

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 March 31, 2000

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 .
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As of May 9, 2000, 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>

(In thousands, except share data)	QUARTER ENDED	
	MARCH 31, 2000	March 31, 1999
	(UNAUDITED)	(Unaudited)
<S>	<C>	<C>
Revenue from operations	\$ 112,799	\$ 99,346
Operating expenses:		
Salaries, wages and benefits	67,744	60,878
Purchased transportation	4,750	3,319
Operating supplies and expenses	12,497	8,011

Depreciation and amortization	6,455	6,314
Building and office equipment rents	1,909	1,854
Operating taxes and licenses	4,626	4,426
Insurance and claims	2,770	2,548
Communications and utilities	2,100	1,925
General supplies and expenses	4,206	3,755
Miscellaneous expenses	1,019	828
	-----	-----
Total operating expenses	108,076	93,858
	-----	-----
Operating income	4,723	5,488
Other deductions:		
Interest expense, net	899	1,261
Other expense, net	9	245
	-----	-----
Total other deductions	908	1,506
	-----	-----
Income before income taxes	3,815	3,982
Provision for income taxes	1,488	1,513
	-----	-----
Net income	\$ 2,327	\$ 2,469
	=====	=====
Basic and diluted earnings per share	\$ 0.28	\$ 0.30
Weighted average shares outstanding:		
Basic	8,312,840	8,312,196
Diluted	8,316,555	8,315,057

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

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OLD DOMINION FREIGHT LINE, INC.
CONSOLIDATED BALANCE SHEETS

<TABLE>
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	MARCH 31, 2000	December 31, 1999
(In thousands, except share data)	(UNAUDITED)	(Audited)
	-----	-----
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 950	\$ 781
Customer receivables, less allowances of \$6,561 and \$6,495, respectively	58,291	55,077
Other receivables	641	1,067
Tires on equipment	6,144	6,428
Prepaid expenses	6,720	10,631
Deferred income taxes	2,270	2,270
	-----	-----
Total current assets	75,016	76,254
Property and equipment:		
Revenue equipment	179,323	178,301
Land and structures	67,149	68,972
Other equipment	40,161	31,557
Leasehold improvements	4,392	4,381
	-----	-----

Total property and equipment	291,025	283,211
Less accumulated depreciation and amortization	(122,011)	(116,249)
	-----	-----
Net property and equipment	169,014	166,962
Other assets	14,691	14,363
	-----	-----
Total assets	\$ 258,721	\$ 257,579
	=====	=====

</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>

(In thousands, except share data)	MARCH 31, 2000	December 31, 1999
	(UNAUDITED)	(Audited)
	<C>	<C>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 19,164	\$ 22,944
Compensation and benefits	12,446	11,352
Claims and insurance accruals	12,364	12,548
Other accrued liabilities	3,642	2,927
Income taxes payable	1,202	-
Current maturities of long-term debt	24,083	21,811
	-----	-----
Total current liabilities	72,901	71,582
Long-term debt	40,731	43,059
Other non-current liabilities	10,926	11,102
Deferred income taxes	20,798	20,798
	-----	-----
Total long-term liabilities	72,455	74,959
Stockholders' equity:		
Common stock - \$.10 par value, 25,000,000 shares authorized, 8,312,840 outstanding	831	831
Capital in excess of par value	23,907	23,907
Retained earnings	88,627	86,300
	-----	-----
Total stockholders' equity	113,365	111,038
Commitments and contingencies	-	-
	-----	-----
Total liabilities and stockholders' equity	\$ 258,721	\$ 257,579
	=====	=====

</TABLE>

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

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

<TABLE>
<CAPTION>

(In thousands)	QUARTER ENDED MARCH 31,	
	2000 (UNAUDITED)	1999 (Unaudited)
<S>	<C>	<C>
Cash flows from operating activities:		
Net income	\$ 2,327	\$ 2,469
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	6,455	6,314
Deferred income taxes	-	756
Loss (gain) on sale of property and equipment	11	(51)
Changes in assets and liabilities:		
Customer and other receivables, net	(2,788)	(1,603)
Tires on equipment	284	216
Prepaid expenses and other assets	3,473	3,275
Accounts payable	(3,780)	(10,627)
Compensation, benefits and other accrued liabilities	1,809	5,946
Claims and insurance accruals	(453)	446
Income taxes payable	1,202	343
Other liabilities	93	173
Net cash provided by operating activities	8,633	7,657
Cash flows from investing activities:		
Acquisition of business assets, net	-	(1,100)
Purchase of property and equipment	(8,467)	(2,035)
Proceeds from sale of property and equipment	59	854
Net cash used in investing activities	(8,408)	(2,281)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	-	-
Principal payments under long-term debt agreements	(2,431)	(3,062)
Net proceeds (payments) on revolving line of credit	2,375	(2,310)
Net cash used in financing activities	(56)	(5,372)
Increase in cash and cash equivalents	169	4
Cash and cash equivalents at beginning of period	781	659
Cash and cash equivalents at end of period	\$ 950	\$ 663

</TABLE>

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF PRESENTATION

The consolidated interim 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, 1999. The results of operations for the quarter ended March 31, 2000, are not necessarily indicative of the results for the entire fiscal year ending December 31, 2000.

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 1999 Annual Report to Shareholders and related annual report to the Securities and Exchange Commission on Form 10-K.

EARNINGS PER SHARE

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

SUBSEQUENT EVENTS

None

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

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2000 COMPARED TO THE THREE MONTHS ENDED MARCH 31, 1999

EXPENSES AS A PERCENTAGE OF REVENUE FROM OPERATIONS

<TABLE>
<CAPTION>

	THREE MONTHS ENDED MARCH 31,	
	2000	1999
	<C>	<C>
<S> Revenue from operations	100.0%	100.0%
Operating expenses:		
Salaries, wages and benefits	60.1	61.3
Purchased transportation	4.2	3.3
Operating supplies and expenses	11.1	8.1
Depreciation and amortization	5.7	6.3
Building and office equipment rents	1.7	1.9
Operating taxes and licenses	4.1	4.5
Insurance and claims	2.4	2.6
Communications and utilities	1.9	1.9
General supplies and expenses	3.7	3.8
Miscellaneous expenses	.9	.8
Total operating expenses	95.8	94.5
Operating income	4.2	5.5
Interest expense, net	.8	1.3
Other expense, net	-	0.2
Income before income taxes	3.4	4.0
Provision for income taxes	1.3	1.5
Net income	2.1%	2.5%

</TABLE>

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RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 2000 COMPARED TO THREE MONTHS ENDED MARCH 31, 1999

Net revenue for the first quarter of 2000 was \$112,799,000, an increase of 13.5%

from \$99,346,000 for the first quarter of 1999. Less than truckload ("LTL") tonnage increased 6.9% from the prior-year quarter while total tonnage increased 2.3%. Throughout the quarter, the Company continued to implement its strategy to build market share in existing areas of operation, improve revenue yield, enhance operating efficiencies and pursue selected geographic expansion. Consistent with this strategy, on January 1, 2000, the Company implemented full state coverage for 16 states, primarily in the northeast, mid-Atlantic and southeast regions of the country, and announced its plans to expand full state coverage to a total of 22 states in 2000. To support this goal, the Company opened one new service center in the first quarter of 2000 and has opened three service centers to date in 2000. These new facilities will complement the Company's existing service center network in those states where full state coverage will be offered.

In addition to increases in freight volume, average LTL revenue per shipment increased 5.8% to \$132.44 from \$125.21. This increase was a result of an 8.4% increase in LTL revenue per hundredweight that was partially offset by a 2.3% decrease in LTL weight per shipment. In addition, the Company's average length of haul increased 2.3% to 857 miles from 838 miles, which generally increases both LTL revenue per hundredweight and LTL revenue per shipment.

LTL revenue per hundredweight for the quarter improved to \$12.56 compared to \$11.59 for the first quarter of 1999. This increase in revenue yield is primarily the result of the Company's focus on improving pricing, specifically on unprofitable or marginal business. Net revenue and revenue yield also improved as a result of a fuel surcharge that was assessed during the quarter to partially offset the rising cost of fuel. The fuel surcharge accounted for approximately 2.6% of net revenue for the first quarter of 2000.

Revenue growth in the first quarter was also impacted by the harsh winter weather experienced early in the quarter, which affected approximately 68% of the Company's markets. The Company estimates that the conditions created by snow and ice during January and February resulted in the loss of approximately \$2,000,000 in revenue for the quarter.

The operating ratio, operating expenses as a percentage of revenue, increased to 95.8% in the first quarter of 2000 from 94.5%. This increase in the Company's operating costs were primarily a result of three factors. First, severe winter weather hampered operating efficiencies and productivity in the Northeast, Mid-Atlantic, South and Midwest regions of the Company for an extended period of time. The Company attempted to maintain its highest levels of service during this period, despite the disruptions in shipment patterns, difficult driving conditions and additional maintenance costs, which resulted in higher operating costs as a percent of revenue.

Second, the Company opened a 247-door breakbulk facility in Morristown, Tennessee on January 17th and incurred certain start-up and training costs that accompanied the reconfiguration of the Company's linehaul operations. While these short-term costs effected the first quarter of 2000, the Company has improved its service and operating capabilities significantly, which should result in improved efficiencies and productivity in future periods.

Third, the dramatic increase in petroleum products compared to the first quarter of 1999 resulted in an increase in operating supplies and expenses as a percent of revenue to 11.1% from 8.1%. While the Company implemented a fuel surcharge to offset these costs, the rising price of petroleum products outpaced the additional fuel surcharge revenue for much of the quarter.

Purchased transportation increased to 4.2% of revenue from 3.3% for the quarter. This increase was a result of the Company utilizing more purchased linehaul services and cartage agents in lieu of Company equipment and personnel as reflected in the decrease in salaries, wages and benefits to 60.1% of revenue from 61.3% for the first quarter of 1999. Use of purchased linehaul services was primarily a result of an imbalance in transcontinental traffic patterns experienced during the quarter. The increase in cartage expense was a result of the initial startup of full state coverage in 16 states and expanded

coverage to certain remote locations. As market share builds in these areas, Company personnel and equipment will replace these outside expenditures.

For the quarter, the Company experienced favorable cost trends in many areas,

particularly depreciation and amortization, which decreased to 5.7% of revenue from 6.3%, and operating taxes and licenses, which decreased to 4.1% of revenue from 4.5% for the first quarter of 1999. These improvements are the result of increases in asset utilization as reflected in the improvement in revenue per intercity mile to \$3.32 from \$3.19 for the first quarter of 1999.

Net interest expense decreased to .8% of revenue from 1.3% for the prior-year period. This decrease was a result of a lower average level of debt outstanding during the quarter compared to the first quarter of 1999 and the capitalization of certain interest costs relating to construction projects.

Net income for the first quarter of 2000 was \$2,327,000, a 5.8% decrease from \$2,469,000 for the prior-year period. The effective tax rate was 39% and 38.0% for the first quarters of 2000 and 1999, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Continued investment in property and equipment has resulted from expansion in the size and number of service center facilities, the planned tractor and trailer replacement cycle and revenue growth. In order to support these requirements, the Company incurred net capital expenditures of \$8,408,000 during the first quarter of 2000. Cash flows generated internally were sufficient to fund the required capital expenditures for the quarter. At March 31, 2000, long-term debt including current maturities decreased to \$64,814,000 from \$64,870,000 at December 31, 1999.

The Company estimates net capital expenditures to be approximately \$64,000,000 to \$68,000,000 for the year ending December 31, 2000. Of that, approximately \$27,000,000 is allocated for purchases of larger replacement service centers or expansion of existing service centers, \$29,000,000 is allocated for purchases of revenue equipment, \$6,000,000 is allocated for enhancements to information systems and the remaining balance is allocated for purchases of other assets. The Company plans to fund these expenditures through cash flows from operations supplemented by additional borrowings.

During 1999 and early 2000, the Company maintained a \$32,500,000 uncollateralized credit facility that consisted of a \$17,500,000 line of credit commitment and a \$15,000,000 letter of credit commitment. Interest on the line of credit was charged at rates that vary based upon a certain financial performance ratio and the stated period of time that the borrowings were outstanding. On January 14, 2000, the Company amended this credit facility to consist of a \$22,000,000 line of credit commitment and a \$12,500,000 letter of credit commitment under the same terms and conditions as the previous agreement. The applicable interest rate for the first quarter of 2000 was based upon LIBOR plus .60% for periods of 30-180 days and prime minus 1% for periods less than 30 days. A fee of .25% was charged on the unused portion of the line of credit and letter of credit facility, and a fee of .60% to .75% was charged on outstanding letters of credit. At March 31, 2000, there were \$13,950,000 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 78% 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.

INFLATION

Most of the Company's expenses are affected by inflation, which will generally result in increased costs. For the quarter ending March 31, 2000, 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 winter weather can also adversely impact the Company's performance by reducing demand and increasing operating expenses. The second and third quarters are 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. The Company believes it is in compliance with applicable environmental laws and regulations, including those relating to underground storage tanks, 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 Company's ability to purchase, build or lease facilities suitable for its operations; 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.

PART II. OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its 2000 Annual Meeting of Stockholders on April 24, 2000. The only item on the agenda was the election of directors for which votes were cast or withheld as follows:

Nominee	For	Withheld
-----	---	-----
Earl E. Congdon	6,182,034	42,100
John R. Congdon	6,182,034	42,100
John A. Ebeling	6,211,934	12,200
Harold G. Hoak	6,211,934	12,200
Franz F. Holscher	6,211,934	12,200
David S. Congdon	6,211,934	12,200
John R. Congdon, Jr.	6,211,934	12,200

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a) Exhibits:

Exhibit No.	Description
----- 27	----- Financial Data Schedule

b) Reports on Form 8-K: No reports on Form 8-K were filed during the quarter ended March 31, 2000.

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: May 9, 2000 J. WES FRYE

J. Wes Frye
Senior Vice President - Finance
(Principal Financial Officer)

DATE: May 9, 2000 JOHN P. BOOKER III

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

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