

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

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

For the quarterly period ended September 30, 1999

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: 0-19582

OLD DOMINION FREIGHT LINE, INC.
(Exact name of registrant as specified in its charter)

VIRGINIA 56-0751714
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

1730 WESTCHESTER DRIVE
HIGH POINT, NC 27262
(Address of principal executive offices)

TELEPHONE NUMBER (336) 889-5000

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 No

As of November 8, 1999, there were 8,312,840 shares of the registrant's Common Stock (\$.10 par value) outstanding.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OLD DOMINION FREIGHT LINE, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	THREE MONTHS ENDED		NINE MONTHS ENDED			
	SEPT. 30, 1999	Sept. 30, 1998	SEPT. 30, 1999	Sept. 30, 1998		
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)					(UNAUDITED)	(Unaudited)
<S>	<C>	<C>	<C>	<C>		
Revenue from operations		\$ 108,527	\$99,266	\$314,068	\$ 283,600	
Operating expenses:						

Salaries, wages and benefits	65,247	59,463	190,569	168,990
Purchased transportation	3,677	3,547	10,323	11,968
Operating supplies and expenses	9,479	7,613	26,060	23,361
Depreciation and amortization	6,317	5,734	18,934	15,551
Building and office equipment rents	1,790	1,853	5,473	5,431
Operating taxes and licenses	4,387	4,365	13,291	12,206
Insurance and claims	2,796	3,105	7,742	8,859
Communications and utilities	1,774	1,757	5,482	5,148
General supplies and expenses	4,044	3,982	12,035	11,545
Miscellaneous expenses	1,159	1,112	3,111	2,939
	-----	-----	-----	-----
Total operating expenses	100,670	92,531	293,020	265,998
	-----	-----	-----	-----
Operating income	7,857	6,735	21,048	17,602
Other deductions:				
Interest expense, net	1,087	1,129	3,177	3,002
Other (income) expense, net	(35)	87	206	263
	-----	-----	-----	-----
Total other deductions	1,052	1,216	3,383	3,265
	-----	-----	-----	-----
Income before income taxes	6,805	5,519	17,665	14,337
Provision for income taxes	2,586	2,097	6,713	5,448
	-----	-----	-----	-----
Net income	\$ 4,219	\$ 3,422	\$ 10,952	\$ 8,889
	=====	=====	=====	=====
Basic and diluted earnings per share:	\$ 0.51	\$ 0.41	\$ 1.32	\$ 1.07
Weighted average shares outstanding:				
Basic	8,312,595	8,312,196	8,312,329	8,311,633
Diluted	8,318,491	8,321,089	8,316,268	8,325,476

</TABLE>

The accompanying notes are an integral part of these financial statements.

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OLD DOMINION FREIGHT LINE, INC.
CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	SEPTEMBER 30, 1999	December 31, 1998	
(IN THOUSANDS, EXCEPT SHARE DATA)		(UNAUDITED)	(Audited)

ASSETS			
Current assets:			
<S>	<C>	<C>	
Cash and cash equivalents	\$ 618	\$ 659	
Customer receivables, less allowances of \$6,229 and \$5,702, respectively	55,325	48,612	
Other receivables	673	2,567	
Tires on equipment	6,352	6,325	
Prepaid expenses	4,686	9,413	
Deferred income taxes	2,213	2,213	
	-----	-----	
Total current assets	69,867	69,789	
Property and equipment:			

Revenue equipment	177,759	172,783
Land and structures	56,860	51,803
Other equipment	34,878	27,739
Leasehold improvements	4,353	4,144
	-----	-----
Total property and equipment	273,850	256,469
Less accumulated depreciation and amortization	(110,572)	(97,471)
	-----	-----
Net property and equipment	163,278	158,998
Other assets	14,615	13,012
	-----	-----
Total assets	<u>\$ 247,760</u>	<u>\$ 241,799</u>

</TABLE>

The accompanying notes are an integral part of these financial statements.

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OLD DOMINION FREIGHT LINE, INC.
CONSOLIDATED BALANCE SHEETS
(CONTINUED)

<TABLE>

<CAPTION>

	SEPTEMBER 30, 1999	December 31, 1998	
(IN THOUSANDS, EXCEPT SHARE DATA)		(UNAUDITED)	(Audited)

LIABILITIES AND STOCKHOLDERS' EQUITY			
<S>	<C>	<C>	
Current liabilities:			
Accounts payable	\$ 15,838	\$ 21,350	
Compensation and benefits	14,675	8,929	
Claims and insurance accruals	12,594	11,961	
Other accrued liabilities	3,524	2,649	
Income taxes payable	529	499	
Current maturities of long-term debt	16,213	9,093	
	-----	-----	
Total current liabilities	63,373	54,481	
Long-term debt	45,705	61,496	
Other non-current liabilities	10,788	9,636	
Deferred income taxes	20,305	19,549	
	-----	-----	
Total long-term liabilities	76,798	90,681	
Stockholders' equity:			
Common stock - \$.10 par value, 25,000,000 shares authorized, 8,312,840 and 8,312,196 shares outstanding, respectively	831	831	
Capital in excess of par value	23,907	23,907	
Retained earnings	82,851	71,899	
	-----	-----	
Total stockholders' equity	107,589	96,637	
Commitments and contingencies	-	-	
	-----	-----	
Total liabilities and stockholders' equity	<u>\$247,760</u>	<u>\$241,799</u>	

</TABLE>

The accompanying notes are an integral part of these financial statements.

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OLD DOMINION FREIGHT LINE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>

<CAPTION>

(IN THOUSANDS)	NINE MONTHS ENDED SEPT. 30,		
	1999	1998 (UNAUDITED)	(Unaudited)
<S>	<C>	<C>	
Cash flows from operating activities:			
Net income	\$ 10,952	\$ 8,889	
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	18,934	15,551	
Deferred income taxes	756	2,724	
Loss on sale of property and equipment	237	3	
Changes in assets and liabilities:			
Customer and other receivables, net	(4,819)	(4,662)	
Tires on equipment	(27)	(244)	
Prepaid expenses and other assets	3,884	2,452	
Accounts payable	(5,512)	487	
Compensation, benefits and other accrued liabilities		6,621	6,140
Claims and insurance accruals	1,241	3,253	
Income taxes payable	30	44	
Other liabilities	544	258	
Net cash provided by operating activities	32,841	34,895	
Cash flows from investing activities:			
Acquisition of business assets, net	(1,100)	(19,299)	
Purchase of property and equipment	(25,885)	(38,871)	
Proceeds from sale of property and equipment	2,774	1,224	
Net cash used by investing activities	(24,211)	(56,946)	
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	-	20,990	
Principal payments under long-term debt agreements	(6,536)	(3,485)	
Net (payments) proceeds on revolving line of credit	(2,135)	4,600	
Proceeds from conversion of stock options	-	16	
Net cash (used in) provided by financing activities	(8,671)	22,121	
(Decrease) increase in cash and cash equivalents	(41)	70	
Cash and cash equivalents at beginning of period	659	674	
Cash and cash equivalents at end of period	\$ 618	\$ 744	

</TABLE>

The accompanying notes are an integral part of these financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF PRESENTATION

The consolidated financial statements are unaudited and reflect all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the financial position and operating results for the interim periods. The consolidated financial statements

should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1998. The results of operations for the quarter ended September 30, 1999, are not necessarily indicative of the results for the entire fiscal year ending December 31, 1999.

There have been no significant changes in the accounting policies of the Company, or significant changes in the Company's commitments and contingencies as previously described in the 1998 Annual Report to Stockholders and related annual report to the Securities and Exchange Commission on Form 10-K.

RECLASSIFICATIONS

Certain amounts in prior years have been reclassified to conform with the current period presentation.

EARNINGS PER SHARE

Net income per share of common stock is based on the weighted average number of shares outstanding during each period.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 1999, COMPARED TO THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 1998

EXPENSES AS A PERCENTAGE OF REVENUE FROM OPERATIONS

<TABLE>

<CAPTION>

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,		
	1999	1998	1999	1998	
<S>	<C>	<C>	<C>	<C>	
Revenue from operations		100.0%	100.0%	100.0%	100.0%
Operating expenses:					
Salaries, wages and benefits		60.1	59.9	60.7	59.6
Purchased transportation		3.4	3.6	3.3	4.2
Operating supplies and expenses		8.7	7.7	8.3	8.2
Depreciation and amortization		5.8	5.8	6.0	5.5
Building and office equipment rents		1.7	1.9	1.8	1.9
Operating taxes and licenses		4.1	4.4	4.2	4.3
Insurance and claims		2.6	3.1	2.5	3.1
Communications and utilities		1.6	1.8	1.7	1.8
General supplies and expenses		3.7	4.0	3.8	4.1
Miscellaneous expenses		1.1	1.0	1.0	1.1
Total operating expenses		92.8	93.2	93.3	93.8
Operating income		7.2	6.8	6.7	6.2
Interest expense, net		1.0	1.2	1.0	1.1
Other expense, net		(0.1)	0.1	0.1	0.1
Income before income taxes		6.3	5.5	5.6	5.0
Provision for income taxes		2.4	2.1	2.1	1.9

Net income	3.9%	3.4%	3.5%	3.1%
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RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 1999, COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 1998

During the third quarter of 1999, the Company had continued success in implementing its strategy to build market share in existing areas of operations, improve revenue yield and improve operating efficiencies. The Company achieved its revenue growth without significant additional investments in property and equipment, which resulted in operating synergies that improved profitability. While implementing similar objectives during the third quarter of 1998, the Company took advantage of consolidation pressures in the industry by acquiring selected assets of Goggin Truck Line Company, Inc., a regional less-than-truckload ("LTL") carrier operating primarily in the southeastern region of the country. This acquisition not only increased market share at existing facilities but also allowed the Company to open eight additional service centers in targeted markets in the southeast.

Net revenue for the third quarter of 1999 was \$108,527,000, an increase of 9.3%, compared to \$99,266,000 for the third quarter of 1998. LTL tonnage increased 5.3% during the quarter while LTL shipments increased 2.4%. Revenue, tonnage and shipment growth for the current quarter were slightly lower than results for the first half of the year and reflect the impact of Hurricane Floyd on the Company's operations along the Atlantic coast in September 1999. Also, the third quarter of 1998 included certain revenue and tonnage secured as a result of the Goggin acquisition that was subsequently identified as unprofitable and was discontinued.

Average revenue per LTL shipment increased 9.2% to \$127.67 in the current quarter from \$116.89 for the same quarter in 1998. This increase was due to a 6.0% increase in LTL revenue per hundredweight to \$11.81 from \$11.14 combined with a 3.1% increase in LTL weight per shipment to 1,081 lbs. from 1,049 lbs. The increase in LTL revenue per hundredweight was a result of the implementation of a general rate increase on the Company's public tariffs on September 13, 1999, and the continuing efforts to improve overall revenue quality by identifying and increasing rates on marginal and unprofitable traffic. The Company's average length of haul decreased .5% to 844 miles per shipment from 848 in the third quarter of 1998. The decrease in average length of haul was a result of higher growth in the Company's regional markets compared to its longer haul inter-regional markets. In the third quarter of 1999, regional traffic accounted for 31% of total revenue compared to 29% in the third quarter of 1998.

Operating expenses as a percentage of net revenue, the operating ratio, decreased to 92.8% for the third quarter of 1999 from 93.2% for the same period of 1998. The Company experienced slight cost reductions in many expense classifications but significant reductions were achieved in insurance and claims expense, which decreased to 2.6% of revenue from 3.1% in the third quarter of 1998. While the operating ratio improved, operating supplies and salaries, wages and benefits, when combined, increased to 68.8% of revenue from 67.6%.

Insurance and claims expense decreased primarily as a result of favorable experience in self-insured auto liability claims to .66% of revenue from 1.1%. This improvement, combined with improvements in self-insured cargo claims, allowed the Company to obtain lower excess premiums for both auto liability and cargo claims to .2% of revenue from .4% in the third quarter of 1998. In addition, general supplies and expenses and operating taxes and licenses, when combined, decreased to 7.8% of net revenue from 8.4% as a result of the Company successfully leveraging its existing assets to provide economies of scale and higher profitability.

While the operating ratio declined, the Company experienced an increase in operating supplies to 8.7% of revenue from 7.7% from the prior year quarter.

Fuel, which is included in operating supplies, increased to 3.9% of revenue from 3.1%. To partially offset that increase, the Company implemented a fuel surcharge during the third quarter of 1999, which was recorded as additional revenue.

The increase in salary, wages and benefits to 60.1% of net revenue from 59.9% was a result of the Company's continuing efforts to replace purchased transportation with Company labor and equipment. By increasing market share and expanding the service center network, the Company can economically justify more direct service to its customers. The increase in salary, wages and benefits was offset by a

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corresponding decrease in purchased transportation to 3.4% of revenue from 3.6% for the third quarter of 1998.

Interest expense was 1.0% of revenue for the third quarter of 1999 compared to 1.2% for the same period of 1998 due to a reduction in average outstanding debt between the comparable quarters.

Net income was \$4,219,000 for the quarter, an increase of 23.3%, compared to \$3,422,000 for the same quarter of the previous year. The effective tax rate was 38.0% for both periods.

NINE MONTHS ENDED SEPTEMBER 30, 1999, COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 1998

Net revenue for the nine months ended September 30, 1999, was \$314,068,000, an increase of 10.7%, compared to \$283,600,000 for the same period of 1998. LTL tonnage increased 7.1% due to a 4.8% increase in LTL shipments and a 2.1% increase in LTL weight per shipment. These increases in revenue and tonnage have been consistent with the Company's growth strategy to increase market share in its existing geographic areas of operations and service center network. This growth strategy was complemented with the acquisition of certain assets of Fredrickson Motor Express, Goggin Truck Line and Skyline Transportation in January 1998, August 1998 and January 1999, respectively. These companies conducted LTL operations primarily in the southeastern United States, an area the Company has served for over 65 years.

Average revenue per LTL shipment for the first nine months of 1999 increased 6.7% to \$125.96 from \$118.08 for the comparable period of 1998. This increase was due to a 4.4% increase in LTL revenue per hundredweight to \$11.69 from \$11.20 and a 2.1% increase in LTL weight per shipment. The increase in LTL revenue per shipment was achieved although the Company's average length of haul decreased 1.3% to 840 miles from 851, a trend that generally lowers revenue per shipment. The reduction in average length of haul is due to the growth of the Company's regional, or shorter haul, business.

Operating expenses as a percentage of net revenue, the operating ratio, in the first nine months of 1999 improved to 93.3% compared with 93.8% for the first nine months of 1998. By focusing on growth within its existing geographic service center network, the Company was able to replace outside purchased transportation with direct service by Company personnel and equipment. As a result, salaries, wages and benefits increased to 60.7% of revenue from 59.6%. A portion of that increase was due to an increase in group health expenses to 3.4% of revenue from 2.8%. Depreciation and amortization expense increased to 6.0% of revenue from 5.5%, primarily due to increases in the Company's equipment fleet and to investments in information systems.

These increased expenses were offset by decreases in purchased transportation and insurance and claims expense, which improved on a combined basis to 5.8% of revenue from 7.3%. Purchased transportation decreased due to a reduction in cartage expense, or outside local pickup and delivery services, to 1.2% of revenue from 2.2%. Revenue growth in existing areas of operation and the opening and operation of eight additional service centers in the third quarter of 1998 allowed the Company to provide more direct service to its customers. The Company intends to continue this trend of reducing purchased transportation, which generally results in improvements in on-time service and profitability.

Insurance and claims expense decreased to 2.5% of revenue from 3.1% due to

reductions in cargo claims, bodily injury and property damage expense. The Company maintains an ongoing focus on cargo claims prevention and provides extensive safety training that resulted in a reduction in claims and accidents in the current year. The Company also self-insures a portion of these claims and limits these liabilities with excess insurance coverage. Due to favorable claims experience, excess insurance rates were reduced by approximately 40% in 1999 over the prior year.

During the first nine months of 1999, the Company also benefited from reductions in general supplies and expenses, building and office equipment rents, operating taxes and licenses, communication and utilities and miscellaneous expenses which as a group were 12.5% of revenue as compared to 13.2% for the previous comparable period. These reductions reflect the strategy of leveraging the Company's assets to provide for more efficient and profitable operations.

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Net interest expense was 1.0% of revenue for the first nine months of 1999 from 1.1% for the comparable period in 1998. This decrease was due to a lower average amount of debt outstanding during the current year.

Net income was \$10,952,000 for the nine months ended September 30, 1999, an increase of 23.2%, compared to \$8,889,000 for the same nine-month period the previous year. The effective tax rate was 38.0% for both periods.

LIQUIDITY AND CAPITAL RESOURCES

Expansion in both the size and number of service center facilities, the planned tractor and trailer replacement cycle and revenue growth have required continued investment in property and equipment. In order to support these requirements, the Company incurred net capital expenditures of \$24,211,000 during the first nine months of 1999. Cash flows generated internally were sufficient to fund 100% of the required capital expenditures through the third quarter of the year. At September 30, 1999, long-term debt including current maturities decreased to \$61,918,000 from \$70,589,000 at December 31, 1998.

The Company estimates capital expenditures to be approximately \$47,000,000 to \$50,000,000 for the year ending December 31, 1999. Of that, approximately \$28,000,000 will be used for purchases of larger replacement service centers or expansion of existing service centers, approximately \$13,000,000 will be used to purchase revenue equipment, approximately \$5,000,000 will be used for investments in technology and the remaining balance will be used to purchase other assets. The Company plans to fund these expenditures through cash flows from operations supplemented by additional borrowings.

The Company maintains a \$32,500,000 uncollateralized credit facility that consists of a \$17,500,000 line of credit commitment and a \$15,000,000 letter of credit commitment. Interest on the line of credit is charged at rates that vary based upon a certain financial performance ratio and the stated period of time that the borrowings are outstanding. The applicable interest rate for the first nine months of 1999 was based upon LIBOR plus .75% for periods of 30-180 days and prime minus 1% for periods less than 30 days. A fee of .25% is charged on the unused portion of the \$32,500,000 line of credit and letter of credit facility, and a fee of .75% is charged on outstanding letters of credit. At September 30, 1999, there were \$6,175,000 outstanding borrowings on the line of credit and \$11,385,000 outstanding on the letter of credit facility. Letters of credit are primarily issued as collateral for self-insured reserves for bodily injury, property damage and workers' compensation claims. The Company believes that it has sufficient credit lines and capacity to meet seasonal and long-term financial needs.

The Company has limited exposure to changes in interest rates from its long-term debt arrangements as approximately 90% of that debt has fixed interest rates. The Company does not currently use interest rate derivative instruments to manage exposure to interest rate changes. Also, the Company is not using any fuel hedging instruments as its tariff provisions generally allow for fuel surcharges to be implemented in the event that fuel prices exceed stipulated levels.

IMPACT OF THE YEAR 2000

Some of the Company's internally generated software, third party software,

information technology ("IT") systems and non-IT systems were written or designed using two digits rather than four to define the applicable year. As a result, that software or system is likely to interpret a date using "00" as the year 1900 rather than the year 2000. This could possibly cause a system failure or miscalculations causing disruptions of operations, including, among other things, a temporary inability to process transactions, send invoices, or engage in normal business activities.

The Company has completed an assessment of its software to ensure that its computer systems will function properly with respect to dates in the year 2000 and thereafter. The Company has successfully completed modifications to all internally generated software and is currently utilizing the modified software in production. The total cost to complete this phase of the year 2000 project was approximately \$500,000. All third party software requiring modification has been identified and those modifications have been successfully completed, tested and placed into production. Each software vendor performed the

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necessary modifications to the third party software for year 2000 compliance and the costs were included in the annual maintenance fees charged to the Company. Actual costs to the Company were minimal.

During 1998, the Company successfully completed modifications to its IT hardware for year 2000 compliance at a cost of approximately \$100,000. Most of this expense was for the replacement of all the Company's older model personal computers. While this hardware was tested to the extent possible and is currently being used in production, failure of one or large groups of these personal computers would not have a critical impact on the Company.

Old Dominion is approximately 95% complete in its evaluation of non-IT systems, such as telephone switches and security systems, to identify systems that require modification. As each system or component is identified, a plan to make appropriate modifications is initiated. The Company believes there is minimal risk in this area, and the cost of these modifications or upgrades, if any, is expected to be less than \$50,000. These evaluations and subsequent modifications to non-IT hardware are scheduled to be completed by November 30, 1999.

The Company is currently 90% complete in its evaluation phase of its major customers and suppliers to determine if they have taken adequate measures to ensure that necessary modifications are made to their software and hardware prior to the year 2000. The completion of the supplier evaluation phase, which is scheduled for November 30, 1999, will determine the actions the Company will take in securing alternate suppliers by year-end 1999. The Company is actively assisting customers in achieving year 2000 compliance in their electronic data interchange applications that are used to communicate with the Company in their normal course of business. If these systems fail, the Company plans to convert to traditional methods of communication such as mail, phone and fax, which it currently uses with the majority of its customer base. In addition, the Company's existing systems could be used to provide customers with freight tracing and documentation requirements if their systems fail. The process of monitoring customers and suppliers for year 2000 compliance may well extend until 2000, as those companies execute their year 2000 plans. The Company's largest customer in 1998 accounted for only 2.8% of revenue; therefore, the Company is not dependent on any one customer. Critical supplies such as fuel and parts are generally available from multiple sources and the Company's physical locations are not dependent on one provider of utilities. However, failure by any large groups of suppliers or customers to make necessary year 2000 modifications could result in a material adverse impact on the Company. The Company has incurred approximately \$20,000 to date in monitoring customer and supplier compliance and expects to incur an additional \$5,000 by year-end 1999.

In order to avoid problems that could arise in the year 2000, all modifications to internally generated software were simulated in a year 2000 test environment and subjected to comprehensive quality standards prior to being placed into production. Similar IT hardware testing, to the extent possible, has been performed. The Company's contingency plan, in the event hardware or software failures occur in early 2000, is to have its internal IT staff and external IT support resources available to address these potential problems as they are identified. The Company believes today that the most likely worst case scenario would involve (1) malfunctions in computer software at the corporate headquarters, (2) temporary disruptions in the delivery of services and products

to the Company, primarily communications, utilities and fuel, and (3) temporary disruptions in payments from customers. The Company expects that these events would result in increased expense and lost revenue, and would adversely affect the Company's cash flow.

The total cost incurred to date for year 2000 compliance is approximately \$620,000 and the Company may incur an additional \$55,000 by year-end 1999.

The cost of the project and the date on which the Company believes it will complete the year 2000 modifications are based on management's best estimates, which were derived utilizing numerous assumptions of future events, including the continued availability of certain resources and other factors. However, there can be no guarantee that these estimates will be achieved and actual results could differ materially from those anticipated. Specific factors that might cause such material differences include, but are not limited to, the availability and cost of personnel trained in this area, the ability to locate and correct all relevant computer code, the ability of the Company's customers and suppliers to address their year 2000 compliance problems and similar uncertainties.

INFLATION

Most of the Company's expenses are affected by inflation, which will generally result in increased costs. During the third quarter and for the nine months ending September 30, 1999, the effect of inflation on the Company's results of operations was minimal.

SEASONALITY

The Company's operations are subject to seasonal trends common in the motor carrier industry. Operating results in the first and fourth quarters are normally lower due to reduced shipments during the winter months. Harsh weather conditions can also adversely impact the Company's performance by reducing demand and increasing operating expenses. The second and third quarters are generally stronger due to increased demand for services during the spring and summer months.

ENVIRONMENTAL

The Company is subject to federal, state and local environmental laws and regulations, particularly relative to underground storage tanks ("UST's"). The Company believes it is in compliance with applicable environmental laws and regulations, including those relating to UST's, and does not believe that the cost of future compliance will have a material adverse effect on the Company's operations or financial condition.

FORWARD-LOOKING INFORMATION

Forward-looking statements in this report, including, without limitation, statements relating to future events or the future financial performance of the Company appear in the preceding Management's Discussion and Analysis of Financial Condition and Results of Operations and in other written and oral statements made by or on behalf of the Company, including, without limitation, statements relating to the Company's goals, strategies, expectations, competitive environment, regulation and availability of resources. Such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual events and results to be materially different from those expressed or implied herein, including, but not limited to, the following: (1) changes in the Company's goals, strategies and expectations, which are subject to change at any time at the discretion of the Company; (2) the Company's ability to maintain a nonunion, qualified work force; (3) the competitive environment with respect to industry capacity and pricing; (4) the availability and cost of fuel, additional revenue equipment, service centers and other significant resources; (5) the impact of regulatory bodies; (6) various economic factors such as insurance costs, liability claims, interest rate fluctuations, the availability of qualified drivers or owner-operators, fluctuations in the resale value of revenue equipment, increases in fuel or energy taxes, economic recessions and downturns in customers' business cycles and shipping requirements; (7) the Company's inability to raise capital or borrow funds on satisfactory terms,

which could limit growth and require the Company to operate its revenue equipment for longer periods of time; (8) the availability and cost of personnel trained in year 2000 compliance issues, the Company's ability to locate and correct relevant IT and non-IT problems and the ability of the Company's customers and suppliers to address their year 2000 compliance problems; and (9) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE OF MARKET RISK

The information called for by this item is provided under the caption "Liquidity and Capital Resources" under Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations.

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PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a) Exhibits:

Exhibit No.	Description
10.9.2	Extension of E & J Enterprises Trailer Lease Agreement, Effective August 1, 1999
27	Financial Data Schedule

b) Reports on Form 8-K: No reports on Form 8-K were filed during the quarter ended September 30, 1999.

SIGNATURES

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

OLD DOMINION FREIGHT LINE, INC.

DATE: November 8, 1999 J. WES FRYE

J. Wes Frye
Sr. V.P. - Finance and Chief Financial Officer
(Principal Financial Officer)

DATE: November 8, 1999 JOHN P. BOOKER III

John P. Booker III
V.P. - Controller (Principal Accounting Officer)

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EXHIBIT 10.9.2

EXTENSION OF E & J ENTERPRISES TRAILER LEASE AGREEMENT

On July 26, 1999, the Board of Directors of Old Dominion Freight Line, Inc. passed a resolution authorizing an extension of the term of the Company's lease for 163 trailers with E & J Enterprises, which expired on July 31, 1999. The new lease agreement, which is not in writing, provides for a lease term of one year, beginning August 1, 1999, at the lease rate in effect at the end of the prior lease (\$33,415 per month). After the one-year term, the new lease remains in effect unless cancelled by either party on six months notice. Otherwise, the terms of the lease are essentially identical to the provisions of the prior lease between the parties, which was filed as Exhibit 10.9.1 in the Company's Annual Report on Form 10-K for the year ended December 31, 1996.

<TABLE> <S> <C>

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<RECEIVABLES>	58,421	56,654	62,227		
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<CURRENT-ASSETS>	67,487	64,184	69,867		
<PP&E>	255,549	266,214	273,850		
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<SALES>	99,346	106,195	108,527		
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<INTEREST-EXPENSE>	1,261	829	1,087		
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