FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1998

[ ] 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 incorporation or organization)	(I.R.S. Employer Identification No.)

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

REGISTRANT'S TELEPHONE NUMBER (336) 889-5000

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

COMMON STOCK ($.10 PAR VALUE)
(Title of class)

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 .

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of voting stock held by nonaffiliates of the registrant as of March 16, 1999, was $16,663,329.

As of March 16, 1999, the registrant had outstanding 8,312,196 shares of Common Stock ($.10 par value).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Proxy Statement for the 1999 Annual Meeting of Stockholders are incorporated by reference into Part III.

PART I

ITEM 1. BUSINESS

GENERAL

Old Dominion Freight Line, Inc. ("Old Dominion", the "Company" or the "Registrant", as appropriate for this report) is an inter-regional and multi-regional motor carrier transporting primarily less-than-truckload ("LTL") shipments of general commodities, including consumer goods, textiles and capital goods to a diversified customer base. The Company serves regional markets in the Southeast, South Central, Northeast, Midwest and West regions of the country. Old Dominion connects these geographic regions with high quality inter-regional service.

Old Dominion's operating strategy is to provide high quality and timely service, including time definite and expedited delivery services, at competitive prices, while maintaining low operating costs. Along key inter-regional lanes, Old Dominion maintains published service standards that generally provide for delivery time schedules that are faster than those of its principal national competitors, in part, because of its more efficient service center network. The Company's service standards provide for delivery times of between two and three days along key inter-regional lanes between 500 and 1,500 miles. The Company generally provides for one or two-day delivery along regional lanes of less than 500 miles, which Old Dominion believes is highly competitive.

The Company seeks to reduce unit operating costs and improve service by building freight volume, or density, in its markets. Increasing density reduces unloading and reloading at breakbulk facilities, resulting in faster transit times and reduced cargo claims, and also improves equipment utilization. Old Dominion also lowers its cost structure and reduces cargo claims by using twin 28-foot trailers exclusively in its linehaul operations. Use of twin 28-foot trailers permits the Company to transport freight directly from its point of origin to destination with minimal unloading and reloading, and permits more freight to be hauled behind a tractor than could be hauled if the Company used one larger trailer. Approximately 55% of the Company's LTL tonnage moves directly from the origination service center to its destination without being reloaded to another trailer at a breakbulk facility, with a substantial majority of the remaining tonnage experiencing no more than one breakbulk handling per shipment. Further, management believes that it gains an operating advantage by maintaining flexible work force rules among its nonunion labor force, which permits service center employees to perform several functions that result in reliable delivery and a higher level of customer satisfaction.

The Company also transports shipping containers between several port cities and inland points, primarily in its core southeastern service area. For the year ended December 31, 1998, container services accounted for 2.6% of the Company's operating revenue. Old Dominion also provides assembly and distribution services primarily to its retail customers.

THE LTL INDUSTRY

Old Dominion transports primarily LTL shipments, which are defined as shipments weighing less than 10,000 pounds. Generally, LTL carriers transport freight from multiple shippers to multiple consignees through a service center network, based on standard transit times.

Deregulation of the trucking industry in 1980 created a new operating environment for motor carriers, permitting them to choose, for the first time, their operating routes and pricing policies. Since deregulation, most LTL carriers have focused on providing service in either a single regional market or the national market. Furthermore, the overall trucking industry currently is undergoing changes that affect both shippers and carriers. Shippers are seeking to reduce the number of carriers they use and to establish service-based, long-term relationships with a small group of preferred or "core carriers." This trend toward the use of "core carriers" offers significant growth opportunities for carriers that possess financial stability and can provide both regional and inter-regional, high quality service with low costs. The Company believes that this trend has created an opportunity for it to increase lane and

service center density along key inter-regional lanes in which a relatively small number of carriers offer high quality service. Old Dominion's strategy is to continue to capitalize on the opportunities provided by deregulation by building its market share in key inter-regional and regional lanes. From time to time, certain national carriers have sought to compete in selected inter-regional markets and along selected inter-regional lanes and may seek to do so in the future as national markets mature, but the Company believes that it holds a key competitive advantage over its principal national competitors due to its more efficient service center network.

LTL companies are generally categorized as regional, inter-regional or national motor carriers based upon length of haul. Carriers with average lengths of haul less than 500 miles are referred to as regional carriers. Carriers with average lengths of haul between 500 and 1,000 miles are referred to as inter-regional carriers. National carriers generally have average lengths of haul that exceed 1,000 miles. For the year ended December 31, 1998, Old Dominion had an average length of haul of 853 miles.

In the motor carrier industry, revenue is primarily a function of weight, length of haul and commodity class, and is frequently described in terms of revenue per hundredweight. The Company tracks revenue per hundredweight as a measure of pricing, commodity mix and rate trends.

LTL carriers can improve profitability by increasing lane and service center density. Increased lane density lowers unit operating costs and improves service. Increased service center density, by increasing the amount of freight handled at a given service center location, improves utilization of assets and other fixed costs.

REVENUE EQUIPMENT AND MAINTENANCE

At December 31, 1998, the Company operated 2,091 tractors. The Company uses new tractors in linehaul operations for approximately three to five years and then transfers those tractors to pickup and delivery operations for the remainder of their useful lives. In a number of Company service centers, tractors perform pickup and delivery functions during the day and linehaul functions at night to maximize tractor utilization.

At December 31, 1998, the Company operated a fleet of 8,979 trailers. As the Company has expanded and its needs for equipment have increased, the Company has purchased new trailers as well as trailers meeting its specifications from other trucking companies that have ceased operations. These purchases of pre-owned equipment, though providing an excellent value, have the effect of increasing the trailer fleet's average age; however, the Company believes the age of its trailer fleet compares favorably with its competitors.

The Company develops certain specifications for revenue equipment, the production and purchase of which are negotiated with several manufacturers. These purchases are planned well in advance of anticipated delivery dates in order to accommodate manufacturers' production schedules. The Company believes that there is sufficient capacity among suppliers to ensure an uninterrupted flow of equipment.

The table below reflects, as of December 31, 1998, the average age of Old Dominion's revenue equipment:

Type of Equipment (Categorized by Primary Use)	Number of Units	Average Age
Linehaul tractors	1,732	3.2 years
Pickup and delivery tractors	359	6.9 years
Pickup and delivery trucks	22	4.2 years
Linehaul trailers	7,138	6.5 years
Pickup and delivery trailers	1,841	11.8 years

The Company currently has major maintenance operations at its service centers in Atlanta, Georgia; Dallas, Texas; Des Plaines, Illinois; Jersey City, New Jersey; Morristown and Memphis, Tennessee; Los Angeles, California; Columbus, Ohio; and Greensboro, North Carolina. In addition, six other service

center locations are equipped to perform routine and preventive maintenance checks and repairs on the Company's equipment.

The Company has an established scheduled maintenance policy and procedure that is administered by the Vice President - Equipment and Maintenance. Linehaul tractors are routed to appropriate maintenance facilities at designated mileage intervals ranging from 12,500 to 25,000 miles, depending upon how the equipment was utilized. Pickup and delivery tractors and trailers are scheduled for maintenance every 90 days.

The table below sets forth the Company's capital expenditures for certain revenue equipment during 1996, 1997 and 1998:

Year	Service Centers	Tractors	Trailers	Total
1996	$12,513,000	$13,116,000	$10,120,000	$35,749,000
1997	$ 6,371,000	$17,529,000	$ 4,889,000	$28,789,000
1998	$12,115,000	$21,400,000	$15,165,000	$48,680,000

SERVICE CENTER OPERATIONS

At December 31, 1998, Old Dominion conducted operations through 92 service center locations, of which it owns 33 and leases 59. The Company operates major breakbulk facilities in Atlanta, Georgia; Columbus, Ohio; Morristown, Tennessee; Jersey City, New Jersey; Los Angeles, California; and Greensboro, North Carolina, while using some smaller service centers for limited breakbulk activity. Old Dominion's service centers are strategically located to permit the Company to provide the highest quality service and minimize freight rehandling costs.

Each service center is responsible for the pickup and delivery of freight for its own service area. All inbound freight received by the service center in the evening or at night is scheduled for local delivery the next business day, unless a customer requests a different delivery schedule. Each service center loads the freight by destination the day it is picked up. Management reviews the productivity and service performance of each service center on a daily basis in order to ensure quality service.

The Company also has established primary responsibility for customer service at the local level. Service center employees trace freight movements using the Company's automated tracing systems which provides for immediate response to customer requests for delivery information. While the Company maintains primary accountability for customer service at the local service center, the Company has established a customer service function at the corporate offices to offer additional customer support.

The Company plans to expand capacity at existing service centers as well as expand the number of service centers geographically as opportunities arise that provide for profitable growth and fit the needs of its customers.

LINEHAUL TRANSPORTATION

The Company's Transportation Department is responsible for directing the movement of freight among the Company's service centers. Linehaul dispatchers monitor the movement of freight among service centers with an on-line automated dispatch system that operates continuously. Each morning, the Company's senior management reviews the prior day's freight movements, transit times, load factors, empty miles and other key statistics to monitor the Company's performance.

The Company uses scheduled runs, and schedules additional runs as necessary, to meet its published service standards. The Company uses twin trailers exclusively in its linehaul operations to reduce breakbulk handling and to increase linehaul productivity.

MARKETING AND CUSTOMERS

At December 31, 1998, the Company had a sales staff of 258 employees. The Company compensates its sales force, in part, based upon revenue generated, Company and service center profitability and on-time service performance, which the Company believes helps motivate those employees.

The Company utilizes a computer modeling program to determine the price level at which a particular shipment of freight will be profitable. Elements of the pricing model may be modified, as necessary, to simulate the actual conditions under which the freight will be moved. From time to time, the Company also competes for business by participating in bid solicitations. Customers generally solicit bids for relatively large numbers of shipments for a period of from one to two years and typically choose to enter into a contractual arrangement with a limited number of motor carriers based upon price and service.

For the year ended December 31, 1998, Old Dominion's largest 20, 10, and 5 customers accounted for approximately 19.1%, 14.7% and 10.5%, respectively, of the Company's operating revenue. The Company's largest customer for 1998 accounted for approximately 2.8% of operating revenue. While the Company is not dependent upon one customer, a reduction or termination of services provided by the Company to a large group of customers could have an adverse effect on the Company's business and operating results.

COMPETITION

The transportation industry is highly competitive on the basis of both price and service. Old Dominion competes with regional, inter-regional and national LTL and truckload carriers and, to a lesser extent, with air freight carriers and railroads, a number of which have greater financial resources, operate more equipment and have larger freight capacity than the Company. The Company believes that it is able to compete effectively in its markets by providing high quality and timely service at competitive prices.

SAFETY AND INSURANCE

The Company's Vice President - Safety and Personnel and Vice President - Quality and Field Services implement and monitor its safety and loss prevention programs with the assistance of 11 field supervisors. As a result of the Company's emphasis on safety, the accident frequency, as defined by the National Safety Council (including minor and unavoidable accidents), has decreased from 12.5 accidents per million miles for the year ended December 31, 1989, to 7.5 accidents per million miles for the year ended December 31, 1998.

The Company is self-insured for bodily injury and property damage claims up to $250,000 per occurrence and for cargo claims up to $50,000 per occurrence. The Company also is self-insured for workers' compensation in certain states and has first dollar or high deductible plans in the other states. The Company believes that its policy of self-insuring up to set limits, together with its safety and loss prevention programs, is an effective means of managing insurance costs.

Old Dominion believes that its current insurance coverage is adequate to cover its liability risks.

FUEL AVAILABILITY AND COST

The motor carrier industry is dependent upon the availability of diesel fuel. Increases in fuel prices and fuel taxes, to the extent not offset by rate increases or fuel surcharges to customers, shortages of fuel or rationing of petroleum products could have a material adverse effect on the operations and profitability of the Company. The Company has not experienced difficulties in maintaining a consistent and ample supply of fuel. In periods of extreme price increases, the Company has implemented a fuel surcharge, which is consistent with other competitors. Management believes that the Company's operations and financial condition are susceptible to the same fuel price increases or fuel shortages as those of its competitors. Fuel costs normally fluctuate between three and five percent of operating revenue. Fuel expense was 3.3% of revenue in 1998.

EMPLOYEES AND DRIVERS

At December 31, 1998, the Company employed 5,287 persons in the following categories:

Category	Number of Employees
Salaried and clerical	1,228
Drivers	2,680
Platform	964
Mechanics	157
Sales (corporate and field)	258

At December 31, 1998, the Company employed 1,155 road drivers and 1,525 city drivers. All drivers hired by the Company are selected based upon driving records and experience. Drivers are required to pass drug tests at employment and are later required to take such tests periodically, by random selection. Competition for drivers is intense within the trucking industry, and the Company periodically experiences difficulties in attracting and retaining qualified drivers. There can be no assurance that the Company's operations will not be affected by a shortage of qualified drivers in the future which could result in temporary under-utilization of revenue equipment, difficulty in meeting shipper demands and increased compensation levels for drivers. Difficulty in attracting or retaining qualified drivers could require the Company to limit growth and have a material adverse effect on the Company's operations.

To help fulfill driver needs, the Company offers employees and their spouses the opportunity to become drivers through the "Old Dominion Driver Training Program". Since its inception in 1988, 619 individuals have graduated from that program. The Company has experienced an annual turnover rate of approximately 7% for those employees, which the Company believes compares favorably with industry experience of driver retention. In management's opinion, driver qualification programs, which are required to be taken by all drivers, have been important factors in improving the Company's safety record. Drivers with safe driving records are rewarded with bonuses of up to $1,000 annually. Driver safety bonuses paid for 1998 were approximately $431,000.

None of the Company's employees are currently represented by a collective bargaining unit, and management believes that relations with its employees are excellent. From time to time there have been efforts to organize Company employees at various service centers, none of which have been successful. However, there can be no assurance that the Company's employees will not unionize in the future, which could increase the Company's operating costs and force it to alter its operating methods, which could in turn have a materially adverse effect on the Company's operating results.

REGULATION

The Motor Carrier Act of 1980 significantly deregulated the trucking industry and increased competition among motor carriers. Following enactment of the Motor Carrier Act, applicants have

obtained operating authority more easily, and interstate motor carriers such as Old Dominion have been able to change their rates more freely with less regulatory scrutiny and delay. The law also removed many route and commodity restrictions on transportation of freight.

Effective January 1, 1995, the passage by the U.S. Congress of Section 601 of the Federal Aviation Administrative Authorization Act and the Trucking Industry Regulatory Reform Act ("TIRRA") deregulated intrastate operating authority. Prior to TIRRA, the Company maintained intrastate authority in the states of North Carolina, Virginia, South Carolina, Georgia and California. The states of Florida and New Jersey had already eliminated their restrictions on operating authority. The passage of TIRRA provides additional intrastate growth opportunities in the states in which the Company operates.

The Company was regulated by the Interstate Commerce Commission (the "ICC") until passage of the ICC Termination Act of 1995, which abolished the ICC on December 31, 1995. The Surface Transportation Board, an independent entity within the United States Department of Transportation ("DOT"), assumed many of the responsibilities of the ICC. The Company is also regulated by various state agencies. These regulatory authorities have broad powers, generally governing matters such as authority to engage in motor carrier operations, rates, certain

mergers, consolidations and acquisitions, and periodic financial reporting. The motor carrier industry is subject to regulatory and legislative changes that can affect the economics of the industry by requiring changes in operating practices or influencing the demand for, and the costs of providing services to, shippers.

Interstate motor carrier operations are subject to safety requirements prescribed by the DOT. Such matters as weight and dimensions of equipment are also subject to federal and state regulation. The Company is subject to federal, state and local environmental laws and regulations, particularly relating to underground fuel storage tanks ("USTs"). The Company believes it is in compliance with applicable environmental laws and regulations, including those relating to USTs, and does not believe that the cost of future compliance should have a material adverse effect on the Company's operations or financial condition.

EXECUTIVE OFFICERS OF THE COMPANY

The following table sets forth information regarding the executive officers of the Company:

Name and Age	Positions and Offices with the Company
Earl E. Congdon (68)	Chairman of the Board of Directors and Chief Executive Officer
John R. Congdon (66)	Vice Chairman of the Board of Directors
John A. Ebeling (61)	Vice Chairman of the Board of Directors
David S. Congdon (42)	President, Chief Operating Officer
John B. Yowell (47)	Executive Vice President
J. Wes Frye (51)	Sr. Vice President - Finance, Treasurer, Chief Financial Officer and Assistant Secretary
Joel B. McCarty, Jr. (61)	Sr. Vice President, General Counsel and Secretary

Earl E. Congdon has been employed by the Company since 1950 and has served as Chairman of the Board and Chief Executive Officer since 1985 and as a director since 1952. He is a son of E. E. Congdon, one of the founders of Old Dominion.

John R. Congdon has been with the Company since 1953 and has served as Vice Chairman of the Board since 1985 and as a director since 1955. He is also the Chairman of Old Dominion Truck Leasing, Inc., a North Carolina corporation that is engaged in the full service leasing of tractors, trailers and other equipment, to which he devotes more than half of his time. He is a son of E. E. Congdon, one of the founders of Old Dominion, and the brother of Earl E. Congdon.

John A. Ebeling has been a Vice Chairman of the Board of Directors since May 1997. He formerly served as President and Chief Operating Officer from August 1985 to May 1997 and was first elected a director in August 1985. Mr. Ebeling was previously employed by ANR Freight Systems from 1978 to 1985, holding the positions of Chairman and Chief Executive Officer.

David S. Congdon has been employed by the Company since 1978 and, since May 1997, has served as President and Chief Operating Officer. He has held various positions in the Company including Vice President - Quality and Field Services, Vice President - Quality, Vice President - Transportation, President - Dominion Furniture Xpress (a former division of Old Dominion that specialized in furniture transportation) and held other positions in operations and engineering. He is the son of Earl E. Congdon.

John B. Yowell has been employed by the Company since February 1983 and was promoted to Executive Vice President in May 1997. He has held the position of Vice President - Corporate Services, Vice President - Central Region, Assistant to the President and Vice President - Management Information Systems.

He is a son-in-law of Earl E. Congdon.

J. Wes Frye has been the Sr. Vice President - Finance since May 1997. He has been Chief Financial Officer and Treasurer since joining the Company in February 1985 and has served as Assistant Secretary since December 1987. Mr. Frye served as the Vice President of Finance of Builders Transport, Inc., from 1982 to 1985, and in various positions, including Vice President - Controller, with Johnson Motor Lines from 1975 to 1980. Mr. Frye is a Certified Public Accountant.

Joel B. McCarty, Jr., has been a Sr. Vice President since May 1997 and has served as General Counsel and Secretary since joining the Company in June 1987. Before joining Old Dominion, he was Assistant General Counsel of McLean Trucking Company and was in private law practice prior to 1985.

Information concerning the Company's other significant employees is as follows:

Name and Age	Position
Ernest Brantley (62)	Senior Vice President - Operations
J. Timothy Turner (43)	Senior Vice President - Sales and Marketing
John P. Booker, III (42)	Vice President - Controller
Gerry L. Broadwell (44)	Vice President - South Central Area
Robert M. Delgado (60)	Vice President - Western Area
Kevin M. Freeman (39)	Vice President - Field Sales
Greg C. Gantt (43)	Vice President - Southern Area
Terry L. Hutchins (40)	Vice President - Quality and Field Services
Richard F. Keeler (49)	Vice President - Corporate Services
Mark M. Madden (47)	Vice President - Northern Area
Buddy S. McBride (53)	Vice President - Transportation
Hugh N. Morris, Jr. (35)	Vice President - Midwest Area
J. Edward Richardson (54)	Vice President - Equipment and Maintenance
Brian J. Stoddard (51)	Vice President - Safety and Personnel
Michael A. Wood (45)	Vice President - Central Area

Ernest Brantley has served as Senior Vice President - Operations since January 1992 after joining the Company as Vice President - Operations in January 1990. He was previously with Thurston Motor Lines for 35 years where he served in various capacities, including Executive Vice President from 1981 to 1987. Following its acquisition by Brown Transport Co., Inc., Mr. Brantley served as Senior Vice President of Brown Transport from 1987 to 1990.

J. Timothy Turner has been employed by the Company since July 1981 and was promoted to Sr. Vice President - Sales and Marketing in May 1997. He has also served as Vice President - Sales and Marketing, Vice President - National Accounts, Director of Sales, Central Area Director of Sales and District Sales Representative prior to 1986. He was employed by McLean Trucking Company from 1977 to 1981.

John P. Booker, III, joined the Company in April 1987 and was promoted to Vice President - Controller in May 1997. He previously served as Assistant Vice President - Controller. Between 1979 and 1987 he was employed by RJR Nabisco, Inc. and Monsanto Company where he held various accounting positions. Mr. Booker is a Certified Management Accountant.

Gerry L. Broadwell has served as Vice President - South Central Area since joining the Company in August 1998. He was previously employed by Goggin Truck Line Company, Inc. from 1990 to 1998 where he held various senior management positions, including Executive Vice President. From 1984 to 1990, Mr. Broadwell was employed by Ryder PIE, where he held the positions of Regional Manager and Service Center Manager.

Robert M. Delgado joined the Company in December 1985 and was promoted to Vice President - Western Area in October 1996. He has also served as the Director of the Western Area and as the Los Angeles Service Center Manager. Prior to joining the Company, he held several management positions with Watkins Motor Lines.

Kevin M. Freeman joined the Company in 1988 and was promoted to Vice President - Field Sales in May 1997. He previously served as Director of Field Sales, Central Sales Director and as an area sales representative. Prior to joining Old Dominion, he was employed in the air freight industry as a National Sales Representative.

Greg C. Gantt joined the Company in November 1994 as Vice President - South Central Area and assumed responsibility for the Southern Area in January 1996. From 1978 to 1994 he was employed by Carolina Freight Carriers where he held various positions including Vice President - Southern Region, Regional Manager and Operations Director.

Terry L. Hutchins joined the Company in December 1992 and was promoted to Vice President - Quality and Field Services in December 1997. Previously he served as Vice President - Southern Area and Vice President - Central Area. Prior to joining the Company, he held various Service Center Manager and sales positions with Carolina Freight Carriers and McLean Trucking Company between 1980 and 1992.

Richard F. Keeler joined the Company in 1993 and was promoted to Vice President - Corporate Services in May 1997. He has previously served as Vice President - Midwest Area, Vice President - Northern Area, and as Director of Pickup and Delivery Operations. Formerly, he was employed by Standard Trucking Company and McLean Trucking Company where he served in various management positions.

Mark M. Madden joined Old Dominion in January 1986 and was promoted to Vice President - Northern Area in April 1995. He has also served as the Area Manager - Metro Area and as a Service Center Manager in the Northern Area.

Buddy S. McBride joined the Company in 1977 and has held Service Center Manager positions in Richmond and Greensboro prior to becoming Vice President - Central Area in 1991. In December 1992, he was promoted to Vice President - Transportation.

Hugh N. Morris joined the Company in 1986 and was promoted to Vice President - Midwest Area in May 1997. He previously served as Manager of Sales and Service at the Charlotte, Atlanta and Tampa Service Centers, Southern Area Sales Director and held various management positions at the Chattanooga Service Center. Prior to joining Old Dominion he was employed by both ARA/Smith's Transfer and Apex/Humboldt Express where he held several management positions.

J. Edward Richardson joined Old Dominion in December 1986 and has served as Vice President - Equipment and Maintenance since March of 1990. From 1986 to 1990, he was Director of Maintenance. Prior to joining the Company, he was an area operations manager for Saunders Leasing System.

Brian J. Stoddard joined the Company in 1969 and was promoted to Vice President Safety and Personnel in May 1997. He previously served as Director - Safety and Personnel, Corporate Safety Manager, Service Center Manager - Dominion Furniture Xpress, Service Center Manager at both the Newport News and Norfolk Service Centers and as a supervisor, dockworker and driver.

Michael A. Wood joined the Company in 1991 and was promoted to Vice President - Central Area in December 1997. He previously served as Manager of Sales and Service - Atlanta, and as both the Manager of Sales and Service and Assistant Manager of Sales and Service - Charlotte. Prior to joining Old Dominion he was employed by Ryder PIE from 1979 to 1991.

ITEM 2. PROPERTIES

The Company owns its general offices located in High Point, North Carolina, consisting of a four-story office building of approximately 56,500 square feet on 10.3 acres and an office building of approximately 15,000 square feet located near the general office. The Company also owns operating service center facilities in Los Angeles, California; South Windsor, Connecticut; Atlanta, Georgia; Orlando, Jacksonville and Tampa, Florida; Des Plaines, Illinois; Baltimore, Maryland; Minneapolis, Minnesota; Tupelo, Mississippi; Kansas City, Missouri; Syracuse, New York; Asheville, Charlotte, Fayetteville, Hickory, Wilmington and Wilson, North Carolina; Cincinnati and Columbus, Ohio; Columbia and Greenville, South Carolina; Morristown, Memphis, Nashville and Chattanooga, Tennessee; Dallas and Houston, Texas; Richmond, Manassas, Martinsville and Norfolk, Virginia; and Milwaukee, Wisconsin.

The Company also owns non-operating properties in Jacksonville, Florida; St. Louis, Missouri; Fayetteville and Hickory, North Carolina; Memphis and Nashville, Tennessee; and Houston, Texas, all of which are held for lease. Currently the Jacksonville and Fayetteville properties are not under lease; the Hickory property is on a month-to-month lease; the Nashville property is leased until September 1999; the Memphis property is leased until December 1999; and the St. Louis property is leased until February 2004.

Old Dominion leases 59 of its 92 service centers. The lengths of the leases range from month-to-month to a lease that expires on July 31, 2004. The Company believes that its leased facilities are adequate for its existing needs and that, as current leases expire, it will be able either to renew them or find comparable facilities without incurring any material negative impact on service to customers or its operating results.

The Company believes that all of its properties are in good repair and are capable of providing the level of service required by current business levels and customer demands.

ITEM 3. LEGAL PROCEEDINGS

There are no pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the Company is a party or of which any of its property is the subject.

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

None.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

COMMON STOCK AND DIVIDEND INFORMATION

The common stock of Old Dominion Freight Line, Inc. is traded on the Nasdaq Stock Market (National Market) under the symbol ODFL. At March 22, 1999, there were approximately 770 holders of the common stock, including 125 stockholders of record. No dividends have been paid on the common stock. The information concerning restrictions on dividend payments required by Item 5 of Form 10-K appears in Note 2 of the Notes to Consolidated Financial Statements appearing in Item 8 of this report.

<TABLE>
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MARKET PRICES OF COMMON STOCK:

<S>	<C>	<C>	<C>	<C>
	1998			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER

HIGH	$ 18.25	$ 20.25	$ 17.25	$ 14.875
LOW	$ 13.75	$ 15.50	$ 10.50	$ 8.00

	1997			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
High	$12.375	$ 14.25	$ 19.75	$ 19.25
Low	$ 9.50	$ 11.75	$ 13.50	$ 14.00

</TABLE>

MARKET MAKERS:

First Union Capital Markets Corp., Inc.; ING Baring Furman Selz LLC;
Knight Securities L.P.

ITEM 6. SELECTED FINANCIAL DATA

SELECTED FINANCIAL DATA

<TABLE>
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(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND OPERATING STATISTICS)	For the Year Ended December 31, 1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>
OPERATING DATA:					
Revenue from operations	$383,078	$328,844	$293,006	$248,079	$243,547
Operating expenses:					
Salaries, wages and benefits	229,188	193,523	163,490	141,163	131,138
Purchased transportation	15,696	15,494	21,435	18,933	21,897
Operating supplies and expenses	31,485	30,311	30,288	22,945	21,716
Depreciation	21,740	17,173	16,091	13,630	11,781
Building and office equipment rents	7,285	6,921	6,874	5,991	5,292
Operating taxes and licenses	16,791	13,968	12,867	10,393	9,628
Insurance and claims	12,277	10,033	10,118	8,503	8,758
Communications and utilities	7,011	6,152	5,687	5,014	4,509
General supplies and expenses	15,000	11,976	10,444	10,195	9,406
Miscellaneous expenses	4,028	3,282	2,762	1,671	1,798
Total operating expenses	360,501	308,833	280,056	238,438	225,923
Operating income	22,577	20,011	12,950	9,641	17,624
Interest expense, net	4,331	3,547	2,903	1,510	1,107
Other expense, net	311	273	137	329	110
Income before income taxes	17,935	16,191	9,910	7,802	16,407
Provision for income taxes	6,815	6,153	3,766	2,995	6,399
Net income	$ 11,120	$ 10,038	$ 6,144	$ 4,807	$ 10,008
EARNINGS PER SHARE:					
Basic	$ 1.34	$ 1.21	$ 0.74	$ 0.58	$ 1.20
Diluted	$ 1.34	$ 1.21	$ 0.74	$ 0.58	$ 1.19
WEIGHTED AVERAGE SHARES OUTSTANDING:					
Basic	8,312	8,312	8,346	8,354	8,362
Diluted	8,323	8,322	8,347	8,357	8,378
OPERATING STATISTICS:					
Operating ratio	94.1%	93.9%	95.6%	96.1%	92.8%
LTL revenue per hundredweight	$ 11.28	$ 11.37	$ 11.00	$ 10.87	$ 10.80
Revenue per intercity mile	$ 3.06	$ 3.00	$ 2.92	$ 2.93	$ 3.04

Intercity miles (in thousands)	125,228	109,681	100,447	84,715	79,985
LTL tonnage (in thousands)	1,527	1,334	1,221	1,037	1,024
Shipments (in thousands)	2,980	2,607	2,388	2,084	2,034
Average length of haul (miles)	853	869	-	-	-

BALANCE SHEET DATA: As of December 31,

	1998	1997	1996	1995	1994
Current assets	$ 69,789	$ 59,860	$ 56,264	$ 50,465	$ 45,643
Current liabilities	54,481	39,084	35,865	31,861	34,538
Total assets	241,799	191,061	170,726	143,346	124,035
Long-term debt (including current maturities)	70,589	47,301	43,141	30,216	18,625
Stockholders' equity	96,637	85,501	74,928	68,784	63,726

</TABLE>

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following table sets forth, for the years indicated, expenses and other items as a percentage of revenue from operations:
<TABLE>
<CAPTION>

<S>	1998 <C>	1997 <C>	1996 <C>
Revenue from operations	100.0%	100.0%	100.0%
Salaries, wages and benefits	59.8	58.9	55.8
Purchased transportation	4.1	4.7	7.3
Operating supplies and expenses	8.2	9.2	10.3
Depreciation	5.7	5.2	5.5
Building and office equipment rents	1.9	2.1	2.4
Operating taxes and licenses	4.4	4.2	4.4
Insurance and claims	3.2	3.1	3.5
Communication and utilities	1.8	1.9	1.9
General supplies and expenses	3.9	3.6	3.6
Miscellaneous expenses	1.1	1.0	0.9
Total operating expenses	94.1	93.9	95.6
Operating income	5.9	6.1	4.4
Interest expense, net	1.1	1.1	1.0
Other expense, net	0.1	0.1	-
Income before income taxes	4.7	4.9	3.4
Provision for income taxes	1.8	1.8	1.3
Net income	2.9%	3.1%	2.1%

</TABLE>

RESULTS OF OPERATIONS

1998 COMPARED TO 1997

Revenue from operations for 1998 increased 16.5% to $383,078,000 compared to $328,844,000 for 1997. This revenue growth was a result of increased

market share in existing market areas and the addition of 13 service centers due to expansion into upstate New York in February 1998 as well as selected asset purchases of two trucking companies during the year. During the first quarter of 1998, the Company opened four service centers in Albany, Buffalo, Rochester and Syracuse, New York. Nine additional service centers were opened during the year as a result of the acquisition of selected assets of Fredrickson Motor Express Corporation in January 1998 and Goggin Truck Line Company, Inc. in August 1998.

Average less than truckload ("LTL") revenue per shipment decreased .8% to $118.81 for the current year from $119.73 for 1997. This decrease was due to a .8% reduction in revenue per hundredweight. The reduction in revenue per hundredweight was a direct result of a decrease in the Company's average length of haul to 853 miles from 869 miles. The decrease in average length of haul was caused by growth in the Company's short haul revenue that resulted from the acquisition of Fredrickson and Goggin assets, both of which operated in the southeastern region of the country. As a result of these acquisitions, the Company's regional revenue increased 22% during the year compared to the previous year, versus an inter-regional revenue growth of 14%. Overall inter-regional revenue accounted for 71% of revenue from operations compared to 29% for regional revenue.

Operating expenses as a percent of revenue, the operating ratio, increased slightly to 94.1% for the current year compared to 93.9% for the previous year. The increased operating ratio was primarily a result of an increase in salaries, wages and benefits, depreciation and general supplies and expenses. Combined, these expenses were 1.7 operating points higher than the previous year, increasing to 69.4% of revenue from 67.7% for the previous year. These increased costs as a percent of revenue were offset by decreases in purchased transportation and operating supplies and expenses. Combined, these costs decreased to 12.3% of revenue for the current year from 13.9% for 1997, a 1.6 operating point decrease.

Salaries, wages and benefits increased to 59.8% of revenue in 1998 from 58.9% in 1997. The expansion of the service center network in 1998 allowed the Company to deliver more shipments directly with Company personnel and equipment, which increased wages and depreciation expense, while decreasing outside purchased transportation. The planned reduction of purchased transportation, which has been a trend over the last three years, allows the Company to provide superior service with less handling and overall delivery costs. Accordingly, purchased transportation decreased to 4.1% of revenue from 4.7% for the previous year. In addition, 21 sales personnel were added to service the expanded customer base and to increase market share in existing markets.

Depreciation increased to 5.7% of revenue in the current year compared to 5.2% for the previous year. This increase was due primarily to increased capital expenditures for the expansion of existing service centers, purchases of new service centers which were previously leased, investments and upgrades to the Company's information systems and the acquisition of selected assets of Fredrickson and Goggin. The conversion to ownership of formerly leased facilities resulted in a reduction of building and office equipment rents to 1.9% of revenue in 1998 from 2.1% for the previous year.

Operating supplies and expenses decreased to 8.2% of revenue in 1998 from 9.2% for the previous year. This reduction was primarily due to a 23.9% reduction in the average price per gallon paid for fuel during 1998 compared to 1997. The Company's tariffs, however, contain provisions that allow a fuel surcharge to be assessed should the price per gallon of fuel exceed certain limits. During 1997, the Company exercised these provisions which were reflected as an increase in revenue in 1997. On a comparable basis, the cost of fuel, net of the fuel surcharge, was 3.3% in 1998 compared to 3.6% in 1997.

Net income was $11,120,000 for the year ended December 31, 1998, an increase of 10.8%, compared to $10,038,000 for 1997. The effective tax rate was approximately 38% in both 1998 and 1997.

1997 COMPARED TO 1996

Revenue from operations for 1997 was $328,844,000, an increase of 12.2%, compared to $293,006,000 for 1996. This revenue growth was a direct result of the Company's focus on improving both revenue per hundredweight, or revenue yield, and market share in existing areas of operations, or market density. LTL tonnage increased 9.3% during the year and total tonnage increased 7.2%. These

tonnage increases reflect increased market share in existing areas of operation, as well as the impact of opening five new service centers in 1997 and six new service centers in 1996, which primarily expanded and enhanced direct service in existing regions of operations.

Average LTL revenue per shipment increased 3.4% to $119.73 in 1997 compared to $115.83 for 1996. This increase was a result of a 3.4% increase in LTL revenue per hundredweight to $11.37 in 1997 from $11.00 for the previous year. The improvement in LTL revenue per hundredweight reflects a general rate increase on public tariffs implemented on January 1, 1997, as well as increases on private tariffs that were negotiated throughout the year. The average weight per LTL shipment was 1,053 lbs. for both 1997 and 1996, and thus had no impact on the increase in average LTL revenue per shipment from 1996 to 1997.

Operating expense as a percentage of revenue, or the operating ratio, was 93.9% for 1997 compared to 95.6% for the prior year. This improvement resulted primarily from decreases in purchased transportation and operating supplies and expenses, which combined, were 3.7 operating points lower in 1997 than in 1996. Purchased transportation decreased to 4.7% of revenue from 7.3% in the prior year as a result of the Company's continuing effort to replace cartage agents with Company personnel and equipment. Operating supplies and expenses decreased to 9.2% of revenue from 10.3% in 1996 due to: (1) a reduction in vehicle repair and maintenance costs to 2.0% of revenue from 2.2% for the previous year; (2) a $.05 reduction in the average price per gallon of fuel in 1997; and (3) improved fleet fuel efficiency to 6.5 miles per gallon in 1997 from 6.3 for the previous year. The reduced repair and maintenance costs resulted, in part, from a reduction in the average age of the linehaul tractor fleet to 2.8 years in 1997 from 3.0 years for the previous year and a comparatively milder winter season in 1997.

Building and office equipment rents decreased to 2.1% of revenue in 1997 compared to 2.4% in 1996 as a result of the Company's purchase of seven service center facilities. Insurance and claims decreased to 3.1% from 3.5% in the previous year. This decrease is primarily attributed to a reduction in cargo claims expense to 1.6% of revenue from 2.1% for 1996. This reduction reflects an ongoing Company-wide focus on continuous improvement in freight handling processes and equipment.

Depreciation decreased to 5.2% of revenue from 5.5% in 1996 and operating taxes and licenses decreased to 4.2% from 4.4% in 1996 as a result of the Company leveraging higher revenue against these relatively fixed operating costs in 1997.

These reductions in expenses were somewhat offset by an increase in salaries, wages and benefits to 58.9% of revenue from 55.8% for 1996. In 1997, the Company continued to replace cartage agents used for pickup and delivery services in remote areas with Company personnel and equipment, which primarily led to the increase in salaries, wages and benefits. As part of the overall strategy to increase density and market share in existing markets, the Company added 45 new field sales personnel in 1997, an increase of 23.4% over the prior year. In addition, the Company added five new service centers in 1997 that expanded direct coverage in regions already served. Linehaul and pickup and delivery wages were higher in the expanded areas as the Company provided superior service while building service center and lane density.

The Company's net interest expense increased slightly as a percent of revenue to 1.1% in 1997 from 1.0% in 1996, due to an increase in average outstanding debt.

Net income was $10,038,000 for the year ended December 31, 1997, an increase of 63.4%, compared to $6,144,000 for 1996. The effective tax rate was approximately 38% in both 1997 and 1996.

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 $59,689,000 during the year ended December 31, 1998. Cash flows generated internally were

sufficient to fund 74.2% of the required capital expenditures during the year. The remaining capital needs were achieved through additional debt, including borrowings on the Company's line of credit, of which $8,310,000 was outstanding at year-end December 31, 1998, compared to $6,730,000 at year-end 1997. At December 31, 1998, long-term debt including current maturities increased to $70,589,000 from $47,301,000 at December 31, 1997.

The Company estimates capital expenditures to be approximately $55,000,000 to $57,000,000 for the year ending December 31, 1999. Of that, approximately $37,000,000 will be used for purchases of larger replacement service centers or expansion of existing service centers, approximately $17,000,000 will be used to purchase revenue equipment and the remaining balance will

be used for investments in technology and 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 1998 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 December 31, 1998, there were $8,310,000 outstanding borrowings on the line of credit and $10,717,000 outstanding on the letter of credit facility, which is required for self-insured retention reserves for bodily injury, property damage and workers' compensation insurance. The Company believes that it has sufficient credit lines and capacity to meet seasonal and long-term financial needs.

On February 25, 1998, the Company entered into a $20,000,000 private placement of debt through a Note Purchase Agreement. This agreement consists of $10,000,000 of senior notes maturing in 2005 bearing a fixed interest rate of 6.35% and $10,000,000 of senior notes maturing in 2008 bearing a fixed interest rate of 6.59%. The proceeds from this private debt agreement were used to replace the outstanding borrowings on the line of credit facility with long term, fixed rate obligations and were also used to finance 1998 capital expenditures for service center facilities and revenue equipment.

The Company has minimal exposure to changes in interest rates from its long-term debt arrangements as approximately 88% of that debt has fixed interest rates. Under its current policies, the Company does not use interest rate derivative instruments to manage exposure to interest rate changes. Also, the Company, currently, 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. As of this filing date, 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 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 25% 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 should be finalized by June 30, 1999.

The Company is currently 25% 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 July 31, 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 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 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 $10,000 to date in monitoring customer and supplier compliance and expects to incur an additional $20,000 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 $610,000 and the Company expects to incur an additional $70,000 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. For the year ending 1998, 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 ("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 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by Item 7A of Form 10-K appears in Item 7 of this report under the heading "Liquidity and Capital Resources".

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

OLD DOMINION FREIGHT LINE, INC.
CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS, EXCEPT SHARE DATA)	December 31, 1998	December 31, 1997
ASSETS		
Current assets:		
Cash and cash equivalents	$ 659	$ 674
Customer receivables, less allowances of $5,702 and $4,963, respectively	48,612	43,399
Other receivables	2,567	1,492
Tires on equipment	6,325	5,052
Prepaid expenses	9,413	7,273
Deferred income taxes	2,213	1,970
Total current assets	69,789	59,860
Property and equipment:		
Revenue equipment	172,783	144,926
Land and structures	51,803	42,572
Other equipment	27,739	19,675
Leasehold improvements	4,144	721
Total property and equipment	256,469	207,894
Less accumulated depreciation	(97,471)	(83,064)
Net property and equipment	158,998	124,830
Other assets	13,012	6,371
Total assets	$ 241,799	$ 191,061
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 21,350	$ 14,161
Compensation and benefits	8,929	8,915
Claims and insurance accruals	11,961	9,275
Other accrued liabilities	2,649	1,587
Income taxes payable	499	-
Current maturities of long-term debt	9,093	5,146
Total current liabilities	54,481	39,084
Long-term debt	61,496	42,155
Other non-current liabilities	9,636	7,704
Deferred income taxes	19,549	16,617
Total long-term liabilities	90,681	66,476
Stockholders' equity:		
Common stock - $.10 par value, 25,000,000 shares authorized, 8,312,196 and 8,310,596 shares outstanding, respectively	831	831
Capital in excess of par value	23,907	23,891
Retained earnings	71,899	60,779
Total stockholders' equity	96,637	85,501
Commitments and contingencies	-	-
Total liabilities and stockholders' equity	$ 241,799	$ 191,061

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

OLD DOMINION FREIGHT LINE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)	Year ended December 31, 1998	1997	1996
<S>	<C>	<C>	<C>
Revenue from operations	$383,078	$328,844	$293,006
Operating expenses:			
Salaries, wages and benefits	229,188	193,523	163,490
Purchased transportation	15,696	15,494	21,435
Operating supplies and expenses	31,485	30,311	30,288
Depreciation	21,740	17,173	16,091
Building and office equipment rents	7,285	6,921	6,874
Operating taxes and licenses	16,791	13,968	12,867
Insurance and claims	12,277	10,033	10,118
Communications and utilities	7,011	6,152	5,687
General supplies and expenses	15,000	11,976	10,444
Miscellaneous expenses	4,028	3,282	2,762
Total operating expenses	360,501	308,833	280,056
Operating income	22,577	20,011	12,950
Other deductions:			
Interest expense, net	4,331	3,547	2,903
Other expense, net	311	273	137
Total other deductions	4,642	3,820	3,040
Income before income taxes	17,935	16,191	9,910
Provision for income taxes	6,815	6,153	3,766
Net income	$ 11,120	$ 10,038	$ 6,144
Basic and diluted earnings per share	$ 1.34	$ 1.21	$ 0.74
Weighted average shares outstanding:			
Basic	8,311,774	8,311,521	8,345,608
Diluted	8,323,240	8,321,547	8,346,515

</TABLE>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

OLD DOMINION FREIGHT LINE, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

<TABLE>
<CAPTION>

(IN THOUSANDS)	Common stock	Capital in excess of par value	Retained earnings	Total
Balance as of December 31, 1995	$ 835	$ 23,352	$ 44,597	$ 68,784
Net income	-	-	6,144	6,144
Balance as of December 31, 1996	835	23,352	50,741	74,928
Net income	-	-	10,038	10,038
Exercise of stock options	-	24	-	24
Release of common stock under Restricted Stock Agreement, net of tax charge of $74	(4)	515	-	511
Balance as of December 31, 1997	831	23,891	60,779	85,501
NET INCOME	-	-	11,120	11,120
EXERCISE OF STOCK OPTIONS	-	16	-	16
BALANCE AS OF DECEMBER 31, 1998	$ 831	$ 23,907	$ 71,899	$ 96,637

</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)	Year ended December 31, 1998	1997	1996
Cash flows from operating activities:			
Net income	$ 11,120	$ 10,038	$ 6,144
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	21,887	17,173	16,091
Deferred income taxes	2,689	3,895	3,355
Net effect of restricted stock distribution	-	511	-
(Gain) loss on sale of property and equipment	(71)	(178)	91
Changes in assets and liabilities:			
Customer and other receivables, net	(1,094)	(4,018)	(3,453)
Tires on equipment	(1,273)	(538)	(575)
Prepaid expenses and other assets	(1,428)	(1,458)	(2,148)
Accounts payable	7,189	(699)	4,356
Compensation, benefits and other accrued liabilities	335	2,074	1,910
Claims and insurance accruals	4,048	622	(1,262)
Income taxes payable	499	-	-
Other liabilities	370	365	226
Net cash provided by operating activities	44,271	27,787	24,735

Cash flows from investing activities:			
Acquisition of business assets, net	(16,790)	-	-
Purchase of property and equipment	(45,079)	(34,223)	(38,324)
Proceeds from sale of property and equipment	2,180	1,573	1,031
Net cash used by investing activities	(59,689)	(32,650)	(37,293)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	20,991	9,000	38,112
Principal payments under long-term debt agreements	(7,184)	(5,680)	(13,577)
Net proceeds (payments) on revolving line of credit	1,580	840	(11,610)
Proceeds from conversion of stock options	16	24	-
Net cash provided by financing activities	15,403	4,184	12,925
(Decrease) increase in cash and cash equivalents	(15)	(679)	367
Cash and cash equivalents at beginning of period	674	1,353	986
Cash and cash equivalents at end of period	$ 659	$ 674	$ 1,353

Supplemental disclosure of non-cash financing activities:
The Company released 76,668 shares of common stock in 1997 under a Restricted Stock Agreement.

Cash paid for interest was approximately $4,099,000, $4,565,000 and $1,990,000 for the years ended December 31, 1998, 1997 and 1996, respectively.
</TABLE>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

BUSINESS
The Company is an inter-regional and multi-regional motor carrier transporting primarily less-than-truckload shipments of general commodities, such as consumer goods, textiles and capital goods, to a diversified customer base. The Company serves regional markets in the Southeast, South Central, Northeast, Midwest and West regions of the country. Old Dominion also serves inter-regional routes connecting these geographic regions and major metropolitan markets throughout most of the continental United States.

BASIS OF CONSOLIDATION
The consolidated financial statements include the accounts of the Company and its subsidiary. All significant intercompany balances and transactions are eliminated in consolidation.

USE OF ESTIMATES
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates made by the Company relate primarily to self-insurance accruals and allowances for doubtful accounts. Actual results could differ from these estimates.

REVENUE AND EXPENSE RECOGNITION
Operating revenue is recognized on a percentage of completion method based on average transit time. Expenses associated with the operating revenue are recognized when incurred.

CREDIT RISK
Financial instruments that potentially subject the Company to concentrations of

credit risk consist principally of customer receivables. Credit risk is generally diversified due to the large number of entities comprising the Company's customer base and their dispersion across many different industries and geographic regions. As noted on the consolidated balance sheets, the Company maintains an allowance for doubtful accounts to cover estimated credit losses.

CASH AND CASH EQUIVALENTS
The Company considers cash on hand and deposits in banks along with certificates of deposit and short-term marketable securities with original maturities of three months or less as cash and cash equivalents for the purpose of the statements of cash flows.

TIRES ON EQUIPMENT
The cost of tires on equipment is amortized over the estimated tire life of 18 to 24 months.

FUEL AND SUPPLIES
Fuel and operating supplies are valued at the lower of cost or market using the first-in, first-out method.

PROPERTY AND EQUIPMENT
Property and equipment are stated at cost. Major additions and improvements are capitalized, while maintenance and repairs that do not improve or extend the lives of the respective assets are charged to expense as incurred.

Depreciation is provided by the straight-line method over the following estimated useful lives:

Structures	5 to 25 years
Revenue equipment	3 to 12 years
Other equipment	3 to 10 years
Leasehold improvements	Lesser of 10 years or life of lease

INTANGIBLE ASSETS
The excess cost over net assets acquired in connection with acquisitions is recorded in "Other Assets". These intangible assets are amortized using a straight-line method over their estimated useful lives of 3 to 25 years.

LONG-LIVED ASSETS
The Company periodically assesses the realizable value of its long-lived assets and evaluates such assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable.

CLAIMS AND INSURANCE ACCRUALS
Claims and insurance accruals reflect the estimated ultimate cost of claims for cargo loss and damage, bodily injury and property damage, workers' compensation, long-term disability and group health not covered by insurance. These costs are charged to insurance and claims expense except for workers' compensation, long-term disability and group health, which are charged to employee benefits expense.

EARNINGS PER SHARE
Net income per common share is computed using the weighted average number of common shares outstanding during the period. The effect of dilutive employee stock options in Note 7 is immaterial to the calculation of diluted EPS for the years ended December 31, 1998, 1997 and 1996.

FAIR VALUES OF FINANCIAL INSTRUMENTS
At December 31, 1998, and 1997, the carrying value of financial instruments such as cash and cash equivalents, customer and other receivables, trade payables and long-term debt approximated their fair values. Fair value is determined based on expected future cash flows, discounted at market interest rates, and other appropriate valuation methodologies.

STOCK BASED COMPENSATION
Stock based compensation expense for the Company's employee stock option plan is recognized under the provisions of Accounting Principles Board Opinion No. 25, ACCOUNTING FOR STOCK ISSUED TO EMPLOYEES ("APB 25"), and related interpretations. Under APB 25, because the exercise price of the Company's employee stock options equals the market price of the underlying stock on the

date of grant, no compensation expense is recognized. Pro forma information regarding net income and earnings per share required by Statement of Financial Accounting Standards ("SFAS") No. 123, ACCOUNTING FOR STOCK-BASED COMPENSATION, is not significant.

RECENT ACCOUNTING PRONOUNCEMENTS
There were no items of comprehensive income for the years ending December 31, 1998, 1997 and 1996, as defined under SFAS No. 130, REPORTING COMPREHENSIVE INCOME. The Company operates one business segment, within the continental United States, and has no customer that exceeds 10% of its operating revenue. Accordingly, no disclosures are required under SFAS No. 131, DISCLOSURES ABOUT SEGMENTS OF AN ENTERPRISE AND RELATED INFORMATION.

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

NOTE 2. LONG-TERM DEBT

Long-term debt consisted of the following:

(IN THOUSANDS)	December 31, 1998	December 31, 1997
Senior Notes	$ 49,000	$ 30,000
Revolving credit facility	8,310	6,730
Equipment obligations, principal payable in monthly installments plus interest principally ranging from 4.5% to 6.9%	13,279	10,571
	70,589	47,301
Less current maturities	9,093	5,146
	$ 61,496	$ 42,155

Senior Notes consist of four individual debt agreements with interest rates ranging from 6.35% to 7.59%. The notes call for periodic principal payments with maturities ranging from 2002 to 2008.

The Company maintains a $32,500,000 uncollateralized committed credit agreement that consists of a $17,500,000 line of credit facility and a $15,000,000 letter of credit facility, expiring in June 2000. 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 1998 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 December 31, 1998, there was $10,717,000 outstanding on the letter of credit facility, which is required for self-insured retention reserves for bodily injury, property damage and workers' compensation insurance.

Both the Company's Senior Notes and credit agreement limit the amount of dividends that may be paid to stockholders pursuant to and limited by certain financial ratios, necessary corporate action and all applicable laws. At December 31, 1998, the Company's debt instruments limited the amount of dividends that could be paid to stockholders to $9,620,000.

Equipment and capitalized lease obligations are collateralized by property and equipment with a net book value book value of $16,734,000 at December 31, 1998.

As of December 31, 1998, aggregate maturities of long-term debt are as follows:

(IN THOUSANDS)

1999	$ 9,093
2000	10,298
2001	8,502
2002	7,457
2003	6,107
Thereafter	20,822
	62,279
Borrowings outstanding under the revolving credit agreement	8,310
	$ 70,589

NOTE 3. LEASES

The Company leases certain revenue equipment under capital leases that expire in 1999 and 2002. These assets are included in property and equipment as follows:

(IN THOUSANDS)	December 31, 1998	1997
Revenue equipment	$ 4,281	$ 1,112
Less accumulated amortization	1,217	525
	$ 3,064	$ 587

Future minimum annual lease payments as of December 31, 1998, are as follows:

<TABLE>
<CAPTION>

(IN THOUSANDS)	Capital Leases	Operating Leases	Total
<S>	<C>	<C>	<C>
1999	$ 2,858	$ 9,870	$ 12,728
2000	155	5,147	5,302
2001	155	2,727	2,882
2002	103	1,347	1,450
2003	-	725	725
Thereafter	-	562	562
Total minimum lease payments	3,271	$ 20,378	$ 23,649
Less amount representing interest	166		
Present value of capitalized lease obligations	$ 3,105		

Aggregate expense under operating leases approximated $10,358,000, $9,093,000 and $8,841,000 for 1998, 1997 and 1996, respectively.

</TABLE>

NOTE 4. INCOME TAXES

The components of the provision for income taxes are as follows:

(IN THOUSANDS)	Year ended December 31, 1998	1997	1996
Current:			
Federal	$ 3,899	$2,116	$ 395

State	227	142	16
	4,126	2,258	411
Deferred:			
Federal	2,264	3,307	2,857
State	425	588	498
	2,689	3,895	3,355
Total provision for income taxes	$ 6,815	$6,153	$ 3,766

Net cash paid (refunds received) for income taxes during 1998, 1997 and 1996 aggregated $2,856,000, $2,972,000 and ($987,000), respectively.

A reconciliation of the statutory federal income tax rates with the Company's effective income tax rates for 1998, 1997 and 1996 is as follows:

<TABLE>
<CAPTION>

	Year ended December 31,		
(IN THOUSANDS)	1998	1997	1996
<S>	<C>	<C>	<C>
Tax provision at statutory rate on income before income taxes	$6,277	$ 5,505	$ 3,369
State income taxes, net of federal benefit	424	476	122
Meals and entertainment disallowance	291	257	229
Other, net	(177)	(85)	46
Total provision for income taxes	$6,815	$ 6,153	$ 3,766

Deferred tax assets and liabilities consist of the following:

	December 31,	
(IN THOUSANDS)	1998	1997
Deferred tax assets:		
Claims and insurance reserves	$ 7,857	$ 6,200
Allowance for doubtful accounts	2,224	1,936
Property and equipment	-	694
Accrued vacation	1,301	931
Other	748	559
	12,130	10,320
Deferred tax liabilities:		
Depreciation	23,321	20,297
Tires on equipment	2,769	1,971
Employee benefits	1,756	1,293
Other	1,620	1,406
	29,466	24,967
Net deferred tax liability	$ 17,336	$14,647

</TABLE>

NOTE 5. RELATED PARTY TRANSACTIONS

The Company leases revenue equipment and service center facilities from certain stockholders, employees and affiliates under both capital and operating leases. Future minimum lease commitments to affiliates at December 31, 1998, are as follows:

<TABLE>
<CAPTION>

(IN THOUSANDS)	Operating lease	Capital lease	Total
<S>	<C>	<C>	<C>
1999	$ 373	$ 236	$ 609
2000	188	-	188
Total minimum lease payments	$ 561	236	$ 797
Less amount representing interest		5	
Present value of capitalized lease obligations		$ 231	

</TABLE>

Lease payments to affiliates of the Company were $739,000, $775,000 and $826,000 in 1998, 1997 and 1996, respectively.

The Company purchased fuel, equipment repairs and other services from an affiliate for which it paid $310,000, $365,000 and $401,000 in 1998, 1997 and 1996, respectively. Charges to the affiliate for rent, equipment repairs, fuel and other services provided by the Company aggregated $207,000, $480,000 and $1,009,000 during 1998, 1997 and 1996, respectively.

NOTE 6. EMPLOYEE RETIREMENT PLAN CONTRIBUTION EXPENSE

Substantially all employees meeting certain service requirements are eligible to participate in the Company's 401(k) employee retirement plan. Employee contributions are limited to a percentage of their compensation, as defined in the plan. The Company makes contributions based upon the greater of a percentage of employee contributions or ten percent of net income. Company contributions for 1998, 1997 and 1996 were $1,112,000, $1,004,000 and $753,000, respectively.

NOTE 7. STOCK OPTIONS

In 1991, the Board of Directors and stockholders adopted the 1991 Employee Stock Option Plan ("Plan") under which 250,000 shares of common stock are reserved for stock option grants to certain officers and employees. Options granted under the Plan may be incentive stock options or nonqualified stock options. The Plan provides that options may be granted at prices not less than the fair market value on the date the option is granted, which means the closing price of a share of common stock as reported on the Nasdaq Stock Market (National Market) on such day or the preceding day if the shares are not traded in the Nasdaq system on the grant day. On the date the option is granted, the Stock Option Plan Committee of the Board of Directors determines the period during which the option may be exercised; however, under the terms of the Plan, the option period cannot extend more than ten years from the date on which the option is granted. Options may not be granted under the Plan after August 31, 2001. A summary of the changes in the number of common shares under option during the years ended December 31, 1998, 1997 and 1996 follows:

<TABLE>
<CAPTION>

	NUMBER OF OPTIONS	PER SHARE OPTION PRICE	OPTIONS RESERVED FOR FUTURE GRANT
<S>	<C>	<C>	<C>
Balance as of December 31, 1995	196,500	$10.00 - $19.25	40,500
Granted	-	-	-
Exercised	-	-	-
Canceled	(15,000)	$10.00 - $19.25	15,000
Balance as of December 31, 1996	181,500	$10.00 - $19.25	55,500
Granted	-	-	-
Exercised	(2,400)	$10.00	-
Canceled	-	-	-

Balance as of December 31, 1997	179,100	$10.00 - $19.25	55,500
GRANTED	-	-	-
EXERCISED	(1,600)	$10.00	-
CANCELED	-	-	-
BALANCE AS OF DECEMBER 31, 1998	177,500	$10.00 - $19.25	55,500

</TABLE>

Options exercisable at December 31, 1998, were 161,000.

NOTE 8. RESTRICTED STOCK

In 1991, the Board of Directors and stockholders approved a Restricted Stock Agreement with an officer of the Company. Pursuant to that agreement, 153,336 shares of the Company's common stock were issued and reserved for release to the officer in four equal, biannual installments originally scheduled for January 1, 1994, 1996, 1998 and 2000. On January 28, 1997, the Board of Directors authorized the release of 76,668 shares, the total remaining unreleased shares under the agreement. Compensation expense was recognized ratably over the vesting period, adjusted for accelerations of release dates by the Board of Directors, based on the stock price as of October 24, 1991, the date of the initial public offering. Compensation expense recognized pursuant to this agreement was $697,000 and $232,000 for the years 1997 and 1996, respectively.

NOTE 9. ACQUISITIONS OF BUSINESS ASSETS

During 1998, the Company acquired selected assets of two LTL trucking companies, Fredrickson Motor Express Corporation and Goggin Truck Line Company, Inc. These acquisitions have been accounted for as purchase transactions and consist of the purchase of assets with an estimated fair value of $18,247,000 and the assumption of liabilities of $8,942,000. Subsequent to these purchases, approximately $7,407,000 of the acquired assets were liquidated. Goodwill associated with the acquisitions is being amortized using a straight-line method over 25 years.

The results of operations of these acquisitions have been included in the Company's financial statements beginning on the date the acquisitions were consummated. The aggregate pro forma impact on the Company's revenue from operations, operating income and earnings per share is not material to the consolidated results of operations.

NOTE 10. COMMITMENTS AND CONTINGENCIES

The Company is involved in various legal proceedings and claims that have arisen in the ordinary course of its business that have not been fully adjudicated. Many of these are covered in whole or in part by insurance. These actions, when finally concluded and determined, will not, in the opinion of management, have an adverse effect upon the financial position or results of operations of the Company.

NOTE 11. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)
<TABLE>
<CAPTION>

	Quarter				
(IN THOUSANDS, EXCEPT PER SHARE DATA)	First	Second	Third	Fourth	Total
<S>	<C>	<C>	<C>	<C>	<C>
1998					
REVENUE	$88,694	$95,640	$99,266	$99,478	$383,078
OPERATING INCOME	4,089	6,778	6,735	4,975	22,577
NET INCOME	1,913	3,554	3,422	2,231	11,120

NET INCOME PER SHARE:					
BASIC AND DILUTED	0.23	0.43	0.41	0.27	1.34
1997					
Revenue	$73,591	$84,490	$88,275	$82,488	$328,844
Operating income	3,214	6,061	6,502	4,234	20,011
Net income	1,399	3,153	3,353	2,133	10,038
Net income per share:					
Basic and diluted	0.17	0.38	0.40	0.26	1.21

</TABLE>

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Old Dominion Freight Line, Inc.

We have audited the accompanying consolidated balance sheets of Old Dominion Freight Line, Inc. and subsidiary as of December 31, 1998 and 1997, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for each of the three years in the period ended December 31, 1998. Our audits also included the financial statement schedule of Old Dominion Freight Line, Inc. and subsidiary listed in Item 14(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Old Dominion Freight Line, Inc. and its subsidiary at December 31, 1998 and 1997, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1998, in conformity with generally accepted accounting principles. Also, in our opinion, the financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

ERNST & YOUNG LLP

Winston-Salem, North Carolina
January 28, 1999

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information concerning the Company's directors required by Item 10 of Form 10-K is incorporated by reference to the Company's proxy statement for the 1999 Annual Meeting of its Stockholders under the caption's "Election of

Directors" and "Principal Stockholders - Section 16 Beneficial Ownership Reporting Compliance", reference to which is hereby made, and the information there is incorporated herein by reference.

The information concerning the Company's executive officers required by Item 10 of Form 10-K appears in Item 1 of this report under the heading "Executive Officers of the Company".

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 of Form 10-K appears in the Company's proxy statement for the 1999 Annual Meeting of its Stockholders under the caption "Executive Compensation", reference to which is hereby made, and the information there is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by Item 12 of Form 10-K appears in the Company's proxy statement for the 1999 Annual Meeting of its Stockholders under the captions "Election of Directors" and "Principal Stockholders", reference to which is hereby made, and the information there is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by Item 13 of Form 10-K appears in the Company's proxy statement for the 1999 Annual Meeting of its Stockholders under the caption "Executive Compensation - Compensation Committee Interlocks and Insider Participation", reference to which is hereby made, and the information there is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a)(1) Financial Statements.

The following consolidated financial statements of Old Dominion Freight Line, Inc., are included in Item 8:

Consolidated Balance Sheets - December 31, 1998, and December 31, 1997

Consolidated Statements of Operations - Years ended December 31, 1998, December 31, 1997, and December 31, 1996

Consolidated Statements of Changes in Stockholders' Equity - Years ended December 31, 1998, December 31, 1997, and December 31, 1996

Consolidated Statements of Cash Flows - Years ended December 31, 1998, December 31, 1997, and December 31, 1996

Notes to the Consolidated Financial Statements

(a)(2) Financial Statement Schedules.

The following financial statement schedule of Old Dominion Freight Line, Inc., is included in response to Item 14(d):

Schedule II - Valuation and Qualifying Accounts

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the instructions or are inapplicable and, therefore, have been omitted.

The documents listed below are filed under subsection (d) of Item 14:

(a)(3) Exhibits Filed. The exhibits listed in the accompanying Exhibit Index are filed as a part of this report.

(b) Reports on Form 8-K. None filed during the last quarter of the period covered by this report.

(c) Exhibits. See Exhibit Index.

(d) Financial Statement Schedules.

<TABLE>
<CAPTION>

SCHEDULE II
OLD DOMINION FREIGHT LINE, INC.
VALUATION AND QUALIFYING ACCOUNTS

ALLOWANCE FOR DOUBTFUL ACCOUNTS

DESCRIPTION	BEGINNING BALANCE	ADDITIONS CHARGED TO EXPENSE	AMOUNTS WRITTEN OFF	ENDING BALANCE
<S>	<C>	<C>	<C>	<C>
Year ended December 31, 1996	$ 5,083,000	$ 2,345,000	$ 1,729,000	$ 5,699,000
Year ended December 31, 1997	$ 5,699,000	$ 2,852,000	$ 3,588,000	$ 4,963,000
YEAR ENDED DECEMBER 31, 1998	$ 4,963,000	$ 3,035,000	$ 2,296,000	$ 5,702,000

</TABLE>

[zz]

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Dated: March 22, 1999 By: EARL E. CONGDON

Earl E. Congdon
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Name and Signature	Position	Date
EARL E. CONGDON ---------------------- Earl E. Congdon	Chairman of the Board and Chief Executive Officer	March 22, 1999
JOHN R. CONGDON ---------------------- John R. Congdon	Vice Chairman of the Board and Director	March 22, 1999

JOHN A. EBELING - ---------------------- John A. Ebeling	Vice Chairman of the Board and Director	March 22, 1999
JOHN R. CONGDON, JR. - -------------------- John R. Congdon, Jr.	Director	March 22, 1999
HAROLD G. HOAK - -------------------- Harold G. Hoak	Director	March 22, 1999
FRANZ F. HOLSCHER - -------------------- Franz F. Holscher	Director	March 22, 1999
DAVID S. CONGDON - ---------------------- David S. Congdon	President and Chief Operating Officer	March 22, 1999
J. WES FRYE - ---------------------- J. Wes Frye	Senior Vice President - Finance (Principal Financial Officer)	March 22, 1999
JOHN P. BOOKER III - ---------------------- John P. Booker III	Vice President - Controller (Principal Accounting Officer)	March 22, 1999

EXHIBIT INDEX
TO ANNUAL REPORT ON FORM 10-K
OLD DOMINION FREIGHT LINE, INC.
FOR YEAR ENDED DECEMBER 31, 1998

<TABLE>
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Exhibit No.	Description
3.1.1(a)	Articles of Incorporation (as amended and restated September 18, 1991)
3.2(a)	Bylaws of Old Dominion Freight Line, Inc.
4.1(a)	Specimen certificate of Common Stock
4.3(b)	ISDA Master Agreement and Schedule between First Union National Bank of North Carolina and Old Dominion Freight Line, Inc., dated June 15, 1995
4.4(b)	Credit Agreement between First Union National Bank of North Carolina and Old Dominion Freight Line, Inc., dated June 14, 1995
4.4.1(b)	Form of note issued by Company pursuant to the Credit Agreement between First Union National Bank of North Carolina and Old Dominion Freight Line, Inc., dated June 14, 1995
4.4.2(c)	First Amendment to Credit Agreement between First Union National Bank of North Carolina and Old Dominion Freight Line, Inc., dated February 2, 1996
4.4.3(d)	Second Amendment to the Credit Agreement between Old Dominion Freight Line, Inc. and First Union National Bank of North Carolina, dated April 29, 1996
4.4.4(d)	Third Amendment to the Credit Agreement between Old Dominion Freight Line,

Inc. and First Union National Bank of North Carolina, dated June 15, 1996

4.4.5(f) Fourth Amendment to the Credit Agreement between Old Dominion Freight Line, Inc. and First Union National Bank of North Carolina, dated April 22, 1997

4.5(d) Note Purchase Agreement between Nationwide Life Insurance Company, New York Life Insurance Company and Old Dominion Freight Line, Inc., dated June 15, 1996

4.5.1(d) Forms of notes issued by Company pursuant to Note Purchase Agreement between Nationwide Life Insurance Company, New York Life Insurance Company and Old Dominion Freight Line, Inc., dated June 15, 1996

4.6(g) Note Purchase Agreement between Nationwide Life Insurance Company, New York Life Insurance Company and Old Dominion Freight Line, Inc., dated February 25, 1998

4.6.1(g) Forms of notes issued by Company pursuant to Note Purchase Agreement between Nationwide Life Insurance Company, New York Life Insurance Company and Old Dominion Freight Line, Inc., dated February 25, 1998

10.1(a) Employment Agreement between Old Dominion Freight Line, Inc., and John A. Ebeling (as amended April 7, 1988)

10.3(a) Restricted Stock Agreement between Old Dominion Freight Line, Inc., and John A. Ebeling, dated August 19, 1991

10.4(a) 1991 Employee Stock Option Plan of Old Dominion Freight Line, Inc.

10.5(a) Stock Option Agreement pursuant to the 1991 Employee Stock Option Plan of Old Dominion Freight Line, Inc. (included in Exhibit 10.4)

10.9(a) E & J Enterprises Trailer Lease Agreement, effective August 1, 1991

Exhibit No. Description
- ----------- --

10.9.1(e) Extension of E & J Trailer Lease Agreement, effective August 1, 1996

10.15(c) Lease Agreement between Robert A. Cox, Jr., Trustee, and Old Dominion Freight Line, Inc., dated as of October 31, 1995

23.1 Consent of Ernst & Young LLP

27 Financial Data Schedule
- --

(a) Incorporated by reference to the exhibit of the same number contained in the Company's registration statement on Form S-1 filed under the Securities Act of 1933 (SEC File: 33-42631)

(b) Incorporated by reference to the exhibit contained in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1995

(c) Incorporated by reference to the exhibit of the same number contained in the Company's Annual Report on Form 10-K for the year ended December 31, 1995

(d) Incorporated by reference to the exhibit of the same number contained in the Company'sQuarterly Report on Form 10-Q for the quarter ended June 30, 1996

(e) Incorporated by reference to the exhibit of the same number contained in the Company's Annual Report on Form 10-K for the year ended December 31, 1996

(f) Incorporated by reference to the exhibit of the same number contained in the Company'sQuarterly Report on Form 10-Q for the quarter ended June 30, 1997

(g) Incorporated by reference to the exhibit of the same number contained in the Company's Annual Report on Form 10-K for the year ended December 31, 1997

</TABLE>

EXHIBIT 23.1

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statements (Form S-8 Nos. 33-44137 and 33-44139) pertaining to the Old Dominion Freight Line, Inc. Restricted Stock Agreement and 1991 Employee Stock Option Plan of Old Dominion Freight Line, Inc. of our report dated January 28, 1999, with respect to the consolidated financial statements and schedule of Old Dominion Freight Line, Inc. and its subsidiary included in the Annual Report (Form 10-K) for the year ended December 31, 1998.

ERNST & YOUNG LLP

Winston-Salem, North Carolina
March 22, 1999

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

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EXHIBIT 27

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<PERIOD-END>	MAR-31-1998	JUN-30-1998	SEP-30-1998	DEC-31-1998	DEC-31-1998
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<PP&E>	222,840	235,145	255,921	256,469	256,469
<DEPRECIATION>	(87,563)	(91,417)	(94,801)	(97,471)	(97,471)
<TOTAL-ASSETS>	211,159	216,607	242,842	241,799	241,799
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<PREFERRED>	0	0	0	0	0
<COMMON>	831	831	831	831	831
<OTHER-SE>	86,583	90,153	93,575	95,806	95,806
<TOTAL-LIABILITY-AND-EQUITY>	211,159	216,607	242,842	241,799	241,799
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<TOTAL-COSTS>	84,605	88,862	92,531	94,503	360,501
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<INTEREST-EXPENSE>	913	960	1,129	1,329	4,331
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<INCOME-TAX>	1,172	2,179	2,097	1,367	6,815
<INCOME-CONTINUING>	1,913	3,554	3,422	2,231	11,120
<DISCONTINUED>	0	0	0	0	0
<EXTRAORDINARY>	0	0	0	0	0
<CHANGES>	0	0	0	0	0
<NET-INCOME>	1,913	3,554	3,422	2,231	11,120
<EPS-PRIMARY>	0.23	0.43	0.41	0.27	1.34<F1>
<EPS-DILUTED>	0.23	0.43	0.41	0.27	1.34

<FN>
EPS-BASIC
</FN>

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