



OLD DOMINION FREIGHT LINE, INC. 2015 ANNUAL REPORT



***At Old Dominion,
our dedicated team
makes and keeps
promises each day.***

Keeping promises drives us to provide premium service, which is reflected in our ability to consistently deliver freight on-time and damage-free. Providing premium service is at the heart of everything we do, because it's at the heart of who we are.

OD DOMESTIC provides nationwide coverage to help our customers manage their LTL and logistics needs. Providing this award-winning, premium service at a fair price has driven our ability to win market share. We have been consistently recognized for our service, and we are proud that Mastio & Company has named us the leading LTL National Carrier for the past six years.

OD EXPEDITED is the trusted shipping service for time-sensitive and appointment deliveries with our Guaranteed, On Demand, and Air Services. OD Expedited also meets the needs of any shipper by providing highly customizable solutions.

OD GLOBAL uses door-to-door freight visibility to provide access to a wide range of services within the global supply chain. We arrange direct LTL service to Canada, Mexico and the Caribbean. In addition, we offer container drayage services, including less-than-container-load and full-container-load shipments.

OD TECHNOLOGY provides our customer with supply-chain visibility that includes access to real-time information and tools to manage their shipping needs. Our technology also empowers our employees to operate efficiently and provide premium service levels.





FELLOW SHAREHOLDERS

Old Dominion produced its fifth consecutive year of record operating results in 2015, setting Company records for revenue, operating ratio and earnings per diluted share. We continued to outpace our industry by successfully executing our long-term growth strategies, which allowed us to win market share and strengthen our financial position.

We achieved these results in a year in which macroeconomic conditions softened and our costs increased. While these headwinds have carried over into 2016, we continue to focus on winning market share in 2016 and beyond by delivering premium service at a fair price. Achieving long-term growth requires a commitment to continued investments in our capacity, technology and people. Through our disciplined strategic approach and long-term focus on our core business principles and strategies, we expect to continue to produce industry-leading performance and increase shareholder value.

Freight density and yield drive profitable growth: Old Dominion's revenue for 2015 increased 6.6% to \$2.97 billion from \$2.79 billion for 2014. Our revenue growth was driven by a 7.4% increase in LTL tons, which consisted of an 11.6% increase in shipments and a 3.8% decline in weight per shipment. The decline in weight per shipment resulted, in part, from changes in the mix of our freight and the macroeconomic environment.

Revenue was also negatively affected by a significant decline in fuel surcharges during 2015, which resulted in the 0.5% decline in revenue per hundredweight. Throughout 2015, we maintained our focus on yield management and our yield metrics also benefited from the decline in weight per shipment. As a result, revenue per hundredweight, excluding fuel surcharges, increased 5.7% for 2015.

The increase in freight density and our yield management process contributed to the 100 basis-point improvement in our operating ratio to 83.2% for 2015, which was our sixth consecutive year of improvement. The combination of an improved operating ratio and revenue growth led to the 13.9% increase in net income to \$304.7 million for 2015 from \$267.5 million for 2014. Earnings per diluted share increased 15.2%

to \$3.57 for 2015. The consistent long-term improvement in our financial results has been a key driver in generating value for our shareholders, as reflected by compound annual growth rates for our Company's stock of 19.9%, 22.6% and 17.3% for the previous three-, five- and 10-year periods, respectively.

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**WE CONTINUE TO FOCUS
ON WINNING MARKET
SHARE IN 2016 AND BEYOND
BY DELIVERING PREMIUM
SERVICE AT A FAIR PRICE.**

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Sustaining our strong, differentiated market position to achieve long-term growth: The foundation of Old Dominion's history of long-term profitable growth has been our success in delivering on-time and claims-free service at a fair price. The growing market demand for our premium service is evidenced by our sustained ability to win market share while also improving our yield.

Our confidence in advancing our position as the industry's premium service leader reflects many years of strategic focus, substantial investment and market discipline, which we believe has created the new benchmark for premium LTL service. Our continued execution and industry outperformance is attributable to nearly two decades of continuous refinement of our services and ongoing investments in capacity expansion and productivity-enhancing technology. Our long-term investment in education and training, combined with our OD Family culture, have allowed us to attract, develop and retain a highly motivated, innovative and flexible team that consistently exceeds our customers' expectations.

Increasing cash flow supports strong financial position, reinvestment and capital return: The Company's net cash provided by operating activities for 2015 increased 41.4% to

\$553.9 million. Our cash flow more than funded our capital expenditures of \$462 million for 2015 and contributed a majority of the capital used to repurchase \$114.1 million of our common stock during the year. At December 31, 2015, \$80.4 million remained available for repurchase under our previously

our receipt of the Mastio Quality Award for the best National LTL carrier. This was the sixth consecutive year that we have received this prestigious award, which reflects the overall service value we have created by remaining true to our core business principles and strategies. These fundamentals are centered



authorized \$200 million stock repurchase program. We anticipate the completion of this program by the end of the first half of 2016.

We have three priorities for our capital allocation strategy. Our first priority has been, and will continue to be, investing in the organic growth of our business through our ongoing capital expenditures for capacity and technology. These expenditures have historically provided an outstanding return on investment. Capital expenditures for 2016 are currently expected to total approximately \$420.0 million, including planned expenditures of \$180.0 million for real estate and service center expansion projects, \$200.0 million for tractors and trailers and \$40.0 million for technology and other assets.

Our second priority will be to continue to evaluate strategic acquisition opportunities in an industry experiencing increasing consolidation pressure. Finally, we remain focused on continuing to return capital to our shareholders through our stock repurchase program in order to increase total returns.

High-quality performance from our high-quality team:

In addition to driving our strong financial results in 2015, our highly differentiated business model was further validated by

on a commitment to providing our OD Family of employees with the resources and capital infrastructure they need to consistently exceed our customers' service expectations. The strength and success of this commitment to the OD Family was also noteworthy in 2015, as Old Dominion was named to the Forbes "Best Employers 2015" list.

These awards highlight the power and sustainability of our business model and support our confidence in Old Dominion's prospects for further long-term growth in earnings and shareholder value. We recognize and thank our outstanding team of employees, on behalf of all our shareholders, for Helping the World Keep Promises® and achieving industry-leading performance. We also thank you, our fellow shareholder, for your investment in Old Dominion.

Sincerely,

David S. Congdon

David S. Congdon
Vice Chairman and Chief
Executive Officer

Earl E. Congdon

Earl E. Congdon
Executive Chairman

SELECTED FINANCIAL DATA

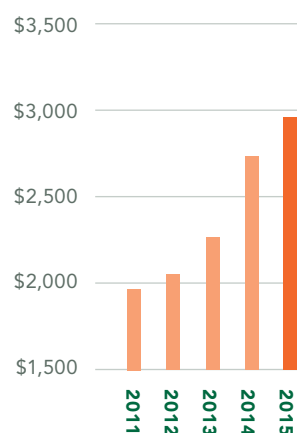
(In thousands, except per share amounts and operating statistics)

OPERATING STATISTICS:					% Change	
	2015	2014	2013	'15 vs. '14	'14 vs. '13	
LTL revenue per hundredweight	\$ 18.23	\$ 18.33	\$ 17.95	(0.5%)	2.1%	
LTL revenue per intercity mile	\$ 5.11	\$ 5.38	\$ 5.28	(5.0%)	1.9%	
LTL intercity miles (in thousands)	566,210	503,923	429,709	12.4%	17.3%	
LTL tons (in thousands)	7,938	7,391	6,325	7.4%	16.9%	
LTL shipments (in thousands)	10,129	9,073	7,942	11.6%	14.2%	
Average length of haul (in miles)	928	928	936	—	(0.9%)	
Service centers	225	222	221	1.4%	0.5%	
Tractors	7,688	6,907	6,296	11.3%	9.7%	
Trailers	30,204	27,259	25,052	10.8%	8.8%	

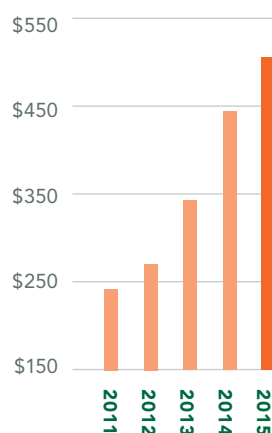
FINANCIAL RESULTS:	2015	2014	2013	2012	2011
Revenue from operations	\$ 2,972,442	\$ 2,787,897	\$ 2,337,648	\$ 2,134,579	\$ 1,903,800
Operating income	\$ 498,240	\$ 441,307	\$ 338,438	\$ 285,254	\$ 234,072
Net income	\$ 304,690	\$ 267,514	\$ 206,113	\$ 169,452	\$ 139,470
Operating ratio	83.2%	84.2%	85.5%	86.6%	87.7%
Diluted earnings per share	\$ 3.57	\$ 3.10	\$ 2.39	\$ 1.97	\$ 1.63
Diluted weighted average shares outstanding	85,378	86,162	86,165	86,165	85,720

FINANCIAL POSITION:	2015	2014	2013	2012	2011
Current assets	\$ 381,730	\$ 403,772	\$ 309,730	\$ 254,974	\$ 312,386
Total assets	2,466,504	2,206,866	1,908,840	1,692,460	1,493,608
Current liabilities	285,402	255,638	232,122	225,139	204,810
Long-term debt (including current maturities)	133,805	155,714	191,429	240,407	269,185
Shareholders' equity	1,684,637	1,494,064	1,232,082	1,025,969	856,519

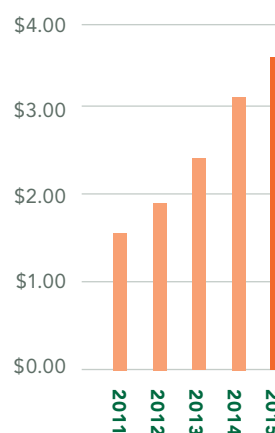
REVENUE FROM OPERATIONS
(in millions)



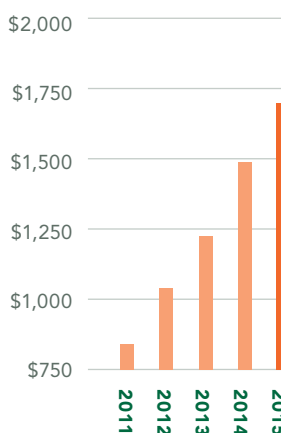
OPERATING INCOME
(in millions)



DILUTED EARNINGS PER SHARE



SHAREHOLDERS' EQUITY
(in millions)



BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

EARL E. CONGDON ⁽¹⁾

Executive Chairman

DAVID S. CONGDON ⁽¹⁾

Vice Chairman and
Chief Executive Officer

ROBERT G. CULP, III ^{(1) (2) (3)*}

Lead Independent Director;
Chairman, Culp, Inc.

J. PAUL BREITBACH ^{(1) (2) (4)}

Director; Retired Executive Vice President,
Krispy Kreme Doughnuts, Inc.

JOHN R. CONGDON, JR. ⁽¹⁾

Director; Chairman and Chief Executive Officer,
Old Dominion Truck Leasing, Inc.

JOHN D. KASARDA, PH.D. ^{(1) (4)*}

Director; Professor Emeritus and Director of the Center for
Air Commerce at the University of North Carolina at
Chapel Hill's Kenan-Flagler Business School

LEO H. SUGGS ^{(1) (3) (4)}

Director; Retired Chairman and Chief Executive
Officer, Overnite Transportation Company

D. MICHAEL WRAY ^{(1) (2)* (3)}

Director; President,
Riverside Brick & Supply Company, Inc.

GREG C. GANTT

President and Chief Operating Officer

DAVID J. BATES

Senior Vice President – Operations

KEVIN M. FREEMAN

Senior Vice President – Sales

CECIL E. OVERBEY, JR.

Senior Vice President – Strategic Development

ROSS H. PARR

Senior Vice President – Legal Affairs,
General Counsel and Secretary

ADAM N. SATTERFIELD

Senior Vice President – Finance,
Chief Financial Officer and Assistant Secretary

(1) Director (2) Audit Committee (3) Compensation Committee (4) Governance and Nomination Committee

** Chairman*

SHAREHOLDER INFORMATION

FORM 10-K/INVESTOR CONTACT

Our Annual Report on Form 10-K is available on our website, www.odfl.com, or a copy (without exhibits) is available at no charge by contacting Adam N. Satterfield, Senior Vice President - Finance and Chief Financial Officer at our corporate office.

ANNUAL SHAREHOLDERS' MEETING

The Annual Meeting of Shareholders will be held on Thursday, May 19, 2016, at 10:00 a.m. EDT at our corporate office.

REGISTRAR AND TRANSFER AGENT

American Stock Transfer and Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219
718.921.8200

INDEPENDENT AUDITORS

Ernst & Young LLP
100 North Tryon Street, Suite 3800
Charlotte, NC 28202



OD·DOMESTIC

OD·EXPEDITED

OD·PEOPLE

OD·GLOBAL

OD·TECHNOLOGY

**HELPING THE WORLD
KEEP PROMISES.®**

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