenue from the Company's supply chain solutions services and revenue from Hub Group Distribution Services ("Hub Distribution"), increased 9.7% compared to 2000. This increase was primarily due to significant growth from the Company's supply chain solutions business.

GROSS MARGIN

Gross margin increased 0.8% to $44.6 million in 2001 from $44.2 million in 2000. As a percent of revenue, gross margin increased to 13.8% from 12.5% in 2000. The increase in gross margin as a percent of revenue is primarily due to the increase in the intermodal gross margin percentage resulting primarily from the loss of the high volume, lower margin steamship business.

SALARIES AND BENEFITS

Salaries and benefits decreased 4.8% to $23.5 million in 2001 from $24.6 million in 2000. As a percentage of revenue, salaries and benefits increased to 7.3% from 6.9% in 2000. The increase as a percentage of revenue is due to the decrease in revenue.

SELLING, GENERAL AND ADMINISTRATIVE

Selling, general and administrative expenses increased 45.2% to $17.0 million in 2001 from $11.7 million in 2000. As a percentage of revenue, these expenses increased to 5.3% from 3.3% in 2000. The increase as a percentage of revenue is primarily attributed to a $4.7 million write-off associated with the bankruptcy and forced liquidation of a Korean steamship line customer and the decrease in the Company's revenue.

DEPRECIATION AND AMORTIZATION OF PROPERTY AND EQUIPMENT

Depreciation and amortization increased 42.4% to $2.1 million in 2001 from $1.5 million in 2000. This expense as a percentage of revenue increased to 0.7% from 0.4% in 2000. The increase in depreciation and amortization is due to the depreciation of software applications placed into service throughout 2000 and 2001.

AMORTIZATION OF GOODWILL

Amortization of goodwill remained constant at $1.4 million in both 2001 and 2000.

OTHER INCOME (EXPENSE)

Interest expense decreased 5.2% to $2.4 million in 2001 from $2.6 million in 2000. The decrease in interest expense is due primarily to lower interest rates.

Interest income remained constant at $0.2 million in both periods.

MINORITY INTEREST

Minority interest increased to $0.3 million in 2001 from $0.0 million in 2000. Minority interest represents the 35% minority interest in Hub Distribution.

INCOME TAXES

The (benefit from)/provision for income taxes decreased to $(0.8) million in 2001 from $1.1 million in 2000. The Company recorded an income tax benefit and provision using an effective rate of 41% in 2001 and 2000, respectively.

NET INCOME/(LOSS)

The Company incurred a net loss of $(1.1) million in 2001 compared to net income of $1.6 million in 2000.

EARNINGS/(LOSS) PER SHARE

Basic and diluted loss per common share was $(0.14) in 2001 compared to earnings per share of $0.20 in 2000.

NINE MONTHS ENDED SEPTEMBER 30, 2001 COMPARED TO THE NINE MONTHS ENDED SEPTEMBER 30, 2000

REVENUE

Revenue for the Company decreased 4.0% to $987.0 million in 2001 from $1,027.7 million in 2000. Overall, management believes that a soft economy has negatively impacted the current year growth. Intermodal revenue decreased 8.5% from 2000. In addition to a soft economy, the decline in intermodal revenue was primarily due to a $33.2 million reduction in demand for intermodal service from the Company's steamship customers. Two large steamship customers ceased doing business with the Company in the second quarter. While one steamship customer has terminated operations worldwide, the other has changed its method of business. Truckload brokerage revenue remained flat in comparison to 2000. Logistics revenue, which includes revenue from the Company's supply chain solutions services and revenue from Hub Distribution, increased 17.8% compared to 2000. This increase was primarily due to significant growth from the Company's supply chain solutions business.

GROSS MARGIN

Gross margin increased 6.0% to $135.9 million in 2001 from $128.3 million in 2000. As a percent of revenue, gross margin increased to 13.8% from 12.5% in 2000. The increase in gross margin as a percent of revenue is primarily due to two significant factors. First, gross margin for intermodal improved due primarily to the loss of the high volume, lower margin steamship business. Second, Hub Distribution experienced an unusually strong gross margin percentage due to some one-time installation projects and an amendment to a contract with one of its customers. This amendment allowed for a rate increase back to the beginning of the current contract year.

SALARIES AND BENEFITS

Salaries and benefits decreased 0.4% to $71.7 million in 2001 from $72.0 million in 2000. As a percentage of revenue, salaries and benefits increased to 7.3% from 7.0% in 2000. The increase as a percentage of revenue is primarily attributed to the decrease in revenue.

SELLING, GENERAL AND ADMINISTRATIVE

Selling, general and administrative expenses increased 21.7% to $41.5 million in 2001 from $34.1 million in 2000. As a percentage of revenue, these expenses increased to 4.2% from 3.3% in 2000. The increase as a percentage of revenue is primarily attributed to a $4.7 million write-off associated with the bankruptcy and forced liquidation of a Korean steamship line customer, increased expenditures related to information systems and to the decrease in revenue. Information systems costs increased, in part, due to the leasing of computer hardware required to support newly developed software applications, data communication costs and costs associated with the outsourced data center.

DEPRECIATION AND AMORTIZATION OF PROPERTY AND EQUIPMENT

Depreciation and amortization increased 107.7% to $8.1 million in 2001 from $3.9 million in 2000. This expense as a percentage of revenue increased to 0.8% from 0.4% in 2000. The increase in depreciation and amortization is due in part to the depreciation of software applications placed into service throughout 2000 and 2001. Additionally, during the first half of the year, the Company recognized $1.5 million in additional depreciation due primarily to a change in estimated useful lives for various assets. Of this amount, $0.9 million relates to various assets, that in December 2000, were determined to be no longer useful once the Company's new operating system was completed. The remaining $0.6 million of additional depreciation relates to the Company's decision to accelerate depreciation for a piece of communications software that was replaced with a more stable and cost effective software application during the second quarter of 2001.

AMORTIZATION OF GOODWILL

Amortization of goodwill remained constant at $4.3 million in both 2001 and 2000.

IMPAIRMENT OF PROPERTY AND EQUIPMENT

The $3.4 million impairment charge in 2001 was due to Hub Distribution's exit from its initiative surrounding the home delivery of large box items purchased over the internet.

OTHER INCOME (EXPENSE)

Interest expense decreased 9.0% to $7.8 million in 2001 from $8.6 million in 2000. The decrease in interest expense is due primarily to carrying a lower average debt balance this year as compared to the prior year and lower interest rates.

Interest income decreased to $0.5 million in 2001 from $0.6 million in 2000.

Other income/(expense) decreased to $(0.2) million in 2001 from $0.2 million in 2000. The change is due primarily to a $0.4 million loss on the disposal of a piece of software in 2001.

MINORITY INTEREST

Minority interest increased to $0.7 million in 2001 from $0.1 million in 2000. Minority interest represents the 35% minority interest in Hub Distribution.

INCOME TAXES

The (benefit from)/provision for income taxes decreased to $(0.5) million in 2001 from $2.5 million in 2000. The Company recorded an income tax benefit and provision using an effective rate of 41% in 2001 and 2000, respectively.

NET INCOME/(LOSS)

The Company incurred a net loss of $(0.7) million in 2001 compared to net income of $3.5 million in 2000.

EARNINGS/(LOSS) PER SHARE

Basic and diluted loss per common share was $(0.09) in 2001 compared to earnings per share of $0.46 in 2000.

LIQUIDITY AND CAPITAL RESOURCES

In order to minimize net financing costs, the Company intentionally maintains low cash balances by using available cash to reduce borrowings. The Company has funded its operations and capital expenditures through cash flows from operations and bank borrowings.

Cash provided by operating activities for the nine months ended September 30, 2001, was approximately $6.8 million, which resulted primarily from net income from operations before non-cash charges of $16.2 million offset by a net decrease in working capital of $9.4 million. The decrease in working capital resulted primarily from a temporary increase in accounts receivable days sales outstanding due to related issues from the implementation of a new billing system.

Net cash used in investing activities for the nine months ended September 30, 2001, was $8.5 million related to capital expenditures. The capital expenditures were principally made to enhance the Company's information system capabilities. The most significant project relates to a customized operating system.

The net cash provided by financing activities for the nine months ended September 30, 2001, was $1.7 million. This was comprised of $12.0 million of borrowings on the Company's line of credit offset by $10.3 million of scheduled payments on the Company's term debt, installment notes and capital leases.

The Company maintains a multi-bank credit facility. The facility was originally comprised of $50.0 million in term debt and a $50.0 million revolving line of credit. At September 30, 2001, there was $37.0 million of outstanding term debt and $36.0 million outstanding and $14.0 million unused and available under the line of credit. Borrowings under the line of credit are unsecured and have a five-year term that began on April 30, 1999, with a floating interest rate based upon the LIBOR (London Interbank Offered Rate) or Prime Rate. The term debt has quarterly payments ranging from $1,250,000 to $2,000,000 with a balloon payment of $19.0 million due on March 31, 2004.

On March 30, 2001, the Company executed an amendment of its unsecured $50.0 million term debt and the $50.0 million five-year revolving line of credit agreement. The amendment modifies the definition of EBITDAM (earnings before interest expense, income taxes, depreciation, amortization and minority interest) slightly, extending the date for adding back certain non-cash charges. Effective September 30, 2001, the Company executed an additional amendment, allowing the $4.7 million of customer bad debt write-off from a Korean steamship line to be added back for the purpose of calculating EBITDAM at September 30, 2001. All other provisions of the existing credit facility remained unchanged. The Company was in compliance with the amended financial covenants that were effective as of September 30, 2001.

The Company maintains $50.0 million of private placement debt (the "Notes"). These Notes are unsecured and have an eight-year average life. Interest is paid quarterly. These Notes mature on June 25, 2009, with annual payments of $10.0 million commencing on June 25, 2005.

On March 30, 2001, the Company executed an amendment to the Notes. This amendment modifies the definition of EBITDAM slightly, extending the date for adding back certain non-cash charges. Effective September 30, 2001, the Company executed an additional amendment, allowing the $4.7 million of customer bad debt write-off from a Korean steamship line to be added back for the purpose of calculating EBITDAM at September 30, 2001. All other provisions of the Notes agreement remained unchanged. The Company was in compliance with the amended financial covenants that were effective as of September 30, 2001.

RECENT ACCOUNTING PRONOUNCEMENTS

On June 30, 2001, the Financial Accounting Standards Board ("FASB") issued Statement No. 141, "Business Combinations"("Statement 141"). Under Statement 141, all business combinations initiated after June 30, 2001 must be accounted for using the purchase method of accounting. Use of the pooling-of-interests method will be prohibited. Additionally, Statement 141 requires that certain intangible assets that can be identified and named be recognized as assets apart from goodwill. Statement 141 is effective for all business combinations initiated after June 30, 2001.

On June 30, 2001, the FASB issued Statement No. 142, "Goodwill and Other Intangible Assets" ("Statement 142"). Under Statement 142, goodwill and intangible assets that have indefinite useful lives will not be amortized but rather will be tested at least annually for impairment. Intangible assets that have finite useful lives will continue to be amortized over their useful lives. The Company will adopt Statement 142 as of January 1, 2002 for goodwill and other intangible assets acquired prior to June 30, 2001. As of September 30, 2001, goodwill, net of accumulated amortization, was $209.6 million and amortization expense for the nine months ended September 30, 2001 was $4.3 million. Except as set forth in Outlook, Risks and Uncertainties - Amortization of Goodwill, the Company has not yet fully determined the impact that Statement 142 will have on the Company's financial condition or results of operations.

In August 2001, the FASB issued Statement No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("Statement 144") which supercedes Statement No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." Statement 144 created one accounting model for long-lived assets to be disposed of by sale that applies to all long-lived assets, including discontinued operations, and replaces the provisions of Accounting Principles Board Opinion No. 30, "Reporting Results of Operations--Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual, and Infrequently Occurring Events and Transactions", for the disposal of segments of a business. Statement 144 requires that those long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reporting in continuing operations or in discontinued operations. The provisions of Statement 144 are effective for financial statements issued for fiscal years beginning after December 15, 2001 and, generally, are to be applied prospectively. The Company does not expect this statement to have a material impact on its statements of financial condition or results of operations.

OUTLOOK, RISKS AND UNCERTAINTIES

Except for historical data, the information contained in this Quarterly Report constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are inherently uncertain and subject to risks. Such statements should be viewed with caution. Actual results or experience could differ materially from the forward-looking statements as a result of many factors. Forward-looking statements in this report include, but are not limited to, those contained in this "Outlook, Risks and Uncertainties" section regarding expectations, hopes, beliefs, estimates, intentions or strategies regarding the future. The Company assumes no liability to update any such forward-looking statements. In addition to those mentioned elsewhere in this section, such risks and uncertainties include the impact of competitive pressures in the marketplace, including the entry of new, web-based competitors and direct marketing efforts by the railroads, the degree and rate of market growth in the intermodal, brokerage and logistics markets served by the Company, changes in rail and truck capacity, further consolidation of rail carriers, deterioration in relationships with existing rail carriers, rail service conditions, changes in governmental regulation, adverse weather conditions, fuel shortages, changes in the cost of services from rail, drayage and other vendors and fluctuations in interest rates.

AMORTIZATION OF GOODWILL

The Company will adopt FASB Statement 142 as of January 1, 2002. As a result of this new standard, goodwill and intangible assets that have indefinite useful lives will not be amortized but rather will be tested at least annually for impairment. In conjunction with Statement 142, the Company will cease amortizing its goodwill, which the Company expects will result in approximately $5.7 million of reduced amortization expense on an annual basis beginning in 2002. The Company will also, at a minimum, test annually for impairment. Should the Company determine that its goodwill is impaired in the context of Statement 142, the goodwill will be adjusted to reflect its fair value and a corresponding charge to earnings would result.

LIQUIDITY AND CAPITAL RESOURCES

The Company believes that cash to be provided by operations, cash available under its line of credit and the Company's ability to obtain additional credit will be sufficient to meet the Company's short-term working capital and capital expenditure needs. The Company believes that the aforementioned items are sufficient to meet its anticipated long-term working capital, capital expenditure and debt repayment needs.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risk related to changes in interest rates which may adversely affect its results of operations and financial condition. The Company seeks to minimize the risk from interest rate volatility through its regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. The Company does not use financial instruments for trading purposes.

The Company has both fixed and variable rate debt as described in Note 8 of the Company's Form 10-K filed for the year ended December 31, 2000. The Company has entered into an interest rate swap agreement designated as a hedge on a portion of the Company's variable rate debt. The purpose of the swap is to fix the interest rate on a portion of the variable rate debt and reduce certain exposures to interest rate fluctuations. At September 30, 2001, the Company had an interest rate swap with a notional amount of $25.0 million, a weighted average pay rate of 7.87%, a weighted average receive rate of 4.84% and a maturity date of September 30, 2002. This swap agreement involves the exchange of amounts based on the variable interest rate for amounts based on the fixed interest rate over the life of the agreement, without an exchange of the notional amount upon which the payments are based. The differential to be paid or received as interest rates change is accrued and recognized as an adjustment of interest expense related to the debt.

The main objective of interest rate risk management is to reduce the total funding cost to the Company and to alter the interest rate exposure to the desired risk profile.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

A list of exhibits included as part of this Report is set forth in the Exhibit Index appearing elsewhere herein by this reference.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly authorized this report to be signed on its behalf by the undersigned thereunto duly authorized.

HUB GROUP, INC.

DATE: November 13, 2001

/S/ JAY E. PARKER

Jay E. Parker
Vice President-Finance and
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit No.	
10.18	Amendment to $100 million Credit Agreement among the Registrant, Hub City Terminals, Inc. and Harris Trust and Savings Bank effective as of September 30, 2001.
10.19	Amendment to $50 million Note Purchase Agreement among the Registrant, Hub City Terminals, Inc. and various purchasers effective as of September 30, 2001.

HUB GROUP, INC.
HUB CITY TERMINALS, INC.
AMENDMENT TO CREDIT AGREEMENT

Harris Trust and Savings Bank
Chicago, Illinois

LaSalle Bank National Association
Chicago, Illinois

U.S. Bank National Association
Des Plaines, Illinois

National City Bank
Cleveland, Ohio

Firstar Bank, N.A.
Milwaukee, Wisconsin

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement dated as of April 30, 1999 (the "CREDIT AGREEMENT"), as amended and currently in effect, by and among Hub Group, Inc. (the "PUBLIC HUB COMPANY"), Hub City Terminals, Inc. for itself and as successor by merger to Hub Holdings, Inc. ("HUB CHICAGO"; together with the Public Hub Company, the "Borrowers") and you (the "LENDERS"). All capitalized terms used herein without definition shall have the same meanings herein as such terms have in the Credit Agreement.

The Borrowers have requested that the Lenders make certain amendments to the Credit Agreement, and the Lenders are willing to do so under the terms and conditions set forth in this amendment (herein, the "AMENDMENT").

1. AMENDMENT.

Subject to the satisfaction of the conditions precedent set forth in Section 2 below, the definition of "EDITDAM" appearing in Section 4.1 of the Credit Agreement shall be amended (effective as of September 30, 2001) and as so amended shall be restated in its entirety to read as follows:

> ""EBITDAM" means, with reference to any period, Net Income for such period plus all amounts deducted in arriving at such Net Income amount in respect of (i) Interest Expense for such period, PLUS (ii) taxes (including federal, state and local income taxes) for such period, PLUS (iii) all amounts properly charged for depreciation and amortization during such period on the books of the Hub Group, PLUS (iv) any deduction for Minority Interest during such period, PLUS (v) if such period includes the fiscal quarters of the Public Hub Company ending on December 31, 2000 or March 31, 2001, non-cash charges during such quarters on the books of the Hub Group in accordance with GAAP aggregating up to $5,100,000 (for both such quarters taken together), PLUS (vi) all other non-cash charges during such period on the books of the Hub Group in accordance with GAAP to the extent the aggregate amount of such other non-cash charges do not exceed $2,500,000 during any period of four consecutive fiscal quarters of the Public Hub Company (prorated appropriately downward (or upward) for any shorter (or longer) period); PLUS (vii) if such period includes the fiscal quarters of the Public Hub Company ending on December 31, 2000, March 31, 2001 or June 30, 2001, severance payments made during such quarters aggregating up to $1,200,000 (for all such quarters taken together); PLUS (viii) if such period includes the fiscal quarters of the Public Hub Company ending on March 31, 2001, June 30, 2001, September 30, 2001 or December 31, 2001, severance payments (in addition to those accounted for in clause (vii) above) made during such quarters aggregating up to $600,000 (for all four such quarters taken together), PLUS (ix) if such period includes the fiscal quarter of the Public Hub Company ending on September 30, 2001, the write-off of the receivable due from Cho Yang Shipping Co., Ltd. during such quarter on the books of the Hub Group in an amount not in excess of $4,740,000."

2. CONDITIONS PRECEDENT.

The effectiveness of the amendments made in Section 1 of this Amendment is subject to the satisfaction of all of the following conditions precedent:

2.01. The Borrowers, the Guarantors and the Required Lenders shall have executed and delivered this Amendment.

2.02. The Senior Note Offering shall have been modified by written instrument (the "SENIOR NOTE AMENDMENT") in form and substance reasonably satisfactory to the Agent and Required Lenders to effect a modification of the terms and conditions thereof such that the same are no more burdensome on the Borrowers than the corresponding provisions of the Credit Agreement after giving effect to the modifications contemplated by this Amendment.

2.03. After giving effect to this Amendment, no Default or Event of Default (other than amended hereby) shall have occurred and be continuing as of the date this Amendment would otherwise take effect.

2.04. Legal matters incident to the execution and delivery of this

Amendment and the Senior Note Amendment shall be reasonably satisfactory to the Agent and its counsel.

Upon the satisfaction of the foregoing conditions precedent, this Amendment shall become effective as of September 30, 2001.

3. AMENDMENT FEE.

In consideration of the Lenders' agreements in this Amendment, the Borrowers shall pay to the Agent for the ratable benefit of the Lenders (in accordance with their respective Percentages) which have executed and delivered a counterpart of this Amendment to the Agent no later than 5:00 p.m. (Chicago time) on November 8, 2001 an amendment fee in an amount equal to 0.2% of such executing Lenders' Commitments (the "AMENDMENT FEE"), such Amendment Fee to be fully earned and due and payable to such executing Lenders upon such Lenders' execution of this Amendment.

4. REPRESENTATIONS.

In order to induce the Lenders to execute and deliver this Amendment, the Borrowers hereby represent to the Lenders that as of the date hereof, the representations and warranties set forth in Section 5 of the Credit Agreement are and remain true and correct in all material respects (except to the extent the same expressly relate to an earlier date and except that for purposes of this paragraph the representations contained in Section 5.5 shall be deemed to refer to the most recent financial statements of the Public Hub Company delivered to the Lenders) and the Borrowers are in full compliance with all of the terms and conditions of the Credit Agreement after giving effect to this Amendment and no Default or Event of Default has occurred and is continuing under the Credit Agreement or shall result after giving effect to this Amendment.

5. MISCELLANEOUS.

5.01. Each Borrower and each Guarantor acknowledges and agrees that, except as modified by this Amendment, all of the Loan Documents to which it is a party remain in full force and effect for the benefit and security of, among other things, the Obligations. Each Borrower and each Guarantor further agrees to execute and deliver any and all instruments or documents as may be reasonably required by the Agent or the Required Lenders to confirm any of the foregoing.

5.02. Except as specifically amended hereby, the Credit Agreement shall continue in full force and effect in accordance with its original terms. Reference to this specific Amendment need not be made in the Credit Agreement, the Notes, or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Credit Agreement, any reference in any of such items to the Credit Agreement being sufficient to refer to the Credit Agreement as specifically amended hereby.

5.03. This Amendment may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Amendment by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. This Amendment shall be governed by the internal laws of the State of Illinois.

5.04. The Borrowers agree to pay, jointly and severally, all reasonable out-of-pocket costs and expenses incurred by the Agent in connection with the preparation, execution and delivery of this Amendment and the documents and transactions contemplated hereby, including the reasonable fees and expenses of counsel for the Agent with respect to the foregoing.

Dated as of November 8, 2001.

HUB GROUP, INC., a Borrower
HUB CITY TERMINALS, INC., a Borrower

By
David P. Yeager
Chief Executive Officer for each of the above
Companies

GUARANTORS' CONSENT

The undersigned heretofore executed and delivered to the Lenders the Guaranty Agreement. The undersigned hereby consent to the Amendment to the Credit Agreement as set forth above and confirm that the Guaranty Agreement and all of the obligations of the undersigned thereunder remain in full force and effect. The undersigned further agree that their consent to any further amendments to the Credit Agreement shall not be required as a result of this consent having been obtained, except to the extent, if any, required by the Guaranty Agreement. Without limiting the generality of the foregoing, each of the undersigned limited liability companies (other than HLX Company, L.L.C., Quality Services, L.L.C., Quality Services of Kansas, L.L.C., Quality Services of New Jersey, L.L.C, Q.S. of Illinois, L.L.C., Q.S. of Georgia, L.L.C. and Hub Group Transport, LLC) acknowledge and agree that it (i) was previously organized as and is the same entity as the limited partnership listed in the parenthesis next to its name below and that executed the Guaranty Agreement and (ii) is liable on the Guaranty Agreement to the same extent, and with the same force and effect, as if it had originally executed the Guaranty Agreement in the place and stead of its respective converting limited partnership.

HUB CHICAGO HOLDINGS, INC., a Guarantor

By
David P. Yeager
Chief Executive Officer for each of the above Companies

HLX COMPANY, L.L.C., a Guarantor

By
David P. Yeager
Vice Chairman and Chief Executive Officer

QSSC, INC.
QUALITY SERVICES, L.L.C.,
QUALITY SERVICES OF KANSAS, L.L.C.
QUALITY SERVICES OF NEW JERSEY, L.L.C.
Q.S. OF ILLINOIS, L.L.C.
Q.S. OF GEORGIA, L.L.C.

By

David P. Yeager
Chief Executive Officer for each of the
above Guarantors

HUB GROUP ALABAMA, LLC (formerly
known as Hub City Alabama, L.P.)
HUB GROUP ATLANTA, LLC (formerly
known as Hub City Atlanta, L.P.)
HUB GROUP BOSTON, LLC (formerly
known as Hub City Boston, L.P.)
HUB GROUP CANADA, L.P.
HUB GROUP CLEVELAND, LLC (formerly
known as Hub City Cleveland, L.P.)
HUB GROUP DETROIT, LLC (formerly
known as Hub City Detroit, L.P.)
HUB GROUP FLORIDA, LLC (formerly
known as Hub City Florida, L.P.)
HUB GROUP GOLDEN GATE, LLC (formerly
known as Hub City Golden Gate,L.P.)
HUB GROUP INDIANAPOLIS, LLC (formerly
known as Hub City Indianapolis, L.P.)
HUB GROUP KANSAS CITY, LLC (formerly
known as Hub City Kansas City, L.P.)
HUB GROUP LOS ANGELES, LLC (formerly
known as Hub City Los Angeles, L.P.)
HUB GROUP MID ATLANTIC, LLC (formerly
known as Hub City Mid Atlantic, L.P.)
HUB GROUP NEW ORLEANS, LLC (formerly
known as Hub City New Orleans, L.P.)
HUB GROUP NEW YORK STATE, LLC (formerly
known as Hub City New York State, L.P.)
HUB GROUP NEW YORK-NEW JERSEY, LLC
(formerly known as Hub City New
York-New Jersey, L.P.)
HUB GROUP NORTH CENTRAL, LLC (formerly
known as Hub City North Central, L.P.)
HUB GROUP OHIO, LLC (formerly known as
Hub City Ohio, L.P.)
HUB GROUP PHILADELPHIA, LLC (formerly
known as Hub City Philadelphia, L.P.)
HUB GROUP PITTSBURGH, LLC (formerly known
as Hub City Pittsburgh, L.P.)
HUB GROUP PORTLAND, LLC (formerly known
as Hub City Portland, L.P.)
HUB GROUP ST. LOUIS, LLC (formerly known
as Hub City St. Louis, L.P.)
HUB GROUP TENNESSEE, LLC (formerly known
as Hub City Tennessee, L.P.)

HUB CITY TEXAS, L.P.
HUB GROUP TRANSPORT, LLC

By

David P. Yeager
Chief Executive Officer for each of
the above Guarantors

Accepted and agreed to as of the date and year last above written.

HARRIS TRUST AND SAVINGS BANK

By
Name:____
Title:_______________________________________

U.S. BANK NATIONAL ASSOCIATION

By
Name:____
Title:_______________________________________

FIRSTAR BANK, N.A.

By
Name:____
Title:_______________________________________

LASALLE BANK NATIONAL ASSOCIATION

By
Name:____
Title:_______________________________________

NATIONAL CITY BANK

By
Name:____
Title:_______________________________________

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HUB GROUP, INC.

and

HUB CITY TERMINALS, INC.

THIRD AMENDMENT
Dated as of November 8, 2001

to

NOTE PURCHASE AGREEMENTS
Dated as of June 15, 1999

Re: $50,000,000 8.64% Senior Notes
Due June 25, 2009

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THIRD AMENDMENT TO NOTE PURCHASE AGREEMENTS

THIS THIRD AMENDMENT dated as of November 8, 2001 (the or this "THIRD AMENDMENT") to the Note Purchase Agreements each dated as of June 15, 1999, as amended by the First Amendment to Note Purchase Agreements dated as of February 26, 2001 and the Second Amendment to Note Purchase Agreements dated as of March 30, 2001, is between HUB GROUP, INC., a Delaware corporation ("PUBLIC HUB COMPANY"), HUB CITY TERMINALS, INC., a Delaware corporation, for itself and as successor by merger to Hub Holdings, Inc. ("HUB CHICAGO"; Public Hub Company and Hub Chicago being individually referred to herein as an "OBLIGOR" and collectively as the "OBLIGORS"), and each of the institutions which is a signatory to this Third Amendment (collectively, the "NOTEHOLDERS").

RECITALS:

A. The Obligors and each of the Noteholders have heretofore entered into separate and several Note Purchase Agreements each dated as of June 15, 1999 (as amended by the First Amendment to Note Purchase Agreements dated as of February 26, 2001 and the Second Amendment to Note Purchase Agreements dated as of March 30, 2001, collectively, the "NOTE PURCHASE AGREEMENTS"). The Obligors have heretofore issued the $50,000,000 8.64% Senior Notes Due June 25, 2009 (the "NOTES") dated June 25, 2000 pursuant to the Note Purchase Agreements.

B. The Obligors and the Noteholders now desire to amend the Note Purchase Agreements in the respects, but only in the respects, hereinafter set forth.

C. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Note Purchase Agreements unless herein defined or the context shall otherwise require.

D. All requirements of law have been fully complied with and all other acts and things necessary to make this Third Amendment a valid, legal and binding instrument according to its terms for the purposes herein expressed have been done or performed.

NOW, THEREFORE, upon the full and complete satisfaction of the conditions precedent to the effectiveness of this Third Amendment set forth in SECTION 3.1 hereof, and in consideration of good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Obligors and the Noteholders do hereby agree as follows:

SECTION 1. AMENDMENTS.

SECTION 1.1. The definition of "CONSOLIDATED EBITDA" appearing in Schedule B to the Note Purchase Agreements shall be amended and restated in its entirety to read as follows:

"CONSOLIDATED EBITDA" for any period means the sum of (a) Consolidated Net Income during such period PLUS (to the extent deducted in determining Consolidated Net Income), (b) all provisions for any Federal, state or local income taxes made by the Public Hub Company and the Restricted Subsidiaries during such period, (c) all provisions for depreciation and amortization (other than amortization of debt discount) made by the Public Hub Company and the Restricted Subsidiaries during such period, (d) Consolidated Interest Expense during such period, (e) Minority Interest Expense, (f) if such period includes the fiscal quarters of the Public Hub Company ending on December 31, 2000 or March 31, 2001, non-cash charges during such quarters on the books of the Public Hub Company and its Restricted Subsidiaries in accordance with GAAP aggregating up to $5,100,000 (for both such quarters taken together), (g) all other non-cash charges during such period on the books of the Public Hub Company and its Restricted Subsidiaries in accordance with GAAP to the extent the aggregate amount of such other non-cash charges do not exceed $2,500,000 during any period of four consecutive fiscal quarters of the Public Hub Company (prorated appropriately downward (or upward) for any shorter (or longer) period), (h) if such period includes the fiscal quarters of the Public Hub Company ending on December 31, 2000 March 31, 2001 or June 30, 2001, severance payments made during such quarters aggregating up to $1,200,000 (for all such quarters taken together), (i) if such period includes the fiscal quarters of the Public Hub Company ending on March 31, 2001, June 30, 2001, September 30, 2001 or December 31, 2001, severance payments (in addition to those accounted for in clause (h) above) made during such quarters aggregating up to $600,000 (for all four such quarters taken together) and (j) if such period includes the fiscal quarter of the Public Hub Company ending on September 30, 2001, the write-off of the receivable due from Cho Yang Shipping Co., Ltd. during such quarter on the books of the Public Hub Company and its Restricted Subsidiaries in an amount not in excess of $4,740,000. For purposes of calculations under SECTION 10.3, Consolidated EBITDA shall be adjusted for the period in respect of which any such calculation is being made to give effect to (i) the audited "EBITDA" (determined in a manner consistent with the definition of "Consolidated EBITDA" contained in this Agreement) of any business entity acquired by the Public Hub Company or any Restricted Subsidiary (the "ACQUIRED BUSINESS") and (ii) all Debt incurred by the Public Hub Company or any Restricted Subsidiary in connection with such acquisition, and shall be computed as if the Acquired Business had been a Restricted Subsidiary throughout the period and all Debt incurred in connection with such acquisition had been incurred at the beginning of such period in respect of which such calculation is being made. Without limiting the foregoing, Consolidated EBITDA shall also be adjusted for the period in respect of which any such calculation is being made to eliminate (1) the audited "EBITDA" of any Subsidiary or other property or assets disposed of by the Public Hub Company or any Restricted Subsidiary (the "TRANSFERRED BUSINESS") and (2) Debt relating to such Subsidiary, property or assets, as the case may be, and shall be computed as if the Transferred Business had been transferred at the beginning of such period in respect of which such calculation is being made. In the case of any business entity acquired during the twelve calendar month period immediately preceding the date of any determination hereunder whose financial records are not, and are not required to be in accordance with applicable laws, rules and regulations, audited by the Public Hub Company's independent public accountants at the time of the acquisition thereof, the Public Hub Company shall base such determination upon the Public Hub Company's internally audited net earnings of such business entity for the immediately preceding fiscal year or the net earnings of such business entity as audited by such business entity's independent auditors for the immediately preceding fiscal year.

SECTION 1.2. The definition of "CONSOLIDATED EBITDAR" appearing in Schedule B to the Note Purchase Agreements shall be amended and restated in its entirety to read as follows:

"CONSOLIDATED EBITDAR" for any period means the sum of (a) Consolidated Net Income during such period, PLUS (to the extent deducted in determining Consolidated Net Income) (b) all provisions for any Federal, state or local income taxes made by the Public Hub Company and the Restricted Subsidiaries during such period, (c) all provisions for depreciation and amortization (other than amortization of debt discount) made by the Public Hub Company and the Restricted Subsidiaries during such period, (d) Consolidated Interest Expense during such period, (e) all Rentals (other than Rentals on Capital Leases) payable during such period by the Public Hub Company and the Restricted Subsidiaries, (f) Minority Interest Expense, (g) if such period includes the fiscal quarters of the Public Hub Company ending on December 31, 2000 or March 31, 2001, non-cash charges during such quarters on the books of the Public Hub Company and its Restricted Subsidiaries in accordance with GAAP aggregating up to $5,100,000 (for both such quarters taken together), (h) all other non-cash charges during such period on the books of the Public Hub Company and its Restricted Subsidiaries in accordance with GAAP to the extent the aggregate amount of such other non-cash charges do not exceed $2,500,000 during any period of four consecutive fiscal quarters of the Public Hub Company (prorated appropriately downward (or upward) for any shorter (or longer) period), (i) if such period includes the fiscal quarters of the Public Hub Company ending on December 31, 2000 or March 31, 2001 or June 30, 2001, severance payments made during such quarters aggregating up to $1,200,000 (for all such quarters taken together), (j) if such period includes the fiscal quarters of the Public Hub Company ending on March 31, 2001, June 30, 2001, September 30, 2001 or December 31, 2001, severance payments (in addition to those accounted for in clause (i) above) made during such quarters aggregating up to $600,000 (for all four such quarters taken together) and (k) if such period includes the fiscal quarter of the Public Hub Company ending on September 30, 2001, the write-off of the receivable due from Cho Yang Shipping Co., Ltd. during such quarter on the books of the Public Hub Company and its Restricted Subsidiaries in an amount not in excess of $4,740,000. Consolidated EBITDAR shall not be adjusted to take into account earnings or interest of an Acquired Business that were earned or accrued prior to its becoming an Acquired Business.

SECTION 2. REPRESENTATIONS AND WARRANTIES OF THE OBLIGORS.

SECTION 2.1. To induce the Noteholders to execute and deliver this Third Amendment (which representations shall survive the execution and delivery of this Third Amendment), the Obligors, jointly and severally, represent and warrant to the Noteholders that:

(a) this Third Amendment has been duly authorized, executed and delivered by each Obligor and this Third Amendment constitutes the legal, valid and binding obligation, contract and agreement of each Obligor enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally;

(b) the Note Purchase Agreements, as amended by this Third Amendment, constitute the legal, valid and binding obligations, contracts and agreements of the Obligors enforceable against them in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally;

(c) the execution, delivery and performance by the Obligors of this Third Amendment (i) has been duly authorized by all requisite corporate action and, if required, shareholder action, (ii) does not require the consent or approval of any governmental or regulatory body or agency, and (iii) will not (A) violate (1) any provision of law, statute, rule or regulation or its certificate of incorporation or bylaws, (2) any order of any court or any rule, regulation or order of any other agency or government binding upon it, or (3) any provision of any material indenture, agreement or other instrument to which any Obligor is a party or by which any Obligor's properties or assets are or may be bound, including, without limitation, the Credit Agreement dated as of April 30, 1999, among the Obligors, the Lenders party thereto and Harris Trust and Savings Bank, individually and as Agent, and all amendments, supplements and modifications thereto, or (B) result in a breach or constitute (alone or with due notice or lapse of time or both) a default under any indenture, agreement or other instrument referred to in CLAUSE (III)(A)(3) of this SECTION 2.1(C);

(d) as of the date hereof and after giving effect to this Third Amendment, no Default or Event of Default has occurred which is continuing;

(e) all the representations and warranties contained in Section 5 of the Note Purchase Agreements (other than those contained in Sections 5.3, 5.4(a), 5.4(b) and 5.9) are true and correct in all material respects with the same force and effect as if made by the Obligors on and as of the date hereof (other than any representation and warranty that expressly relates to a specified earlier date, which was true and correct in all material respects as of such date); PROVIDED, THAT, notwithstanding any reference in Sections 5.4(c) and 5.4(d) of the Note Purchase Agreements to the Restricted Subsidiaries listed on Schedule 5.4 to the Note Purchase Agreements, the representations and warranties hereby made by the Obligors with reference to Sections 5.4(c) and 5.4(d) of the Note Purchase Agreements shall relate to the Restricted Subsidiaries existing on the date hereof;

(f) the statements and information furnished to the Noteholders in connection with the negotiation of this Amendment do not, taken as a whole, and other than financial projections or forecasts, contain any untrue statements of a material fact or omit a material fact necessary to make the material statements contained herein or therein not misleading, the Noteholders acknowledging that as to any projections furnished to the Noteholders, the Obligors and the Constituent Company Guarantors only represent that the same were prepared on the basis of information and estimates the Obligors believed to be reasonable; and

(g) all tax returns with respect to any income tax or other material tax required to be filed by the Obligors and the Restricted Subsidiaries in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees and other governmental charges upon the Obligors or the Restricted Subsidiaries or upon any of their respective properties, income or franchises, which are shown to be due and payable in such returns, have been paid. The Obligors do not know of any proposed additional tax assessment against the Obligors or any Restricted Subsidiary for which adequate provision in accordance with GAAP has not been made. Adequate provisions in accordance with GAAP for taxes on the books of the Obligors and each Restricted Subsidiary have been made for all open years, and for its current fiscal period.

SECTION 3. CONDITIONS TO EFFECTIVENESS OF THIS THIRD AMENDMENT.

SECTION 3.1. This Third Amendment shall not become effective until, and shall become effective when, each and every one of the following conditions shall have been satisfied:

(a) executed counterparts of this Third Amendment, duly executed by the Obligors and the holders of at least 51% of the outstanding principal of the Notes, shall have been delivered to the Noteholders;

(b) the Noteholders shall have received a copy of the resolutions of the Board of Directors of each Obligor authorizing the execution, delivery and performance by such Obligor of this Third Amendment, certified by such Obligor's Secretary or an Assistant Secretary;

(c) the representations and warranties of the Obligors set forth in SECTION 2 hereof are true and correct on and with respect to the date hereof;

(d) the Noteholders party to this Third Amendment shall have received an amendment fee in an amount equal to 0.20% times the aggregate outstanding principal amount of the Notes held by such Noteholder; and

(e) the Noteholders shall have received a true, correct and complete copy of the Amendment to the Bank Credit Agreement dated the date hereof.

Upon receipt of all of the foregoing, this Third Amendment shall become effective as of September 30, 2001.

SECTION 4. PAYMENT OF NOTEHOLDERS' COUNSEL FEES AND EXPENSES.

SECTION 4.1. The Obligors agrees to pay upon demand, the reasonable fees and expenses of Chapman and Cutler, counsel to the Noteholders, in connection with the negotiation, preparation, approval, execution and delivery of this Third Amendment.

SECTION 5. MISCELLANEOUS.

SECTION 5.1. This Third Amendment shall be construed in connection with and as part of each of the Note Purchase Agreements, and except as modified and expressly amended by this Third Amendment, all terms, conditions and covenants contained in the Note Purchase Agreements and the Notes are hereby ratified and shall be and remain in full force and effect.

SECTION 5.2. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Third Amendment may refer to the Note Purchase Agreements without making specific reference to this Third Amendment but nevertheless all such references shall include this Third Amendment unless the context otherwise requires.

SECTION 5.3. The descriptive headings of the various Sections or parts of this Third Amendment are for convenience only and shall not affect the meaning or construction of any of the provisions hereof.

SECTION 5.4. THIS THIRD AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH ILLINOIS LAW.

SECTION 5.5. The execution hereof by you shall constitute a contract between us for the uses and purposes hereinabove set forth, and this Third Amendment may be executed in any number of counterparts, each executed counterpart constituting an original, but all together only one agreement.

[Signature Pages Begin on Next Page]

IN WITNESS WHEREOF, the Obligors and the Noteholders have caused this instrument to be executed as of November 8, 2001.

HUB GROUP, INC.
HUB CITY TERMINALS, INC.

By ______________________________________
David P. Yeager
Chief Executive Officer for each of the above Companies

Consented, Accepted and Agreed
as of November 8, 2001

HUB CHICAGO HOLDINGS, INC., a Constituent Company Guarantor

By ______________________________________
David P. Yeager
Chief Executive Officer for each of the above Companies

HLX COMPANY, L.L.C., a Constituent Company Guarantor

By ______________________________________
David P. Yeager
Vice Chairman and Chief Executive Officer

QSSC, INC.
QUALITY SERVICES, L.L.C.,
QUALITY SERVICES OF KANSAS, L.L.C.
QUALITY SERVICES OF NEW JERSEY, L.L.C.
Q.S. OF ILLINOIS, L.L.C.
Q.S. OF GEORGIA, L.L.C.

By ______________________________________
David P. Yeager
Chief Executive Officer for each of the above Constituent Company Guarantors

HUB GROUP ALABAMA, LLC (formerly known as
Hub City Alabama, L.P.)
HUB GROUP ATLANTA, LLC (formerly known as
Hub City Atlanta, L.P.)
HUB GROUP BOSTON, LLC (formerly known as
Hub City Boston, L.P.)
HUB GROUP CANADA, L.P.
HUB GROUP CLEVELAND, LLC (formerly known
as Hub City Cleveland, L.P.)
HUB GROUP DETROIT, LLC (formerly known as
Hub City Detroit, L.P.)
HUB GROUP FLORIDA, LLC (formerly known as
Hub City Florida, L.P.)
HUB GROUP GOLDEN GATE, LLC (formerly
known as Hub City Golden Gate, L.P.)
HUB GROUP INDIANAPOLIS, LLC (formerly
known as Hub City Indianapolis, L.P.)
HUB GROUP KANSAS CITY, LLC (formerly
known as Hub City Kansas City, L.P.)
HUB GROUP LOS ANGELES, LLC (formerly
known as Hub City Los Angeles, L.P.)
HUB GROUP MID ATLANTIC, LLC (formerly
known as Hub City Mid Atlantic, L.P.)
HUB GROUP NEW ORLEANS, LLC (formerly
known as Hub City New Orleans, L.P.)
HUB GROUP NEW YORK STATE, LLC (formerly
known as Hub City New York State, L.P.)
HUB GROUP NEW YORK-NEW JERSEY, LLC
(formerly known as Hub City New
York-New Jersey, L.P.)
HUB GROUP NORTH CENTRAL, LLC (formerly
known as Hub City North Central, L.P.)
HUB GROUP OHIO, LLC (formerly known as
Hub City Ohio, L.P.)
HUB GROUP PHILADELPHIA, LLC (formerly
known as Hub City Philadelphia, L.P.)
HUB GROUP PITTSBURGH, LLC (formerly known
as Hub City Pittsburgh, L.P.)
HUB GROUP PORTLAND, LLC (formerly known
as Hub City Portland, L.P.)
HUB GROUP ST. LOUIS, LLC (formerly known
as Hub City St. Louis, L.P.)
HUB GROUP TENNESSEE, LLC (formerly known
as Hub City Tennessee, L.P.)
HUB CITY TEXAS, L.P.
HUB GROUP TRANSPORT, LLC

By ______________________________________
David P. Yeager
Chief Executive Officer for each of the
above Constituent Company Guarantors

Consented, Accepted and Agreed as of November 8, 2001:

BAYSTATE HEALTH SYSTEM, INC.

By: David L. Babson & Company Inc. as
Investment Adviser

By________________________________
Name:
Title:

Consented, Accepted and Agreed as of November 8, 2001:

C.M. LIFE INSURANCE COMPANY

By: David L. Babson & Company Inc. as
Investment Sub-Adviser

By_________________________________
Name:
Title:

Consented, Accepted and Agreed as of November 8, 2001:

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

By: David L. Babson & Company Inc., as Investment Adviser

By________________________________
Name:
Title:

Consented, Accepted and Agreed as of November 8, 2001:

INVESTORS PARTNER LIFE INSURANCE COMPANY

By____

Name:

Title:

Consented, Accepted and Agreed as of November 8, 2001:

JOHN HANCOCK LIFE INSURANCE COMPANY

By____

Name:

Title:

Consented, Accepted and Agreed as of November 8, 2001:

JOHN HANCOCK VARIABLE LIFE INSURANCE COMPANY

By_______________________________________

Name:

Title:

Consented, Accepted and Agreed as of November 8, 2001:

MELLON BANK, N.A., solely in its capacity as Trustee for the Bell Atlantic Master Trust (as directed by John Hancock Life Insurance Company), and not in its individual capacity

By_____________________________________

Name:

Title:

Consented, Accepted and Agreed as of November 8, 2001:

RELIASTAR LIFE INSURANCE COMPANY

By: ING INVESTMENT MANAGEMENT LLC,
as agent

By______________________________________
Name:
Title:

Consented, Accepted and Agreed as of November 8, 2001:

RELIASTAR LIFE INSURANCE COMPANY OF NEW YORK

By: ING INVESTMENT MANAGEMENT LLC,
as agent

By______________________________________
Name:
Title:

Consented, Accepted and Agreed as of November 8, 2001:

UNITED OF OMAHA LIFE INSURANCE COMPANY

By_____________________________________
Name:
Title: