



2007 Annual Report



OD • DOMESTIC

OD • EXPEDITED

OD • GLOBAL

OD • TECHNOLOGY

THE POWER OF ONE SOURCE = THE POWER OF OD

Old Dominion Freight Line, Inc. was founded in 1934 and is a leading national less-than-truckload (“LTL”) motor carrier providing multi-regional service among six regions in the United States and next-day and second-day service within each of these regions. Through our non-union workforce, we offer an expanding array of innovative products and services and provide full-state coverage to 39 of the 48 states that we serve directly within the Southeast, Gulf Coast, Northeast, Midwest, Central and West regions of the country. Our direct service to each of the 48 contiguous states means that shippers get what they need, when they need it, wherever that happens to be.

In addition to our domestic LTL services, we offer freight assembly and distribution service and container delivery service to and from all of North America, Central America, South America and the Far East. We also offer a broad range of expedited and logistical services for both our domestic and global markets.

Our service offerings provide a One Source solution for shippers’ needs. It is transportation simplified and What We Do.



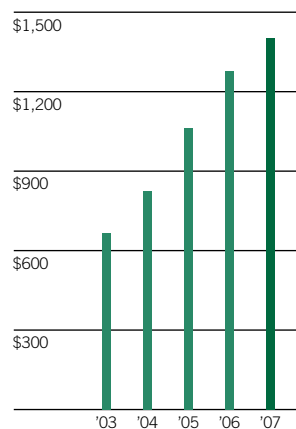
Strategic Advantages
+ Financial Strength
= Shareholder Value

Selected Financial Data

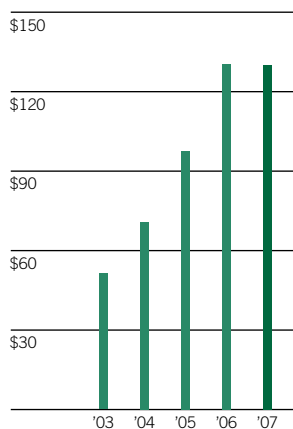
(in thousands, except for per share amounts and operating statistics)

	2007	2006	2005	2004	2003
Operating Data:					
Revenue from operations	\$1,401,542	\$1,279,431	\$1,061,403	\$824,051	\$667,531
Operating income	129,937	130,485	97,585	70,608	51,216
Income before accounting change	71,832	72,569	53,883	38,992	27,600
Net income	71,832	72,569	53,475	38,992	27,600
Diluted earnings per share	\$ 1.93	\$ 1.95	\$ 1.43	\$ 1.06	\$ 0.76
Diluted weighted average shares outstanding	37,285	37,285	37,276	36,635	36,142
Operating Statistics:					
Operating ratio	90.7%	89.8%	90.8%	91.4%	92.3%
Revenue per hundredweight	\$ 13.30	\$ 13.16	\$ 12.63	\$ 11.61	\$ 11.00
Revenue per intercity mile	\$ 4.31	\$ 4.32	\$ 4.12	\$ 3.76	\$ 3.53
Intercity miles (in thousands)	325,268	296,464	257,900	219,201	189,084
Total tons (in thousands)	5,271	4,859	4,203	3,550	3,040
Total shipments (in thousands)	6,765	6,428	5,751	4,918	4,366
Average length of haul (miles)	935	934	926	937	926
Total service centers	192	182	154	138	126
Tractors	5,016	4,643	4,028	3,430	3,001
Trailers	19,513	17,915	15,701	13,081	11,443
Financial Position:					
Current assets	\$ 216,277	\$ 256,367	\$ 150,213	\$122,537	\$ 97,055
Current liabilities	127,723	121,546	111,028	93,820	74,017
Total assets	981,048	892,193	641,648	504,733	430,244
Long-term debt (including current maturities)	263,754	274,582	128,956	79,454	97,426
Shareholders' equity	489,452	417,620	345,051	291,528	232,541

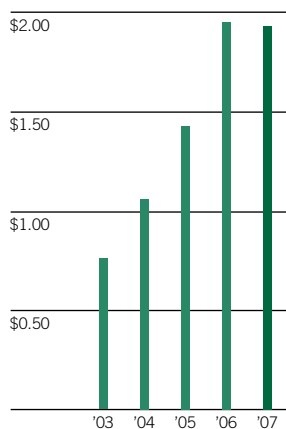
Revenue from Operations
(in millions)



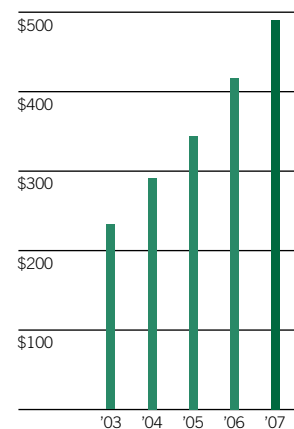
Operating Income
(in millions)



Diluted EPS



Shareholders' Equity
(in millions)



Domestic and Worldwide Services

OD is committed to providing our customers with a single-source solution for managing their transportation and logistical needs. We provide a complete range of products and services through One Company, One Management Team and One Strategic Vision, which provides a simple solution for shippers' needs. Providing our products and services through One Company distinguishes us from our competitors and is a primary reason we continue to gain market share, which creates value for our shareholders. The Power of One Source = The Power of OD.

OD•Domestic

OD—Domestic enables shippers to manage their domestic less-than-truckload and logistical needs throughout the continental United States by providing:

- Superior direct service to the 48 contiguous states;
- Next- and second-day service within our Southeast, Gulf Coast, Northeast, Midwest, Central and West regions of the country; and
- Freight assembly and distribution services.

OD•Expedited

OD—Expedited allows domestic and global shippers to define their delivery requirements through the following Speed Service product offerings that are backed by a money-back guarantee:

- Guaranteed—provides guaranteed on-time delivery within our normal transit times;
- On Demand—provides time-specific delivery for shipments requiring more expedient service; and
- Air—provides time-specific air freight services within the continental United States.

OD•Global

OD—Global offers a full complement of services within the global supply chain, all of which provide door-to-door freight visibility, including:

- Direct service to Canada, Mexico, the Caribbean, Alaska and Hawaii;
- Door-to-door service between China and the United States;
- Worldwide less-than-container load and full-container load services; and
- International air freight services around the globe.

OD•Technology

OD—Technology provides the tools for us to improve the efficiency of our operations while empowering our customers to manage their shipping needs from their desktops.

OD•Solutions

OD—Solutions offers a variety of value-added services to enable shippers to effectively manage their supply chain, including:

- Truckload brokerage services between the United States, Canada and Mexico;
- Logistical consulting services;
- Transportation management systems; and
- Warehousing services.





Whatever you ship
+ Wherever you ship

= What we do





Service Advantages

- RELIABLE ON-TIME DOMESTIC LTL SERVICE, WITH DIRECT SERVICE THROUGHOUT THE CONTINENTAL UNITED STATES
- NEXT- AND SECOND-DAY SERVICE WITHIN EACH OF OUR SIX GEOGRAPHIC REGIONS
- EXPEDITED SERVICE FOR TIME-SENSITIVE SHIPMENTS
- GLOBAL SERVICE BETWEEN THE U.S. AND CANADA, MEXICO AND THE CARIBBEAN
- DOOR-TO-DOOR SERVICE BETWEEN THE U.S. AND CHINA
- WORLDWIDE LESS-THAN-CONTAINER LOAD AND FULL-CONTAINER LOAD SERVICES
- THE FLEXIBILITY OF A NON-UNION WORKFORCE
- COMPLETE SHIPMENT VISIBILITY AND DATA MANAGEMENT THROUGH ODFL4ME.COM



- Old Dominion Service Centers
- ▲ Domestic Service Partner
- Direct Global Service
- ▲ Global Service Partner
- Container Ports

Canada

United States

Mexico

Hawaii

Caribbean

“We remain confident in our ability to drive further market share gains and increased value for our shareholders.”

Fellow Shareholders:

Old Dominion's performance in 2007 highlighted the strengths of our business strategies, as we continued to gain market share, expand geographically and outperform the LTL industry in terms of revenue growth and profitability. While we were not immune to the impact of the slowing economy and competitive environment, our performance stood out from our competitors due to our unique competitive market positioning, our disciplined approach to enhancing revenue yield and our success in increasing the productivity and efficiency of our operations. As a result, we minimized the impact of soft industry conditions while further positioning ourselves for future growth in earnings and revenue. We believe the continuing success of our business model and our long-term focus will allow us to achieve our goal of generating \$2 billion of annual revenue in 2010, assuming a stable domestic economy.

The Company's revenue increased 9.5% in 2007 to \$1.4 billion, following three consecutive years of at least 20% growth. While our growth in revenue for 2007 is lower than our ten-year compound annual growth rate of 15.6%, we are pleased with our overall performance given the tough economic environment and industry conditions prevalent in 2007. Our revenue growth resulted from an 8.5% increase in tonnage shipped and a 0.4% increase in revenue per hundredweight, excluding fuel surcharges, as compared with growth in those metrics for 2006 of 15.6% and 2.4%, respectively. Our inability to sufficiently increase prices to overcome increases in operating costs resulted in a 90 basis point increase in our operating ratio to 90.7% in 2007. Although it increased slightly, our 2007 operating ratio is the second best we have produced in our 16 years as a public company and was the best of the publicly-traded LTL carriers or reported LTL segments. We outpaced the industry in spite of the competitive environment and rising costs through focused productivity, efficiency improvements and expense management. By maintaining a strong operating ratio, we remained solidly profitable for 2007, with earnings per diluted share of \$1.93 compared with \$1.95 for 2006.

Old Dominion's tonnage growth of 8.5% for 2007 was substantially stronger than the LTL industry average and the American Trucking Association's non-seasonally adjusted Truck Tonnage Index, which declined 1.7%. Our tonnage growth is the result of a 5.2% increase in total shipments and a 3.0% increase in weight per shipment. We achieved this growth primarily through increased market share in our six operating regions, as more than 95% of revenue was produced by service centers operating for more than one year. Our market share gains are attributable to our ability to offer a single-source solution for shippers' regional, inter-regional and global needs through one operating company, which is unique in our industry. We are able to handle these different types of shipments through a single operating network, whereas our multi-regional and national competitors generally utilize different operating divisions to service different types of freight. In addition to our gains in market share, our diverse customer base reduced the negative impact from any one industry sector, particularly the housing and auto sectors where we have minimal exposure.

Our tonnage growth for 2007 was especially notable, as it was achieved while maintaining a disciplined approach to pricing despite the competitive pricing environment that intensified throughout the year. Our revenue per shipment, excluding fuel surcharges, increased 3.5% for 2007 at a time when many carriers in the LTL industry reduced prices to increase or maintain their tonnage and shipment volumes. In this competitive environment, we have continued to follow our basic pricing philosophy of evaluating each individual account for profitability in an effort to maintain rational pricing for our services. As a result, we will meet competitive pricing for existing customer accounts to the extent we can achieve our profitability objectives, and we will not knowingly or willingly initiate price cuts or higher discounts to win new business. We develop a sophisticated understanding about the pricing needed for each account through our freight costing system, which utilizes information technology to capture and analyze the characteristics of the freight and the individual shippers. In addition, through long-term execution, we have demonstrated to our customers the increasing value inherent in our products and

services, geographic coverage, on-time service performance and freight visibility, thereby broadening the factors influencing our customers' purchase decisions beyond a single focus on price.

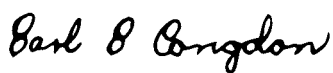
Long-Term Outlook

For 2008 and beyond, we remain confident in our ability to drive further market share gains and increased value for our shareholders. We continue to steadily strengthen our foundation for future growth by expanding our service center network through both organic growth and strategic acquisitions. We added ten service centers in 2007, six of which were organic, and twelve service centers in early 2008 through an acquisition. These additions increased our total network to 204 service centers at February 29, 2008. As a result, we now offer direct service throughout the continental United States and full-state coverage in 39 states. We plan to continue to expand our geographic footprint with a goal of offering complete full-state coverage in the 48 contiguous states within the next three-to-five years. The expansion of our footprint and increased full-state coverage continues to position OD as a better shipping alternative for a growing number of shippers.

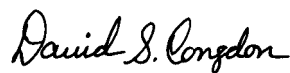
We expect the economic environment to remain sluggish at least for the first half of 2008, sustaining excess capacity in the LTL industry and the current competitive pricing environment. Based on this outlook, we were cautious in establishing our 2008 guidance for earnings per diluted share in a range of \$2.00 to \$2.05 as compared to the \$1.93 earned in 2007. Nonetheless, we were encouraged by the sequential-quarter improvements in tonnage in the third and fourth quarters of 2007 and by our tonnage growth in January and February 2008, despite the harsh winter weather experienced throughout parts of the United States.

In closing, we thank our employees and Board of Directors for their hard work under challenging conditions in 2007. We expect the skill, innovation and flexibility of the OD Family to remain a differentiating asset for Old Dominion in the market. We also thank you, our fellow shareholder, for your confidence in the Company and its prospects for significant long-term growth in shareholder value.

Sincerely,



Earl E. Congdon
Executive Chairman
Board of Directors



David S. Congdon
President and Chief Executive Officer



Commitment
+ Execution
= Exceptional
Results



The Power of
One Source

+ The Power of OD

= Transportation
Simplified

Board of Directors and Executive Officers

Earl E. Congdon⁽¹⁾⁽⁴⁾
Executive Chairman

David S. Congdon⁽¹⁾⁽⁴⁾
Director; President and
Chief Executive Officer

John R. Congdon⁽¹⁾⁽⁴⁾
Vice Chairman; Chairman,
Old Dominion Truck Leasing, Inc.

J. Paul Breitbach⁽¹⁾⁽²⁾⁽⁵⁾
Director; Director,
The Shepherd Street Funds, Inc.;
Retired Executive Vice President,
Krispy Kreme Doughnuts, Inc.

John R. Congdon, Jr.⁽¹⁾
Director; Vice Chairman,
Old Dominion Truck Leasing, Inc.

Robert G. Culp, III⁽¹⁾⁽²⁾⁽³⁾
Director; Chairman of the Board of Directors,
Culp, Inc.; Director,
Stanley Furniture Company, Inc.

John A. Ebeling⁽¹⁾⁽²⁾⁽⁵⁾
Director; Former Vice Chairman and
Retired Chief Operating Officer

Franz F. Holscher⁽¹⁾⁽³⁾
Director; Retired Chairman,
Thurston Motor Lines, Inc.

John D. Kasarda, Ph.D.⁽¹⁾
Director; Professor and Director of the
Kenan Institute of Private Enterprise at the
University of North Carolina at Chapel Hill

J. Wes Frye
Senior Vice President—Finance,
Chief Financial Officer, Treasurer and
Assistant Secretary

Joel B. McCarty, Jr.
Senior Vice President, General Counsel
and Secretary

John B. Yowell
Executive Vice President and
Chief Operating Officer

- (1) Director
- (2) Audit Committee
- (3) Compensation Committee
- (4) Executive Committee
- (5) Governance & Nomination Committee

Shareholders' Information

Form 10-K/Investor Contact

Our Annual Report on Form 10-K is available on our web site, www.odfl.com, or a copy (without exhibits) is available at no charge by contacting J. Wes Frye, Senior Vice President—Finance, at our corporate office.

Annual Shareholders' Meeting

The annual meeting of shareholders will be held on Wednesday, May 28, 2008, at 10:00 a.m. at our corporate office.

Corporate Office

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718.921.8200

Independent Auditors

Ernst & Young, LLP
202 CentrePort Drive, Suite 200
Greensboro, North Carolina 27409

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