



OLD DOMINION FREIGHT LINE, INC.



2020

ANNUAL REPORT

SUPERIOR SERVICE LEADS THE WAY

Old Dominion Freight Line has proven the strength of our strategic plan in both good times and bad, and 2020 was no exception. Our OD Family of employees worked through the challenges presented by the COVID-19 pandemic and the rapid changes in business levels during 2020. We also continued to invest in our service center network, additional equipment, and technology enhancements to better serve our customers. Our commitment to continued investment and expansion strengthens not only our ability to provide world-class service at a fair price, but also positions us to produce further profitable growth and increased shareholder value.





OD DOMESTIC OD's ongoing investment in our domestic service center network is key to developing and serving our customers. We have expanded to over 240 service centers across the United States to provide capacity for further customer growth and additional market share opportunities. In 2020, our superior customer service and commitment to excellence earned OD the Mastio Quality Award* for an unprecedented 11th consecutive year.



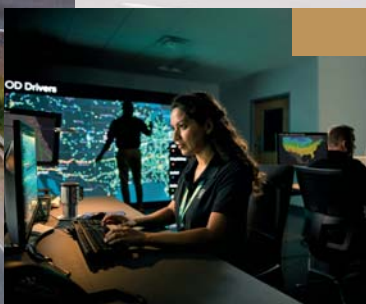
OD EXPEDITED For many years, OD has had a sterling reputation for on-time delivery of time-sensitive and highly critical shipments. Even as supply chains tighten and delivery windows contract, OD Expedited service gives customers customizable solutions to meet their needs, from Guaranteed and On-Demand shipping to Air Freight and Weekend Promise with Friday pickup and Monday delivery. In addition, OD's Must Arrive By Date service helps our retail customers meet their increasingly complex and stringent supply chain demands.



OD PEOPLE OD's team of dedicated, highly-trained employees has made us an industry leader. We value and support our employees' ability to grow and progress in their careers by offering continuous education and training programs, including OD Driver Training and OD Management Training programs. This commitment to our team allows us to attract and retain exceptional talent, improving all aspects of our business. Our efforts have earned us recognition as a great place to work, including being named as one of the 2020 Top Companies for Women to Work for in Transportation**.



OD GLOBAL With OD Global, our customers can reach global markets with door-to-door freight visibility. Our less-than-truckload ("LTL") services reach Canada and Mexico through trusted, time-tested strategic alliances. We also offer air freight as well as less-than-full and full-container-load delivery services for ocean-going shipping. Customers can rest assured that their shipments will reach their destinations no matter where they are with the personalized assistance of skilled OD customer service representatives, data, and equipment. We even coordinate paperwork to help ensure on-time, hassle-free arrivals.



OD TECHNOLOGY OD's customers depend on our leading-edge technology to track their freight in real time across an array of devices. We provide technology-based solutions to streamline shipping programs, manage pickup and delivery more efficiently, and help ensure that shipments arrive on time and damage free.

* Source: 2020 Mastio and Company National LTL Carrier Report

** Source: Women in Trucking Association, June 2020

TO OUR SHAREHOLDERS AND THE OD FAMILY OF EMPLOYEES

An enduring strength of Old Dominion Freight Line has been our ability to respond to dynamic market conditions and execute a consistent growth strategy that creates long-term value for all of our stakeholders. Without question, 2020 will certainly be remembered as one of the most challenging years in our long history. For those of you who know the Old Dominion Freight Line story, we regularly emphasize the importance of our corporate culture and our OD Family of employees. These values took on even greater meaning in 2020, as we faced the challenges of the COVID-19 pandemic and its impact on the domestic economy. We addressed these challenges with the same determination and resilience that has supported our long history of profitable growth and industry-leading service. From the 22% shipment level drop in April to the significant resurgence in demand for our services later in the year, our 2020 operational and financial performance was clearly driven by our culture and our people.

Despite the changing demand trends during the year, we were proud to achieve \$4.0 billion in revenue for 2020 and net income of \$672.7 million, or earnings per diluted share of \$5.68. We are even more proud of all our employees for their hard work and dedication to our customers this year, which resulted in 99% on-time deliveries and a historically low claims ratio of only 0.1%. This level of commitment to customer service is what earned us the Mastio Quality Award in 2020 for the 11th consecutive year. We recognize that our people are our most important asset, and we continue to invest in our employees through competitive wage and benefit programs, ongoing training, and other opportunities for advancement. Importantly, we also recognize our responsibility to keep our people safe, and our top priority throughout the pandemic has been protecting the health and safety of our employees who continued to meet the demands of our customers under extraordinary conditions.

We also want to thank our diverse customer base that navigated through COVID-19 challenges of their own, all while continuing to produce essential goods including food, cleaning products and medical supplies during critical times. Our customers represent numerous industries, sizes and geographies, and we appreciate our valued partnerships.

In addition to the unique impact of the COVID-19 pandemic, our business will continue to face challenges associated with changes to supply chains, regulatory issues and the competitive landscape in general. We remain committed, however, to our long-term strategic plan that has created an unparalleled track record of profitable growth in the LTL industry throughout many economic cycles. Utilizing our strong culture and committed employees, we are laser-focused on providing our customers with the highest quality service. Demand for our superior service continues to grow, which supports our ability to maintain a consistent, cost-based approach to pricing over the long-term. The quality of our revenue, improved productivity and control over discretionary spending contributed to a Company record operating ratio of 77.4% in 2020.

The strength of our balance sheet and cash flow profile supports our continued investments in capital expenditures, which are generally in a range of 10-15% of our revenue each year. We believe the investment to expand the capacity of our service center network is essential to support our market share initiatives, while also helping to ensure that our network is never a limiting factor to growth. Our annual capital expenditure program also includes ongoing investments in new technologies that can help improve customer service, as well as the operating efficiencies of both our fleet and our service center network. The annual investment in our fleet is usually determined by our



equipment replacement cycle and anticipated growth in freight volumes, while the annual investment in our service center network is usually determined by our assessment of geographic market share opportunities. As part of the ongoing evaluation of both our fleet and our service center network, we also communicate with certain providers and consider viable technologies that could further improve our efficiencies and reduce our environmental impact. In addition, we have partnered with the Environmental Protection Agency (EPA) on its SmartWay® program for eleven years, and in 2020 we were proud to receive the EPA SmartWay® Excellence Award for the sixth consecutive year. We have consistently improved our long-term efficiency standards through our continuous investment cycle, but we believe there is room for further improvement. As a result, we have initiated a process to enhance our ability to assess and manage our energy usage and alternatives, waste levels, emissions, and carbon footprint for our entire Company. We intend to utilize the Sustainability Accounting Standards Board (SASB) general disclosure framework once our work is completed.

Our capital expenditures in 2020 totaled \$225.1 million, with the primary focus on increasing our service center network capacity. We now have approximately 30% excess capacity in our service center network, and we believe our network can support further growth. Service center expansion requires the longest lead time, so we will remain focused on this area to support our customers' needs and position us to win additional market share. Looking ahead, we expect capital expenditures for 2021 to total approximately \$605 million, including planned expenditures of \$275 million for real estate and service center expansion projects; \$290 million for tractors and trailers; and \$40 million for information technology and other assets.

While our first priority for capital will continue to be the reinvestment in our business – which includes our OD Family of employees – we also intend to continue returning capital to our shareholders. During 2020, we repurchased \$364.1 million of our common stock pursuant to our share repurchase programs, and we plan to continue our current share repurchase program in 2021. We also returned \$71.0 million to our shareholders through cash dividends in 2020 and increased our first-quarter 2021 dividend to \$0.20 per share. After giving effect to our March 2020

three-for-two stock split, we have increased our per share dividend by an average of 31.3% annually since the inception of this program in 2017.

We are committed to creating additional value for our shareholders and believe we can do so by continuing to execute on our strategic plan, which should drive long-term profitable growth. We believe our dividend and share repurchase programs will also continue to improve our total shareholder returns. We achieved total shareholder returns, including cumulative dividends, of 30.8%, 38.0% and 24.9% over the past three-year, five-year and ten-year periods, respectively.

We cannot complete this year's shareholder and employee update without mentioning Earl E. Congdon's retirement from our Board effective January 1, 2021. Earl joined Old Dominion Freight Line in 1949 and currently serves as Chairman Emeritus and Senior Advisor to the Company. Earl helped transform Old Dominion Freight Line from a small regional company to a leading, publicly traded, national LTL company through geographic expansion and acquisitions. We extend our sincere thanks and admiration to Earl for his dedication and commitment to our Company and our entire OD Family of employees.

Again, we want to recognize and thank our outstanding team of employees, on behalf of all of 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 Freight Line.

Sincerely,



Greg C. Gantt
President and Chief Executive Officer



David S. Congdon
Executive Chairman of the Board

SELECTED FINANCIAL DATA

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

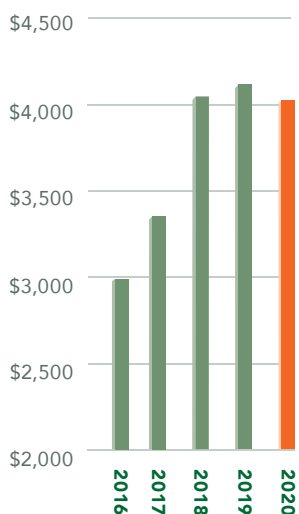
OPERATING STATISTICS:	2020	2019	2018	2017	2016
LTL revenue per hundredweight	\$ 22.62	\$ 22.64	\$ 21.25	\$ 19.39	\$ 18.51
LTL revenue per intercity mile	\$ 6.42	\$ 6.30	\$ 5.99	\$ 5.53	\$ 5.15
LTL intercity miles (in thousands)	617,805	644,287	665,697	597,616	570,343
LTL tons (in thousands)	8,770	8,964	9,379	8,519	7,931
LTL shipments (in thousands)	10,869	11,491	11,748	10,736	10,148
Average length of haul (in miles)	925	917	918	917	928
Service centers	244	236	235	228	226
Tractors	9,288	9,296	9,254	8,316	7,994
Trailers	36,650	37,539	35,729	32,890	32,525

FINANCIAL RESULTS:	2020	2019	2018	2017	2016
Revenue from operations	\$ 4,015,129	\$ 4,109,111	\$ 4,043,695	\$ 3,358,112	\$ 2,991,517
Operating income	\$ 906,882	\$ 818,706	\$ 817,051	\$ 575,886	\$ 483,835
Net income	\$ 672,682	\$ 615,518	\$ 605,668	\$ 463,774	\$ 295,765
Operating ratio	77.4%	80.1%	79.8%	82.9%	83.8%
Diluted earnings per share ⁽¹⁾	\$ 5.68	\$ 5.10	\$ 4.92	\$ 3.75	\$ 2.37
Diluted weighted average shares outstanding ⁽¹⁾	\$ 118,493	\$ 120,610	\$ 123,030	\$ 123,611	\$ 124,730

FINANCIAL POSITION:	2020	2019	2018	2017	2016
Current assets	\$ 1,243,339	\$ 866,834	\$ 706,229	\$ 584,653	\$ 382,622
Total assets	\$ 4,369,410	\$ 3,995,568	\$ 3,545,283	\$ 3,068,424	\$ 2,696,247
Current liabilities	\$ 373,130	\$ 366,085	\$ 356,732	\$ 351,049	\$ 288,636
Long-term debt (including current maturities)	\$ 99,931	\$ 45,000	\$ 45,000	\$ 95,000	\$ 104,975
Shareholders' equity	\$ 3,326,288	\$ 3,080,717	\$ 2,680,483	\$ 2,276,854	\$ 1,851,158

(1) All prior-period share or per share data have been adjusted to reflect the Company's March 2020 three-for-two stock split.

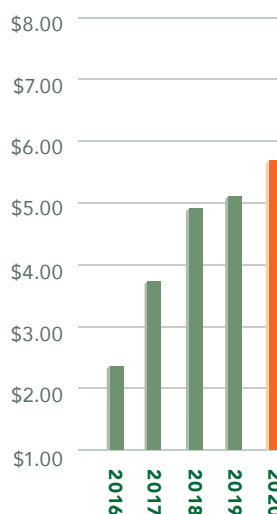
REVENUE FROM OPERATIONS



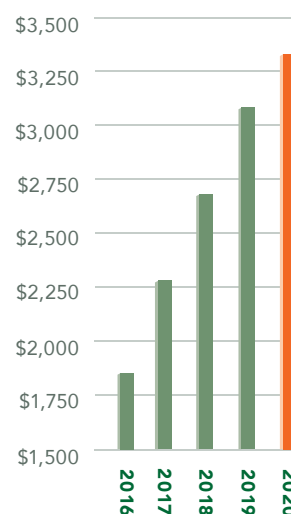
OPERATING INCOME



DILUTED EARNINGS PER SHARE



SHAREHOLDERS' EQUITY



BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

DAVID S. CONGDON ⁽¹⁾

Executive Chairman

SHERRY A. AAHOLM ^{(1) (2) (4)}

Director; Vice President and Chief Digital Officer, Cummins, Inc.

JOHN R. CONGDON, JR. ⁽¹⁾

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

BRADLEY R. GABOSCH ^{(1) (2) (4)}

Director; Retired Managing Director, Grant Thornton LLP

GREG C. GANTT ⁽¹⁾

Director; President and Chief Executive Officer

PATRICK D. HANLEY ^{(1) (2) (3)}

Director; Retired Senior Vice President - Finance and Accounting, UPS Freight

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; President and Chief Executive Officer of Aerotropolis Business Concepts LLC; President of Aerotropolis Institute China

WENDY T. STALLINGS ^{(1) (3)}

Director; Owner and President, TPI Event Solutions, Inc.; Co-Owner and Vice President, Excel Learning Centers

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

Lead Independent Director; Retired President and Chief Executive Officer, UPS Freight

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

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

KEVIN M. FREEMAN

Executive Vice President and Chief Operating Officer

DAVID J. BATES

Senior Vice President – Operations

CHRISTOPHER T. BROOKS

Senior Vice President – Human Resources and Safety

CECIL E. OVERBEY, JR.

Senior Vice President – Strategic Development

ROSS H. PARR

Senior Vice President – Legal Affairs, General Counsel and Secretary

GREGORY B. PLEMMONS

Senior Vice President – Sales

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 • *Chair

SHAREHOLDER INFORMATION



FORM 10-K/INVESTOR CONTACT

Our Annual Report on Form 10-K is available on our website, <https://ir.odfl.com/annual-reports>, 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 May 19, 2021 at 10:00 a.m. EDT at our corporate office.

REGISTRAR AND TRANSFER AGENT

Broadridge Corporate Issuer Solutions, Inc. • P.O. Box 1342 • Brentwood, NY 11717 • 877.830.4936

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP • 4131 Parklake Avenue, Suite 500 • Raleigh, NC 27612



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