# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2024**

**or**

☐ **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.)** |
| **500 Old Dominion Way Thomasville, North Carolina** | **27360** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**(336) 889-5000**
**(Registrant's telephone number, including area code)**

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| **Common Stock ($0.10 par value)** | **ODFL** | **The Nasdaq Stock Market LLC** |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 1, 2024 there were 213,497,536 shares of the registrant's Common Stock ($0.10 par value) outstanding.

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## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements

**OLD DOMINION FREIGHT LINE, INC.**
**CONDENSED BALANCE SHEETS**

| *(In thousands, except share and per share data)* | September 30, 2024 (Unaudited) | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | **$ 74,163** | $ 433,799 |
| Customer receivables, less allowances of $9,563 and $10,405, respectively | **545,746** | 578,885 |
| Income taxes receivable | **10,800** | 18,554 |
| Other receivables | **20,135** | 17,884 |
| Prepaid expenses and other current assets | **84,215** | 94,211 |
| Total current assets | **735,059** | 1,143,333 |
| | | |
| Property and equipment: | | |
| Revenue equipment | **2,722,884** | 2,590,770 |
| Land and structures | **3,279,707** | 3,021,447 |
| Other fixed assets | **679,196** | 623,164 |
| Leasehold improvements | **14,914** | 14,436 |
| Total property and equipment | **6,696,701** | 6,249,817 |
| Accumulated depreciation | **(2,270,948)** | (2,154,412) |
| Net property and equipment | **4,425,753** | 4,095,405 |
| | | |
| Other assets | **265,019** | 273,655 |
| Total assets | **$ 5,425,831** | $ 5,512,393 |

Note: The Condensed Balance Sheet at December 31, 2023 has been derived from the audited financial statements at that date, but does not include all of the information and notes required by U.S. generally accepted accounting principles for complete financial statements.

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

**OLD DOMINION FREIGHT LINE, INC.**
**CONDENSED BALANCE SHEETS**
**(CONTINUED)**

| *(In thousands, except share and per share data)* | September 30, 2024 (Unaudited) | December 31, 2023 |
|---|---|---|
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| Current liabilities: | | |
| Accounts payable | **$ 99,279** | $ 112,774 |
| Compensation and benefits | **283,817** | 278,953 |
| Claims and insurance accruals | **62,119** | 63,346 |
| Other accrued liabilities | **77,230** | 69,585 |
| Income taxes payable | **11,135** | — |
| Current maturities of long-term debt | **20,000** | 20,000 |
| Total current liabilities | **553,580** | 544,658 |
| | | |
| Long-term liabilities: | | |
| Long-term debt | **39,985** | 59,977 |
| Other non-current liabilities | **281,708** | 286,815 |
| Deferred income taxes | **374,818** | 363,132 |
| Total long-term liabilities | **696,511** | 709,924 |
| Total liabilities | **1,250,091** | 1,254,582 |
| | | |
| Commitments and contingent liabilities | | |
| | | |
| Shareholders' equity: | | |
| Common stock - $0.10 par value, 560,000,000 shares authorized, 213,794,691 and 217,930,932 shares outstanding at September 30, 2024 and December 31, 2023, respectively | **21,379** | 21,793 |
| Capital in excess of par value | **186,985** | 231,449 |
| Retained earnings | **3,967,376** | 4,004,569 |
| Total shareholders' equity | **4,175,740** | 4,257,811 |
| Total liabilities and shareholders' equity | **$ 5,425,831** | $ 5,512,393 |

Note: The Condensed Balance Sheet at December 31, 2023 has been derived from the audited financial statements at that date, but does not include all of the information and notes required by U.S. generally accepted accounting principles for complete financial statements.

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

**OLD DOMINION FREIGHT LINE, INC.**
**CONDENSED STATEMENTS OF OPERATIONS**
**(UNAUDITED)**

| *(In thousands, except per share data)* | Three Months Ended September 30, 2024 | Three Months Ended September 30, 2023 | Nine Months Ended September 30, 2024 | Nine Months Ended September 30, 2023 |
|---|---|---|---|---|
| Revenue from operations | **$ 1,470,211** | $ 1,515,277 | **$ 4,428,981** | $ 4,370,602 |
| Operating expenses: | | | | |
| Salaries, wages and benefits | **681,238** | 663,810 | **2,033,412** | 1,958,726 |
| Operating supplies and expenses | **156,177** | 180,653 | **489,669** | 538,410 |
| General supplies and expenses | **46,040** | 41,745 | **135,987** | 119,896 |
| Operating taxes and licenses | **36,733** | 36,527 | **108,853** | 110,118 |
| Insurance and claims | **17,209** | 16,004 | **52,544** | 47,413 |
| Communications and utilities | **10,056** | 10,724 | **31,209** | 33,256 |
| Depreciation and amortization | **86,666** | 84,055 | **255,760** | 239,786 |
| Purchased transportation | **30,941** | 30,835 | **93,661** | 90,046 |
| Miscellaneous expenses, net | **3,290** | 5,905 | **17,908** | 13,289 |
| Total operating expenses | **1,068,350** | 1,070,258 | **3,219,003** | 3,150,940 |
| Operating income | **401,861** | 445,019 | **1,209,978** | 1,219,662 |
| Non-operating (income) expense: | | | | |
| Interest expense | **19** | 90 | **187** | 379 |
| Interest income | **(1,775)** | (2,308) | **(15,108)** | (7,487) |
| Other expense, net | **523** | 861 | **2,477** | 4,319 |
| Total non-operating income | **(1,233)** | (1,357) | **(12,444)** | (2,789) |
| Income before income taxes | **403,094** | 446,376 | **1,222,422** | 1,222,451 |
| Provision for income taxes | **94,514** | 107,089 | **299,493** | 305,764 |
| Net income | **$ 308,580** | $ 339,287 | **$ 922,929** | $ 916,687 |
| Earnings per share: | | | | |
| Basic | **$ 1.44** | $ 1.55 | **$ 4.27** | $ 4.18 |
| Diluted | **$ 1.43** | $ 1.54 | **$ 4.25** | $ 4.16 |
| Weighted average shares outstanding: | | | | |
| Basic | **214,089** | 218,387 | **216,010** | 219,108 |
| Diluted | **215,227** | 219,670 | **217,185** | 220,469 |
| Dividends declared per share | **$ 0.26** | $ 0.20 | **$ 0.78** | $ 0.60 |

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

**OLD DOMINION FREIGHT LINE, INC.**
**CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**
**(UNAUDITED)**

| | Three Months Ended September 30, 2024 and 2023 | | | | |
|---|---|---|---|---|---|
| | Common Stock | | Capital in Excess of | Retained | |
| *(In thousands)* | Shares | Amount | Par Value | Earnings | Total |
| **Balance as of June 30, 2024** | **214,758** | **$ 21,476** | **$ 186,584** | **$ 3,903,839** | **$ 4,111,899** |
| Net income | **—** | **—** | **—** | **308,580** | **308,580** |
| Share repurchases | **(976)** | **(98)** | **—** | **(189,401)** | **(189,499)** |
| Forward contract for accelerated share repurchases | **—** | **—** | **—** | **—** | **—** |
| Cash dividends declared ($0.26 per share) | **—** | **—** | **—** | **(55,642)** | **(55,642)** |
| Share-based compensation and share issuances, net of forfeitures | **23** | **2** | **2,293** | **—** | **2,295** |
| Taxes paid in exchange for shares withheld | **(10)** | **(1)** | **(1,892)** | **—** | **(1,893)** |
| **Balance as of September 30, 2024** | **213,795** | **$ 21,379** | **$ 186,985** | **$ 3,967,376** | **$ 4,175,740** |
| | | | | | |
| **Balance as of June 30, 2023** | 218,675 | $ 21,867 | $ 227,532 | $ 3,582,636 | $ 3,832,035 |
| Net income | — | — | — | 339,287 | 339,287 |
| Share repurchases | (329) | (33) | — | (66,461) | (66,494) |
| Cash dividends declared ($0.20 per share) | — | — | — | (43,689) | (43,689) |
| Share-based compensation and share issuances, net of forfeitures | 16 | 2 | 2,736 | — | 2,738 |
| Taxes paid in exchange for shares withheld | (4) | — | (754) | — | (754) |
| **Balance as of September 30, 2023** | 218,358 | $ 21,836 | $ 229,514 | $ 3,811,773 | $ 4,063,123 |

| | Nine Months Ended September 30, 2024 and 2023 | | | | |
|---|---|---|---|---|---|
| | Common Stock | | Capital in Excess of | Retained | |
| *(In thousands)* | Shares | Amount | Par Value | Earnings | Total |
| **Balance as of December 31, 2023** | **217,931** | **$ 21,793** | **$ 231,449** | **$ 4,004,569** | **$ 4,257,811** |
| Net income | **—** | **—** | **—** | **922,929** | **922,929** |
| Share repurchases | **(4,266)** | **(427)** | **—** | **(791,923)** | **(792,350)** |
| Forward contract for accelerated share repurchases | **—** | **—** | **(40,000)** | **—** | **(40,000)** |
| Cash dividends declared ($0.78 per share) | **—** | **—** | **—** | **(168,199)** | **(168,199)** |
| Share-based compensation and share issuances, net of forfeitures | **193** | **19** | **8,566** | **—** | **8,585** |
| Taxes paid in exchange for shares withheld | **(63)** | **(6)** | **(13,030)** | **—** | **(13,036)** |
| **Balance as of September 30, 2024** | **213,795** | **$ 21,379** | **$ 186,985** | **$ 3,967,376** | **$ 4,175,740** |
| | | | | | |
| **Balance as of December 31, 2022** | 220,446 | $ 22,045 | $ 233,086 | $ 3,397,786 | $ 3,652,917 |
| Net income | — | — | — | 916,687 | 916,687 |
| Share repurchases | (2,193) | (219) | — | (371,237) | (371,456) |
| Cash dividends declared ($0.60 per share) | — | — | — | (131,463) | (131,463) |
| Share-based compensation and share issuances, net of forfeitures | 174 | 17 | 8,388 | — | 8,405 |
| Taxes paid in exchange for shares withheld | (69) | (7) | (11,960) | — | (11,967) |
| **Balance as of September 30, 2023** | 218,358 | $ 21,836 | $ 229,514 | $ 3,811,773 | $ 4,063,123 |

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

**OLD DOMINION FREIGHT LINE, INC.**
**CONDENSED STATEMENTS OF CASH FLOWS**
**(UNAUDITED)**

| *(In thousands)* | Nine Months Ended September 30, 2024 | 2023 |
|---|---|---|
| Cash flows from operating activities: | | |
| Net income | **$ 922,929** | $ 916,687 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | **255,768** | 239,797 |
| Gain on disposal of property and equipment | **(1,860)** | (7,446) |
| Deferred income taxes | **12,226** | 37,404 |
| Other, net | **21,530** | 22,401 |
| Changes in operating assets and liabilities, net | **47,631** | (76,401) |
| Net cash provided by operating activities | **1,258,224** | 1,132,442 |
| | | |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | **(600,399)** | (651,363) |
| Proceeds from sale of property and equipment | **16,150** | 22,226 |
| Purchase of short-term investments | **(30,000)** | — |
| Proceeds from maturities of short-term investments | **30,000** | 48,852 |
| Net cash used in investing activities | **(584,249)** | (580,285) |
| | | |
| Cash flows from financing activities: | | |
| Payments for share repurchases | **(784,772)** | (368,095) |
| Forward contract for accelerated share repurchases | **(40,000)** | — |
| Principal payments under debt agreements | **(20,000)** | (20,000) |
| Dividends paid | **(168,206)** | (131,492) |
| Other financing activities, net | **(20,633)** | (12,281) |
| Net cash used in financing activities | **(1,033,611)** | (531,868) |
| | | |
| (Decrease) increase in cash and cash equivalents | **(359,636)** | 20,289 |
| Cash and cash equivalents at beginning of period | **433,799** | 186,312 |
| Cash and cash equivalents at end of period | **$ 74,163** | $ 206,601 |

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

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

### Note 1. Significant Accounting Policies

***Business***

We are one of the largest North American less-than-truckload ("LTL") motor carriers. We provide regional, inter-regional and national LTL services through a single integrated, union-free organization. Our service offerings, which include expedited transportation, are provided through an expansive network of service centers located throughout the continental United States. Through strategic alliances, we also provide LTL services throughout North America. In addition to our core LTL services, we offer a range of value-added services including container drayage, truckload brokerage and supply chain consulting. We have one operating segment and the composition of our revenue is summarized below:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In thousands)* | **2024** | **2023** | **2024** | **2023** |
| LTL services | **$ 1,457,108** | $ 1,501,266 | **$ 4,388,808** | $ 4,323,453 |
| Other services | **13,103** | 14,011 | **40,173** | 47,149 |
| Total revenue from operations | **$ 1,470,211** | $ 1,515,277 | **$ 4,428,981** | $ 4,370,602 |

***Basis of Presentation***

The accompanying unaudited, interim condensed financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and, in management's opinion, contain all adjustments (consisting of normal recurring items) necessary for a fair presentation, in all material respects, of the financial position and results of operations for the periods presented. Accordingly, they do not include all of the information and notes required by U.S. GAAP for complete financial statements.

The preparation of condensed financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Our operating results are subject to seasonal trends; therefore, the results of operations for the interim period ended September 30, 2024 are not necessarily indicative of the results that may be expected for the subsequent quarterly period or the year ending December 31, 2024.

The condensed financial statements should be read in conjunction with the financial statements and related notes, which appear in our Annual Report on Form 10-K for the year ended December 31, 2023. There have been no significant changes in the accounting principles and policies, long-term contracts or estimates inherent in the preparation of the condensed financial statements of Old Dominion Freight Line, Inc. as previously described in our Annual Report on Form 10-K for the year ended December 31, 2023, unless otherwise disclosed in this Form 10-Q.

Certain amounts in prior years have been reclassified to conform prior years' financial statements to the current presentation.

Unless the context requires otherwise, references in these Notes to "Old Dominion," the "Company," "we," "us" and "our" refer to Old Dominion Freight Line, Inc.

***Common Stock Split***

On February 16, 2024, we announced that our Board of Directors approved a two-for-one split of our common stock for shareholders of record as of the close of business on the record date of March 13, 2024. On March 27, 2024, those shareholders received one additional share of common stock for every share owned.

All references in this report to shares outstanding, weighted average shares outstanding, earnings per share, and dividends per share amounts have been restated retroactively to reflect this stock split.

***Stock Repurchase Program***

On July 28, 2021, we announced that our Board of Directors had approved a stock repurchase program authorizing us to repurchase up to an aggregate of $2.0 billion of our outstanding common stock (the “2021 Repurchase Program”). The 2021 Repurchase Program began after completion of our prior repurchase program in January 2022 and was completed in May 2024.

On July 26, 2023, we announced that our Board of Directors had approved a stock repurchase program authorizing us to repurchase up to an aggregate of $3.0 billion of our outstanding common stock (the “2023 Repurchase Program”). The 2023 Repurchase Program, which does not have an expiration date, began after the completion of the 2021 Repurchase Program in May 2024.

Under our repurchase programs, we may repurchase shares from time to time in open market purchases or through privately negotiated transactions. Shares of our common stock repurchased under our repurchase programs are canceled at the time of repurchase and are classified as authorized but unissued shares of our common stock.

On May 28, 2024, we entered into an accelerated share repurchase agreement (the "ASR Agreement") with a third-party financial institution. The ASR Agreement is accounted for as a settled treasury stock purchase and a forward stock purchase contract. The par value of the initial shares received is recorded as a reduction to common stock, with the excess purchase price recorded as a reduction to retained earnings. The forward stock purchase contract is accounted for as a contract indexed to our own stock and is classified within capital in excess of par value on our Condensed Balance Sheets. The ASR Agreement is settled with the final number of shares received based on the daily volume-weighted average share price of our common stock over the term of the agreement, less a negotiated discount.

Under the ASR Agreement, we paid the third-party financial institution $200.0 million and received an initial delivery of 923,201 shares of our common stock for $160.0 million, representing approximately 80% of the total value of shares to be received by us under the ASR Agreement. The remaining shares are expected to settle no later than November 2024.

At September 30, 2024, our 2023 Repurchase Program had $2.44 billion remaining available. The amount available and uncommitted is $2.40 billion, which reflects the $40.0 million forward stock purchase contract under the ASR Agreement.

**Note 2. Earnings Per Share**

Basic earnings per share is computed by dividing net income by the daily weighted average number of shares of our common stock outstanding for the period, excluding unvested restricted stock. Unvested restricted stock is included in common shares outstanding on our Condensed Balance Sheets.

Diluted earnings per share is computed using the treasury stock method. The denominator used in calculating diluted earnings per share includes the impact of unvested restricted stock and other dilutive, non-participating securities under our equity award agreements. The denominator excludes contingently-issuable shares under performance-based award agreements when the performance target has not yet been deemed achieved.

The following table provides a reconciliation of the number of shares of common stock used in computing basic and diluted earnings per share:

| | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | |
|---|---|---|---|---|
| *(In thousands)* | **2024** | **2023** | **2024** | **2023** |
| Weighted average shares outstanding - basic | **214,089** | 218,387 | **216,010** | 219,108 |
| Dilutive effect of share-based awards | **1,138** | 1,283 | **1,175** | 1,361 |
| Weighted average shares outstanding - diluted | **215,227** | 219,670 | **217,185** | 220,469 |

**Note 3. Long-Term Debt**

Long-term debt, net of unamortized debt issuance costs, consisted of the following:

| *(In thousands)* | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Notes | **$ 59,985** | $ 79,977 |
| Credit agreement | **—** | — |
| Total long-term debt | **59,985** | 79,977 |
| Less: Current maturities | **(20,000)** | (20,000) |
| Total maturities due after one year | **$ 39,985** | $ 59,977 |

***Note Agreement***

On May 4, 2020, we entered into a Note Purchase and Private Shelf Agreement with PGIM, Inc. ("Prudential") and certain affiliates and managed accounts of Prudential (as subsequently amended on March 22, 2023 and August 28, 2024, the "Note Agreement"). The Note Agreement, which is uncommitted and subject to Prudential's sole discretion, provides for the issuance of senior promissory notes with an aggregate principal amount of up to $350.0 million through March 22, 2026. On May 4, 2020, we issued $100.0 million aggregate principal amount of senior promissory notes (the "Series B Notes"). Borrowing availability under the Note Agreement is reduced by the outstanding amount of the existing Series B Notes, and all other senior promissory notes issued pursuant to the Note Agreement.

The Series B Notes bear interest at 3.10% per annum and mature on May 4, 2027, unless prepaid. The second principal payment of $20.0 million was paid on May 4, 2024. The remaining $60.0 million will be paid in three equal annual installments of $20.0 million through May 4, 2027. The Series B Notes are senior unsecured obligations and rank pari passu with borrowings under our third amended and restated credit agreement, dated March 22, 2023, with Wells Fargo Bank, National Association serving as administrative agent for the lenders (as subsequently amended on August 28, 2024, the "Credit Agreement") or other senior promissory notes issued pursuant to the Note Agreement.

***Credit Agreement***

The Credit Agreement provides for a five-year, $250.0 million senior unsecured revolving line of credit and a $150.0 million accordion feature, which if fully exercised and approved, would expand the total borrowing capacity up to an aggregate of $400.0 million. Of the $250.0 million line of credit commitments under the Credit Agreement, up to $100.0 million may be used for letters of credit.

At our option, borrowings under the Credit Agreement bear interest at either: (i) the Secured Overnight Financing Rate (SOFR) plus the Term SOFR Adjustment, as defined in the Credit Agreement, equal to 0.100%, plus an applicable margin that ranges from 1.000% to 1.375%; or (ii) a Base Rate, as defined in the Credit Agreement, plus an applicable margin that ranges from 0.000% to 0.375%. The applicable margin for each of the foregoing options is dependent upon our consolidated debt to consolidated total capitalization ratio. Letter of credit fees equal to the applicable margin for SOFR loans are charged quarterly in arrears on the daily average aggregate stated amount of all letters of credit outstanding during the quarter. Commitment fees ranging from 0.090% to 0.175% (based upon our consolidated debt to total consolidated capitalization ratio) are charged quarterly in arrears on the aggregate unutilized portion of the Credit Agreement.

For periods covered under the Credit Agreement, the applicable margin on SOFR loans and letter of credit fees were 1.000% and commitment fees were 0.090%.

The Credit Agreement replaced our previous five-year, $250.0 million senior unsecured revolving credit agreement dated as of November 21, 2019 (the "Prior Credit Agreement"). For periods in 2023 covered under the Prior Credit Agreement, the applicable margin on LIBOR loans and letter of credit fees was 1.000% and commitment fees were 0.100%.

There were $37.7 million and $40.0 million of outstanding letters of credit at September 30, 2024 and December 31, 2023, respectively.

### *General Debt Provisions*

The Credit Agreement and Note Agreement contain customary covenants, including financial covenants that require us to observe a maximum ratio of debt to total capital and a minimum fixed charge coverage ratio. The Credit Agreement and Note Agreement also include a provision limiting our ability to make restricted payments, including dividends and payments for share repurchases, unless, among other conditions, no defaults or events of default are ongoing (or would be caused by such restricted payment).

## Note 4. Commitments and Contingencies

We are involved in or addressing various legal proceedings and claims, governmental inquiries, notices and investigations that have arisen in the ordinary course of our business and have not been fully adjudicated, some of which may be covered in whole or in part by insurance. Certain of these matters include collective and/or class-action allegations. We do not believe that the resolution of any of these matters will have a material adverse effect upon our financial position, results of operations or cash flows.

## Note 5. Fair Value Measurements

### *Short-term Investments*

We held no short-term investments as of September 30, 2024 or December 31, 2023.

### *Long-term Debt*

The carrying value of our total long-term debt, including current maturities, was $60.0 million and $80.0 million at September 30, 2024 and December 31, 2023, respectively. The estimated fair value of our total long-term debt, including current maturities, was $57.3 million and $75.4 million at September 30, 2024 and December 31, 2023, respectively. The fair value measurement of our Series B Notes was determined using a discounted cash flow analysis that factors in current market yields for comparable borrowing arrangements under our credit profile. Since this methodology is based upon market yields for comparable arrangements, the measurement is categorized as Level 2 under the three-level fair value hierarchy as established by the Financial Accounting Standards Board.

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

### Overview

We are one of the largest North American less-than-truckload ("LTL") motor carriers. We provide regional, inter-regional and national LTL services through a single integrated, union-free organization. Our service offerings, which include expedited transportation, are provided through an expansive network of service centers located throughout the continental United States. Through strategic alliances, we also provide LTL services throughout North America. In addition to our core LTL services, we offer a range of value-added services including container drayage, truckload brokerage and supply chain consulting. More than 98% of our revenue has historically been derived from transporting LTL shipments for our customers, whose demand for our services is generally tied to industrial production and the overall health of the U.S. domestic economy.

In analyzing the components of our revenue, we monitor changes and trends in our LTL volumes and LTL revenue per hundredweight. While LTL revenue per hundredweight is a yield measurement, it is also a commonly-used indicator for general pricing trends in the LTL industry. This yield metric is not a true measure of price, however, as it can be influenced by many other factors, such as changes in fuel surcharges, weight per shipment and length of haul. As a result, changes in revenue per hundredweight do not necessarily indicate actual changes in underlying base rates. LTL revenue per hundredweight and the key factors that can impact this metric are described in more detail below:

- *LTL Revenue Per Hundredweight* - Our LTL transportation services are generally priced based on weight, commodity, and distance. This measurement reflects the application of our pricing policies to the services we provide, which are influenced by competitive market conditions and our growth objectives. Generally, freight is rated by a class system, which is established by the National Motor Freight Traffic Association, Inc. Light, bulky freight typically has a higher class and is priced at higher revenue per hundredweight than dense, heavy freight. Fuel surcharges, accessorial charges, revenue adjustments and revenue for undelivered freight are included in this measurement, and we regularly monitor the components that impact our pricing. The fuel surcharge is generally designed to offset fluctuations in the cost of our petroleum-based products and is indexed to diesel fuel prices published by the U.S. Department of Energy, which reset each week. Revenue for undelivered freight is deferred for financial statement purposes in accordance with our revenue recognition policy; however, we believe including it in our revenue per hundredweight metrics results in a more accurate representation of the underlying changes in our yields by matching total billed revenue with the corresponding weight of those shipments.

- *LTL Weight Per Shipment* - Fluctuations in weight per shipment can indicate changes in the mix of freight we receive from our customers, as well as changes in the number of units included in a shipment. Generally, increases in weight per shipment indicate higher demand for our customers' products and overall increased economic activity. Changes in weight per shipment can also be influenced by shifts between LTL and other modes of transportation, such as truckload and intermodal, in response to capacity, service and pricing issues. Fluctuations in weight per shipment generally have an inverse effect on our revenue per hundredweight, as a decrease in weight per shipment will typically cause an increase in revenue per hundredweight.

- *Average Length of Haul* - We consider lengths of haul less than 500 miles to be regional traffic, lengths of haul between 500 miles and 1,000 miles to be inter-regional traffic, and lengths of haul in excess of 1,000 miles to be national traffic. This metric is used to analyze our tonnage and pricing trends for shipments with similar characteristics, and also allows for comparison with other transportation providers serving specific markets. By analyzing this metric, we can determine the success and growth potential of our service products in these markets. Changes in length of haul generally have a direct effect on our revenue per hundredweight, as an increase in length of haul will typically cause an increase in revenue per hundredweight.

- *LTL Revenue Per Shipment* - This measurement is primarily determined by the three metrics listed above and is used in conjunction with the number of LTL shipments we receive to evaluate LTL revenue.

Our primary revenue focus is to increase density, which is shipment and tonnage growth within our existing infrastructure. Increases in density allow us to maximize our asset utilization and labor productivity, which we measure over many different functional areas of our operations including linehaul load factor, pickup and delivery ("P&D") stops per hour, P&D shipments per hour, platform pounds handled per hour and platform shipments per hour. In addition to our focus on density and operating efficiencies, it is critical for us to obtain an appropriate yield, which is measured as revenue per hundredweight, on the shipments we handle. We focus on the profitability of each customer account and generally seek to obtain an appropriate yield to offset our cost inflation and support our ongoing investments in capacity and technology. We believe the continued execution of this yield-management philosophy, continued increases in density, and ongoing improvements in operating efficiencies are the key components of our ability to produce further improvement in our operating ratio and long-term profitable growth.

Our primary cost elements are direct wages and benefits associated with the movement of freight, operating supplies and expenses, which include diesel fuel, and depreciation of our equipment fleet and service center facilities. We gauge our overall success in managing costs by monitoring our operating ratio, a measure of profitability calculated by dividing total operating expenses by revenue, which also allows for industry-wide comparisons with our competition.

We regularly upgrade our technological capabilities to improve our customer service and lower our operating costs. Our technology provides our customers with visibility of their shipments throughout our network, increases the productivity of our workforce, and provides key metrics that we use to monitor and enhance our processes.

**Results of Operations**

The following table sets forth, for the periods indicated, expenses and other items as a percentage of revenue from operations:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| Revenue from operations | **100.0%** | 100.0% | **100.0%** | 100.0% |
| | | | | |
| Operating expenses: | | | | |
| Salaries, wages and benefits | **46.3** | 43.8 | **45.9** | 44.8 |
| Operating supplies and expenses | **10.6** | 11.9 | **11.1** | 12.3 |
| General supplies and expenses | **3.1** | 2.8 | **3.1** | 2.7 |
| Operating taxes and licenses | **2.6** | 2.4 | **2.5** | 2.5 |
| Insurance and claims | **1.2** | 1.1 | **1.2** | 1.1 |
| Communications and utilities | **0.7** | 0.7 | **0.6** | 0.8 |
| Depreciation and amortization | **5.9** | 5.5 | **5.8** | 5.5 |
| Purchased transportation | **2.1** | 2.0 | **2.1** | 2.1 |
| Miscellaneous expenses, net | **0.2** | 0.4 | **0.4** | 0.3 |
| Total operating expenses | **72.7** | 70.6 | **72.7** | 72.1 |
| | | | | |
| Operating income | **27.3** | 29.4 | **27.3** | 27.9 |
| | | | | |
| Interest (income) expense, net | **(0.1)** | (0.2) | **(0.3)** | (0.2) |
| Other expense, net | **0.0** | 0.1 | **0.0** | 0.1 |
| | | | | |
| Income before income taxes | **27.4** | 29.5 | **27.6** | 28.0 |
| | | | | |
| Provision for income taxes | **6.4** | 7.1 | **6.8** | 7.0 |
| | | | | |
| Net income | **21.0%** | 22.4% | **20.8%** | 21.0% |

Key financial and operating metrics for the three- and nine-month periods ended September 30, 2024 and 2023 are presented below:

| | Three Months Ended September 30, | | | Nine Months Ended September 30, | | |
|---|---|---|---|---|---|---|
| | **2024** | **2023** | **% Change** | **2024** | **2023** | **% Change** |
| Work days | **64** | 63 | 1.6 % | **192** | 191 | 0.5 % |
| Revenue *(in thousands)* | **$ 1,470,211** | $ 1,515,277 | (3.0)% | **$ 4,428,981** | $ 4,370,602 | 1.3 % |
| Operating ratio | **72.7 %** | 70.6 % | | **72.7 %** | 72.1 % | |
| Net income *(in thousands)* | **$ 308,580** | $ 339,287 | (9.1)% | **$ 922,929** | $ 916,687 | 0.7 % |
| Diluted earnings per share | **$ 1.43** | $ 1.54 | (7.1)% | **$ 4.25** | $ 4.16 | 2.2 % |
| LTL tons *(in thousands)* | **2,266** | 2,342 | (3.2)% | **6,870** | 6,977 | (1.5)% |
| LTL tonnage per day | **35,408** | 37,181 | (4.8)% | **35,783** | 36,529 | (2.0)% |
| LTL shipments *(in thousands)* | **3,070** | 3,129 | (1.9)% | **9,174** | 9,155 | 0.2 % |
| LTL shipments per day | **47,967** | 49,670 | (3.4)% | **47,781** | 47,932 | (0.3)% |
| LTL weight per shipment *(lbs.)* | **1,476** | 1,497 | (1.4)% | **1,498** | 1,524 | (1.7)% |
| LTL revenue per hundredweight | **$ 32.36** | $ 31.87 | 1.5 % | **$ 32.03** | $ 31.01 | 3.3 % |
| LTL revenue per shipment | **$ 477.70** | $ 477.13 | 0.1 % | **$ 479.79** | $ 472.66 | 1.5 % |
| Average length of haul *(miles)* | **923** | 927 | (0.4)% | **920** | 926 | (0.6)% |

All references in this report to shares outstanding, weighted average shares outstanding, earnings per share, and dividends per share amounts have been restated retroactively to reflect the two-for-one stock split effected in March 2024.

Our financial results for the third quarter of 2024 include year-over-year decreases in revenue and profitability whereas the financial results for the first nine months of 2024 include year-over-year increases in revenue and profitability. While the domestic economy remained sluggish during the third quarter of 2024, our LTL shipments per day remained relatively consistent with the first half of 2024 and our yield continued to improve. The consistency in our volumes and yield performance during the quarter continued to be supported by our best-in-class service as we once again provided our customers with 99% on-time service and a cargo claims ratio of 0.1% during the quarter. We also maintained our focus on operating efficiently and controlling discretionary spending during the quarter, but the deleveraging effect from the decrease in revenue led to an increase in our operating ratio. As a result, our net income and earnings per diluted share decreased by 9.1% and 7.1%, respectively, for the third quarter of 2024 as compared to the same period of 2023 and increased 0.7% and 2.2%, respectively, for the first nine months of 2024 as compared to the same period of 2023.

**Revenue**

Revenue decreased $45.1 million, or 3.0%, in the third quarter of 2024 as compared to the same period of 2023 due to a decrease in volumes that was partially offset by an increase in LTL revenue per hundredweight. LTL tonnage per day decreased 4.8% in the third quarter of 2024 due primarily to a decrease in LTL shipments per day and a decrease in LTL weight per shipment. Revenue increased $58.4 million, or 1.3%, in the first nine months of 2024 as compared to the same period of 2023 due to an increase in LTL revenue per hundredweight that was partially offset by a decrease in volumes. LTL tonnage per day decreased 2.0% for the first nine months of 2024 due primarily to a decrease in LTL weight per shipment and a decrease in LTL shipments per day. Both the third quarter and first nine months of 2024 had one additional operating day compared to the same periods in 2023.

Our LTL revenue per hundredweight increased 1.5% and 3.3% in the third quarter and first nine months of 2024, respectively, as compared to the same periods of 2023. Excluding fuel surcharges, LTL revenue per hundredweight increased 4.6% and 5.3% in the third quarter and first nine months of 2024, respectively, as compared to the same periods in 2023 due primarily to the success of our long-term yield management strategy. Our consistent, cost-based approach to pricing focuses on offsetting our cost inflation while also supporting additional investments into our business to expand capacity and enhance our technology.

**October 2024 Update**

Revenue per day decreased 10.9% in October 2024 as compared to the same month last year due primarily to a 9.1% decrease in LTL tons per day and a 2.0% decrease in LTL revenue per hundredweight. The decrease in LTL tons per day resulted from an 8.9% decrease in LTL shipments per day and a 0.2% decrease in LTL weight per shipment. LTL revenue per hundredweight, excluding fuel surcharges, increased 3.2% as compared to the same month last year.

**Operating Costs and Other Expenses**

Salaries, wages and benefits increased $17.4 million, or 2.6%, in the third quarter of 2024 as compared to the third quarter of 2023, due to a $8.3 million increase in salaries and wages and a $9.1 million increase in employee benefit costs. Salaries, wages and benefits increased $74.7 million, or 3.8%, for the first nine months of 2024 as compared to the same period of 2023, due to a $56.4 million increase in salaries and wages and a $18.3 million increase in employee benefit costs.

Our salaries and wages expenses were higher for both the third quarter and first nine months of 2024 as compared to the same periods of 2023, which was attributable to the annual wage increase provided to employees in September 2024 and 2023. In addition, our average number of active full-time employees increased 0.8% and 0.5% for the third quarter and first nine months of 2024, respectively, as we balanced our workforce with anticipated shipment trends.

Our productive labor costs, which include wages for drivers, platform employees, and fleet technicians, increased as a percent of revenue to 24.0% in both the third quarter and first nine months of 2024 as compared to 23.1% and 23.5% for the same periods of 2023. We continued to operate efficiently during the third quarter, despite the decrease in network density that generally resulted from the decline in volumes. Our P&D and platform shipments per hour both improved in the third quarter of 2024 as compared to the third quarter of 2023, which helped offset the reduction in our linehaul laden load factor. Our other salaries and wages as a percent of revenue also increased to 9.4% and 9.5% in the third quarter and first nine months of 2024, respectively, as compared to 8.8% and 9.1% for the same periods of 2023.

The costs attributable to employee benefits were higher for both the third quarter and first nine months of 2024 as compared to the same periods of 2023, due primarily to the annual wage increase and the slight increase in our average number of active full-time employees. As a result, our employee benefit costs as a percent of salaries and wages increased to 38.6% for the third quarter of 2024 from 37.3% in the comparable period of 2023 and decreased to 37.1% for the first nine months of 2024 from 37.3% in the comparable period of 2023. Our costs attributable to employee benefits for the third quarter of 2024 were also negatively impacted by higher costs associated with our group health and dental plans, which contributed to the increase in these costs as a percent of salaries and wages.

Operating supplies and expenses decreased $24.5 million and $48.7 million in the third quarter and first nine months of 2024, respectively, as compared to the same periods of 2023, due to decreases in our costs for diesel fuel used in our vehicles and lower maintenance and repair costs. The cost of diesel fuel, excluding fuel taxes, represents the largest component of operating supplies and expenses, and can vary based on both average price per gallon and consumption. Our average cost per gallon of diesel fuel decreased 20.5% and 12.4% in the third quarter and first nine months of 2024, respectively, as compared to the same periods last year. We do not use diesel fuel hedging instruments; therefore, our costs are subject to market price fluctuations. Our gallons consumed decreased 4.2% and 2.7% in the third quarter and first nine months of 2024, respectively, as compared to the same periods last year, due primarily to a decrease in miles driven. Our other operating supplies and expenses as a percent of revenue was relatively consistent in the third quarter of 2024 compared to the same period in 2023, but decreased in the first nine months of 2024 as compared to the same period of 2023. This year-to-date decrease is due primarily to lower maintenance and repair costs, as we improved the average age of our fleet by consistently executing on our capital expenditure programs.

Depreciation and amortization costs increased $2.6 million and $16.0 million in the third quarter and first nine months of 2024, respectively, as compared to the same periods of 2023. The increases in depreciation and amortization were due primarily to the assets acquired as part of our 2023 and 2024 capital expenditure programs. We believe depreciation costs will increase in future periods based on our 2024 capital expenditure plan. While our investments in real estate, equipment, and technology can increase our costs in the short-term, we believe these investments are necessary to support our continued long-term growth and strategic initiatives.

Our effective tax rate for the third quarter and first nine months of 2024 was 23.4% and 24.5%, respectively, as compared to 24.0% and 25.0% for the third quarter and first nine months of 2023. Our effective tax rate generally exceeds the federal statutory rate due to the impact of state taxes and, to a lesser extent, certain other non-deductible items.

### Liquidity and Capital Resources

A summary of our cash flows is presented below:

| *(In thousands)* | Nine Months Ended September 30, 2024 | 2023 |
|---|---|---|
| Cash and cash equivalents at beginning of period | **$ 433,799** | $ 186,312 |
| Cash flows provided by (used in): | | |
| Operating activities | **1,258,224** | 1,132,442 |
| Investing activities | **(584,249)** | (580,285) |
| Financing activities | **(1,033,611)** | (531,868) |
| (Decrease) increase in cash and cash equivalents | **(359,636)** | 20,289 |
| Cash and cash equivalents at end of period | **$ 74,163** | $ 206,601 |

The change in our cash flows provided by operating activities during the first nine months of 2024 as compared to the first nine months of 2023 was due primarily to increases in net income as well as fluctuations in working capital accounts.

The change in our cash flows used in investing activities during the first nine months of 2024 as compared to the first nine months of 2023 was impacted by the timing of expenditures under our 2023 and 2024 capital expenditure programs and the timing of purchases and maturities of short-term investments. Changes in our capital expenditures are more fully described below in “Capital Expenditures."

The change in our cash flows used in financing activities during the first nine months of 2024 as compared to the first nine months of 2023 was due primarily to higher repurchases of our common stock, as well as an increase in dividend payments to our shareholders. Our return of capital to shareholders is more fully described below under “Stock Repurchase Program” and “Dividends to Shareholders.”

We have four primary sources of available liquidity: cash flows from operations, our existing cash and cash equivalents, available borrowings under our third amended and restated credit agreement with Wells Fargo Bank, National Association serving as administrative agent for the lenders, dated March 22, 2023, as amended by the First Amendment dated August 28, 2024 (as amended, the “Credit Agreement”), and our Note Purchase and Private Shelf Agreement with PGIM, Inc. (“Prudential”) and certain affiliates and managed accounts of Prudential, as amended by the First Amendment dated March 22, 2023 and the Second Amendment dated August 28, 2024 (as amended, the “Note Agreement”). The Credit Agreement and the Note Agreement are described in more detail below under “Financing Arrangements.” We believe we also have sufficient access to debt and equity markets to provide other sources of liquidity, if needed.

*Capital Expenditures*

The table below sets forth our net capital expenditures for property and equipment for the nine-month period ended September 30, 2024 and the years ended December 31, 2023 and 2022:

| *(In thousands)* | September 30, 2024 | December 31, 2023 | 2022 |
|---|---|---|---|
| Land and structures | **$ 284,503** | $ 291,070 | $ 299,529 |
| Tractors | **187,416** | 203,417 | 148,719 |
| Trailers | **72,676** | 181,534 | 216,697 |
| Technology | **18,735** | 44,358 | 33,783 |
| Other equipment and assets | **37,069** | 36,930 | 68,920 |
| Proceeds from sales | **(16,150)** | (48,637) | (22,096) |
| Total | **$ 584,249** | $ 708,672 | $ 745,552 |

Our capital expenditures vary based upon the change in the number and size of our service center facilities necessary to support our plan for long-term growth, our planned tractor and trailer replacement cycle, and forecasted tonnage and shipment growth. Expenditures for land and structures can be dependent upon the availability of land in the geographic areas where we are looking to expand. We historically spend 10% to 15% of our revenue on capital expenditures each year, and we generally expect to continue to maintain this level of capital expenditures in order to support our long-term plan for market share growth. There could be years, however, where our annual capital expenditures plan is above or below this range as we balance the size of our service center network and operating fleet with anticipated growth.

We currently estimate capital expenditures will be approximately $750 million for the year ending December 31, 2024. Approximately $350 million is allocated for the purchase of service center facilities, construction of new service center facilities or expansion of existing service center facilities, subject to the availability of suitable real estate and the timing of construction projects; approximately $325 million is allocated for the purchase of tractors and trailers; and approximately $75 million is allocated for investments in technology and other assets. We expect to fund these capital expenditures primarily through cash flows from operations, our existing cash and cash equivalents and, if needed, borrowings available under our Credit Agreement or Note Agreement. We believe our current sources of liquidity will be sufficient to satisfy our expected capital expenditures.

*Stock Repurchase Program*

On July 28, 2021, we announced that our Board of Directors had approved a stock repurchase program authorizing us to repurchase up to an aggregate of $2.0 billion of our outstanding common stock (the “2021 Repurchase Program”). The 2021 Repurchase Program began after completion of our prior repurchase program in January 2022 and was completed in May 2024.

On July 26, 2023, we announced that our Board of Directors had approved a stock repurchase program authorizing us to repurchase up to an aggregate of $3.0 billion of our outstanding common stock (the “2023 Repurchase Program”). The 2023 Repurchase Program, which does not have an expiration date, began after the completion of the 2021 Repurchase Program in May 2024.

Under our repurchase programs, we may repurchase shares from time to time in open market purchases or through privately negotiated transactions. Shares of our common stock repurchased under our repurchase programs are canceled at the time of repurchase and are classified as authorized but unissued shares of our common stock.

On May 28, 2024, we entered into an accelerated share repurchase agreement (the "ASR Agreement") with a third-party financial institution. The ASR Agreement is accounted for as a settled treasury stock purchase and a forward stock purchase contract. The par value of the initial shares received is recorded as a reduction to common stock, with the excess purchase price recorded as a reduction to retained earnings. The forward stock purchase contract is accounted for as a contract indexed to our own stock and is classified within capital in excess of par value on our Condensed Balance Sheets. The ASR Agreement is settled with the final number of shares received based on the daily volume-weighted average share price of our common stock over the term of the agreement, less a negotiated discount.

Under the ASR Agreement, we paid the third-party financial institution $200.0 million and received an initial delivery of 923,201 shares of our common stock for $160.0 million, representing approximately 80% of the total value of shares to be received by us under the ASR Agreement. The remaining shares are expected to settle no later than November 2024.

At September 30, 2024, our 2023 Repurchase Program had $2.44 billion remaining available. The amount available and uncommitted is $2.40 billion, which reflects the $40.0 million forward stock purchase contract under the ASR Agreement.

*Dividends to Shareholders*

On February 16, 2024, we announced that our Board of Directors approved a two-for-one split of our common stock for shareholders of record as of the close of business on the record date of March 13, 2024. On March 27, 2024, those shareholders received one additional share of common stock for every share owned.

All references in this report to dividend amounts have been restated retroactively to reflect this stock split. Split-adjusted per-share metrics may not recalculate precisely due to rounding.

Our Board of Directors declared a cash dividend of $0.26 per share for each quarter of 2024 and declared a cash dividend of $0.20 per share for each quarter of 2023.

Although we intend to pay a quarterly cash dividend on our common stock for the foreseeable future, the declaration and amount of any future dividend is subject to approval by our Board of Directors, and is restricted by applicable state law limitations on distributions to shareholders as well as certain covenants under our Credit Agreement and Note Agreement. We anticipate that any future quarterly cash dividends will be funded through cash flows from operations, our existing cash and cash equivalents and, if needed, borrowings under our Credit Agreement or Note Agreement.

*Financing Agreements*

Note Agreement

The Note Agreement, which is uncommitted and subject to Prudential's sole discretion, provides for the issuance of senior promissory notes with an aggregate principal amount of up to $350.0 million through March 22, 2026. On May 4, 2020, we issued $100.0 million aggregate principal amount of senior promissory notes (the "Series B Notes"). Borrowing availability under the Note Agreement is reduced by the outstanding amount of the existing Series B Notes, and all other senior promissory notes issued pursuant to the Note Agreement.

The Series B Notes bear interest at 3.10% per annum and mature on May 4, 2027, unless prepaid. The second principal payment of $20.0 million was paid on May 4, 2024. The remaining $60.0 million will be paid in three equal annual installments of $20.0 million through May 4, 2027. The Series B Notes are senior unsecured obligations and rank pari passu with borrowings under the Credit Agreement or other senior promissory notes issued pursuant to the Note Agreement.

Credit Agreement

The Credit Agreement provides for a five-year, $250.0 million senior unsecured revolving line of credit and a $150.0 million accordion feature, which if fully exercised and approved, would expand the total borrowing capacity up to an aggregate of $400.0 million. Of the $250.0 million line of credit commitments under the Credit Agreement, up to $100.0 million may be used for letters of credit.

At our option, borrowings under the Credit Agreement bear interest at either: (i) the Secured Overnight Financing Rate (SOFR) plus the Term SOFR Adjustment, as defined in the Credit Agreement, equal to 0.100%, plus an applicable margin that ranges from 1.000% to 1.375%; or (ii) a Base Rate, as defined in the Credit Agreement, plus an applicable margin that ranges from 0.000% to 0.375%. The applicable margin for each of the foregoing options is dependent upon our consolidated debt to consolidated total capitalization ratio. Letter of credit fees equal to the applicable margin for SOFR loans are charged quarterly in arrears on the daily average aggregate stated amount of all letters of credit outstanding during the quarter. Commitment fees ranging from 0.090% to 0.175% (based upon our consolidated debt to consolidated total capitalization ratio) are charged quarterly in arrears on the aggregate unutilized portion of the Credit Agreement.

For periods covered under the Credit Agreement, the applicable margin on SOFR loans and letter of credit fees were 1.000% and commitment fees were 0.090%.

The amounts outstanding and available borrowing capacity under the Credit Agreement are presented below:

| *(In thousands)* | **September 30, 2024** | **December 31, 2023** |
|---|---|---|
| Facility limit | **$ 250,000** | $ 250,000 |
| Line of credit borrowings | **—** | — |
| Outstanding letters of credit | **(37,702)** | (39,966) |
| Available borrowing capacity | **$ 212,298** | $ 210,034 |

General Debt Provisions

The Credit Agreement and Note Agreement contain customary covenants, including financial covenants that require us to observe a maximum ratio of debt to total capital and a minimum fixed charge coverage ratio. The Credit Agreement and Note Agreement also include a provision limiting our ability to make restricted payments, including dividends and payments for share repurchases, unless, among other conditions, no defaults or events of default are ongoing (or would be caused by such restricted payment). We were in compliance with all covenants in our outstanding debt instruments for the period ended September 30, 2024.

We do not anticipate financial performance that would cause us to violate any such covenants in the future, and we believe the combination of our existing Credit Agreement and Note Agreement along with our additional borrowing capacity will be sufficient to meet foreseeable seasonal and long-term capital needs.

The interest rate is fixed on the Series B Notes. Therefore, short-term exposure to fluctuations in interest rates is limited to our Credit Agreement. We do not currently use interest rate derivative instruments to manage exposure to interest rate changes.

## Critical Accounting Policies

In preparing our condensed financial statements, we applied the same critical accounting policies as described in our Annual Report on Form 10-K for the year ended December 31, 2023 that we believe affect our judgments and estimates of amounts recorded in certain assets, liabilities, revenue and expenses.

## Seasonality

Our tonnage levels and revenue mix are subject to seasonal trends common in our industry, although other factors, such as macroeconomic changes, could cause variation in these trends. Our revenue and operating margins in the first and fourth quarters are typically lower than those during the second and third quarters due to reduced shipments during the winter months. We believe seasonal trends will continue to impact our business; however, our tonnage trends could continue to be inconsistent with historical trends until there is a sustained improvement in the domestic economy. Harsh winter weather, hurricanes, tornadoes, floods and other natural disasters can also adversely impact our performance by reducing demand and increasing operating expenses.

## Environmental Regulation

We are subject to various federal, state and local environmental laws and regulations that focus on, among other things: the disposal, emission and discharge of hazardous waste, hazardous materials, or other materials into the environment or their presence at our properties or in our vehicles; fuel storage tanks; transportation of certain materials; and the discharge or retention of storm water. Under specific environmental laws, we could also be held responsible for any costs relating to contamination at our past or present facilities and at third-party waste disposal sites, as well as costs associated with clean-up of accidents involving our vehicles. We do not believe that the cost of future compliance with current environmental laws or regulations will have a material adverse effect on our operations, financial condition, competitive position or capital expenditures for fiscal year 2024. However, future changes to laws or regulations may adversely affect our operations and could result in unforeseen costs to our business.

## Forward-Looking Information

Forward-looking statements appear in this report, including, but not limited to, “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 us. These forward-looking statements include, but are not limited to, statements relating to our goals, strategies, expectations, competitive environment, regulation, availability of resources, future events and future financial performance. Such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements typically can be identified by such words as “anticipate,” “estimate,” “forecast,” “project,” “intend,” “expect,” “believe,” “should,” “could,” “may” or other similar words or expressions. We caution readers that such forward-looking statements involve risks and uncertainties, including, but not limited to, the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2023 and in other reports and statements that we file with the Securities and Exchange Commission (“SEC”). Such forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied herein, including, but not limited to, the following:

- the challenges associated with executing our growth strategy, and developing, marketing and consistently delivering high-quality services that meet customer expectations;
- changes in our relationships with significant customers;
- our exposure to claims related to cargo loss and damage, property damage, personal injury, workers’ compensation and healthcare, increased self-insured retention or deductible levels or premiums for excess coverage, and claims in excess of insured coverage levels;
- reductions in the available supply or increases in the cost of equipment and parts;
- various economic factors such as inflationary pressures or downturns in the domestic economy, and our inability to sufficiently increase our customer rates to offset the increase in our costs;
- higher costs for or limited availability of suitable real estate;
- the availability and cost of third-party transportation used to supplement our workforce and equipment needs;

•fluctuations in the availability and price of diesel fuel and our ability to collect fuel surcharges, as well as the effectiveness of those fuel surcharges in mitigating the impact of fluctuating prices for diesel fuel and other petroleum-based products;

•seasonal trends in the less-than-truckload (“LTL”) industry, harsh weather conditions and disasters;

•the availability and cost of capital for our significant ongoing cash requirements;

•decreases in demand for, and the value of, used equipment;

•our ability to successfully consummate and integrate acquisitions;

•various risks arising from our international business relationships;

•the costs and potential adverse impact of compliance with anti-terrorism measures on our business;

•the competitive environment with respect to our industry, including pricing pressures;

•our customers’ and suppliers’ businesses may be impacted by various economic factors such as recessions, inflation, downturns in the economy, global uncertainty and instability, changes in international trade policies, changes in U.S. social, political, and regulatory conditions or a disruption of financial markets;

•the negative impact of any unionization, or the passage of legislation or regulations that could facilitate unionization, of our employees;

•increases in the cost of employee compensation and benefit packages used to address general labor market challenges and to attract or retain qualified employees, including drivers and maintenance technicians;

•our ability to retain our key employees and continue to effectively execute our succession plan;

•potential costs and liabilities associated with cyber incidents and other risks with respect to our information technology systems or those of our third-party service providers, including system failure, security breach, disruption by malware or ransomware or other damage;

•the failure to adapt to new technologies implemented by our competitors in the LTL and transportation industry, which could negatively affect our ability to compete;

•the failure to keep pace with developments in technology, any disruption to our technology infrastructure, or failures of essential services upon which our technology platforms rely, which could cause us to incur costs or result in a loss of business;

•disruption in the operational and technical services (including software as a service) provided to us by third parties, which could result in operational delays and/or increased costs;

•the Compliance, Safety, Accountability initiative of the Federal Motor Carrier Safety Administration (“FMCSA”), which could adversely impact our ability to hire qualified drivers, meet our growth projections and maintain our customer relationships;

•the costs and potential adverse impact of compliance with, or violations of, current and future rules issued by the Department of Transportation, the FMCSA and other regulatory agencies;

•the costs and potential liabilities related to compliance with, or violations of, existing or future governmental laws and regulations, including environmental laws;

•the effects of legal, regulatory or market responses to climate change concerns;

•emissions-control and fuel efficiency regulations that could substantially increase operating expenses;

- expectations relating to environmental, social and governance considerations and related reporting obligations;
- the increase in costs associated with healthcare and other mandated benefits;
- the costs and potential liabilities related to legal proceedings and claims, governmental inquiries, notices and investigations;
- the impact of changes in tax laws, rates, guidance and interpretations;
- the concentration of our stock ownership with the Congdon family;
- the ability or the failure to declare future cash dividends;
- fluctuations in the amount and frequency of our stock repurchases;
- volatility in the market value of our common stock;
- the impact of certain provisions in our articles of incorporation, bylaws, and Virginia law that could discourage, delay or prevent a change in control of us or a change in our management; and
- other risks and uncertainties described in our most recent Annual Report on Form 10-K and other filings with the SEC.

Our forward-looking statements are based upon our beliefs and assumptions using information available at the time the statements are made. We caution the reader not to place undue reliance on our forward-looking statements as (i) these statements are neither a prediction nor a guarantee of future events or circumstances; and (ii) the assumptions, beliefs, expectations and projections about future events may differ materially from actual results. We undertake no obligation to publicly update any forward-looking statement to reflect developments occurring after the statement is made, except as otherwise required by law.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

There have been no material changes to our market risk exposures since our most recent fiscal year end. For a discussion of our exposure to market risk, refer to Item 7A, “Quantitative and Qualitative Disclosures About Market Risk,” contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

**Item 4. Controls and Procedures**

a)Evaluation of disclosure controls and procedures

As of the end of the period covered by this quarterly report, our management, with the participation of our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), conducted an evaluation of the effectiveness of our disclosure controls and procedures in accordance with Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based on the evaluation of our disclosure controls and procedures as of the end of the period covered by this quarterly report, our CEO and CFO concluded that, as of such date, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is (a) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure, and (b) recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms.

b)Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

We are involved in or addressing various legal proceedings and claims, governmental inquiries, notices and investigations that have arisen in the ordinary course of our business and have not been fully adjudicated, some of which may be covered in whole or in part by insurance. Certain of these matters include collective and/or class-action allegations. We do not believe that the resolution of any of these matters will have a material adverse effect upon our financial position, results of operations or cash flows.

Consistent with SEC Regulation S-K Item 103, we have elected to disclose any environmental legal proceedings with a governmental authority if management reasonably believes that the proceedings may involve potential monetary sanctions of $1.0 million or more. Applying this threshold, there are no such unresolved proceedings to disclose as of September 30, 2024.

### Item 1A. Risk Factors

In addition to the other information set forth in this report and in our other reports and statements that we file with the SEC, including our quarterly reports on Form 10-Q, careful consideration should be given to the factors discussed in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, which could materially affect our business, financial condition and future results. The risks described in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and operating results.

There have been no material changes to the risk factors identified in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

The following table provides information regarding our repurchases of our common stock during the third quarter of 2024:

ISSUER PURCHASES OF EQUITY SECURITIES

| | Total Number of Shares Purchased (1) | Average Price Paid per Share (2) | Total Number of Shares Purchased as Part of Publicly Announced Programs | Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs |
|---|---|---|---|---|
| July 1-31, 2024 | 447,319 | $ 188.47 | 444,080 | $ 2,544,591,963 |
| August 1-31, 2024 | 268,120 | $ 197.62 | 264,799 | $ 2,492,303,504 |
| September 1-30, 2024 | 270,591 | $ 193.14 | 267,352 | $ 2,440,664,996 |
| Total | 986,030 | $ 192.24 | 976,231 | |

(1)Total number of shares purchased during the quarter includes 9,799 shares of our common stock surrendered by participants to satisfy tax withholding obligations in connection with the vesting of equity awards issued under our 2016 Stock Incentive Plan.

(2)Average price paid per share excludes any excise tax imposed on certain stock repurchases as part of the Inflation Reduction Act of 2022.

On July 28, 2021, we announced that our Board of Directors had approved a stock repurchase program authorizing us to repurchase up to an aggregate of $2.0 billion of our outstanding common stock (the “2021 Repurchase Program”). The 2021 Repurchase Program began after completion of our prior repurchase program in January 2022 and was completed in May 2024.

On July 26, 2023, we announced that our Board of Directors had approved a stock repurchase program authorizing us to repurchase up to an aggregate of $3.0 billion of our outstanding common stock (the “2023 Repurchase Program”). The 2023 Repurchase Program, which does not have an expiration date, began after the completion of the 2021 Repurchase Program in May 2024. At September 30, 2024, our 2023 Repurchase Program had $2.44 billion remaining available. The amount available and uncommitted is $2.40 billion, which reflects the $40.0 million forward stock purchase contract under the ASR Agreement.

**Item 5. Other Information**

During the three months ended September 30, 2024, no member of the Board of Directors or Section 16 officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 (a) of Regulation S-K.

**Item 6. Exhibits**

The exhibits listed in the accompanying Exhibit Index are filed as a part of this report.

**EXHIBIT INDEX**
**TO QUARTERLY REPORT ON FORM 10-Q**

| Exhibit No. | Description |
|---|---|
| 4.19 | First Amendment to Third Amended and Restated Credit Agreement, dated as of August 28, 2024, among Old Dominion Freight Line, Inc., the Lenders defined therein, and Wells Fargo Bank, National Association, as administrative agent |
| 4.20 | Second Amendment to Note Purchase and Private Shelf Agreement, made and entered into as of August 28, 2024, by and among Old Dominion Freight Line, Inc., PGIM, Inc. and the other holders of Notes (as defined therein) |
| 31.1 | Certification Pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 31.2 | Certification Pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 32.1 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101 | The following financial information from our Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, filed on November 6, 2024, formatted in iXBRL (Inline eXtensible Business Reporting Language) includes: (i) the Condensed Balance Sheets at September 30, 2024 and December 31, 2023, (ii) the Condensed Statements of Operations for the three and nine months ended September 30, 2024 and 2023, (iii) the Condensed Statements of Changes in Shareholders' Equity for the three and nine months ended September 30, 2024 and 2023, (iv) the Condensed Statements of Cash Flows for the nine months ended September 30, 2024 and 2023, and (v) the Notes to the Condensed Financial Statements |
| 104 | The cover page from our Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, formatted in iXBRL |

Our SEC file number reference for documents filed with the SEC pursuant to the Securities Exchange Act of 1934, as amended, is 0-19582.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

| | | |
|---|---|---|
| | | OLD DOMINION FREIGHT LINE, INC. |
| DATE: | November 6, 2024 | /s/ ADAM N. SATTERFIELD |
| | | Adam N. Satterfield<br>Executive Vice President and Chief Financial Officer<br>(Principal Financial Officer) |
| DATE: | November 6, 2024 | /s/ CLAYTON G. BRINKER |
| | | Clayton G. Brinker<br>Vice President - Accounting and Finance<br>(Principal Accounting Officer) |

**EXHIBIT 4.19**

**FIRST AMENDMENT TO
THIRD AMENDED AND RESTATED CREDIT AGREEMENT**

**THIS FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT** (this "First Amendment"), dated as of August 28, 2024, is among Old Dominion Freight Line, Inc., a Virginia corporation (the "Borrower"), the Lenders (as hereinafter defined) party hereto, and Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent").

The Borrower, the several lenders from time to time party thereto (the "Lenders") and the Administrative Agent are party to the Third Amended and Restated Credit Agreement dated as of March 22, 2023 (the "Credit Agreement"). Capitalized terms used but not defined herein have the meanings assigned to such terms in the Credit Agreement as amended by this First Amendment.

The Borrower has requested that the undersigned Lenders amend the Credit Agreement, and the undersigned Lenders are willing to consent to such amendments on the terms and subject to the conditions set forth herein. The Borrower, the Required Lenders and the Administrative Agent constitute the parties required for purposes of amending the Credit Agreement pursuant to Section 11.5 thereof;

**NOW, THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE I**

**AMENDMENT TO CREDIT AGREEMENT**

1.1 Amendments to the Credit Agreement.

(a) Definitions.

(i) Section 1.1 of the Credit Agreement is hereby amended by adding the following defined term in the appropriate alphabetical order:

"First Amendment Effective Date" means August 28, 2024.

(ii) Consolidated Net Interest Expense. The definition of "Consolidated Net Interest Expense" in Section 1.1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Consolidated Net Interest Expense" shall mean, for any period, the difference (but not less than zero) between (i) gross interest expense of the Borrower and its Subsidiaries deducted in the calculation of Consolidated Net Income for such period and (ii) the gross interest income of the Borrower and its Subsidiaries included in the calculation of Consolidated

Net Income for such period, determined on a consolidated basis in accordance with GAAP.

(b)Amendment to Section 8.5(x). Section 8.5(x) of the Credit Agreement is hereby amended and restated in its entirety as follows:

(x) Investments (other than Acquisitions) made pursuant to the Borrower's investment policy, as set forth on **Schedule 8.5B** as of the First Amendment Effective Date, and as such investment policy may be modified from time to time with the approval of the Audit Committee of the Board of Directors of the Borrower; provided that the Borrower's investment policy shall not be modified in any manner that would or would reasonably be expected to materially and adversely affect the interests or remedies of the Administrative Agent or the Lenders without the prior written consent of the Administrative Agent; and

(c)Amendment to Schedule 8.5B. Schedule 8.5B to the Credit Agreement is hereby amended and restated in its entirety as set forth on Schedule 8.5B attached hereto as **Exhibit A**.

## ARTICLE II

## CONDITIONS TO EFFECTIVENESS OF AMENDMENT

2.1The amendments set forth in **Article I** shall become effective on the date (such date being referred to as the "Amendment Effective Date") on which each of the following conditions precedent is satisfied:

(a)The Administrative Agent shall have received counterparts of this First Amendment duly executed by each of (i) the Borrower, (ii) the Administrative Agent, and (iii) the Required Lenders;

(b)The Administrative Agent shall have received evidence reasonably satisfactory to it that an amendment to the Note Purchase Agreement substantially similar to this First Amendment is effective substantially concurrent with this First Amendment; and

(c)All fees and expenses due to the Administrative Agent pursuant to Section 4.2 hereof shall have been paid, in each case, to the extent invoiced in reasonable detail prior to the date that is two (2) Business Days (or such lesser period as may be reasonably acceptable to the Borrower) prior to the date hereof.

**ARTICLE III**

**REPRESENTATIONS AND WARRANTIES**

To induce the Administrative Agent and the Lenders to enter into this First Amendment, the Borrower represents and warrants on and as of the Amendment Effective Date to the Administrative Agent and the Lenders as follows:

3.1Authorization; Enforceability. The Borrower has taken all necessary corporate action to execute, deliver and perform the First Amendment, and has validly executed and delivered the First Amendment. This First Amendment constitutes the legal, valid and binding obligation of the Borrower, enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles or by principles of good faith and fair dealing (regardless of whether enforcement is sought in equity or at law).

3.2Representations and Warranties; No Default. Each of the representations and warranties of the Borrower contained in Article V of the Credit Agreement and the other Credit Documents are true and correct in all material respects on and as of the Amendment Effective Date as if made on and as of such date (except to the extent such representation and warranty is qualified by materiality or reference to Material Adverse Effect or Material Adverse Change, in which case, such representation and warranty shall be true and correct in all respects or except to the extent that such representation and warranty is made as of a specific date, in which case, such representation and warranty shall be true and correct as of such date), and no Default or Event of Default has occurred and is continuing, both immediately before and after giving effect to this First Amendment and the amendments contemplated hereby.

**ARTICLE IV**

**MISCELLANEOUS**

4.1Confirmation; Ratification and Affirmation. The provisions of the Credit Agreement shall remain in full force and effect following the effectiveness of this First Amendment. The Borrower hereby ratifies and affirms its obligations under, and acknowledges, renews and extends its continued liability under, each Credit Document to which it is a party and agrees that each Credit Document to which it is a party remains in full force and effect. This First Amendment constitutes a Credit Document.

4.2Expenses. The Borrower agrees to pay, promptly upon receipt of a reasonably detailed invoice therefor, all reasonable and documented fees and expenses of counsel to the Administrative Agent in connection with the preparation, negotiation, execution and delivery of this First Amendment.

4.3Successors and Assigns. This First Amendment shall be binding upon, inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto.

4.4Construction. Headings used herein are for convenience of reference only and shall not affect the meaning of this First Amendment.

4.5Incorporation of Certain Provisions. Sections 1.3, 11.2, 11.3, 11.7, 11.11, and 11.12 of the Credit Agreement shall apply hereto as if fully set forth herein, *mutatis mutandis* (it being understood that references therein to "this Agreement" or "the Credit Documents" shall refer to the Credit Agreement and the other Credit Documents as amended hereby).

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]*

**IN WITNESS WHEREOF**, the parties hereto have caused this First Amendment to be executed by their duly authorized officers as of the date first above written.

**OLD DOMINION FREIGHT LINE, INC.**, as Borrower

/s/ Anthony Slater
Name: Anthony Slater
Title: Vice President – Treasurer

(signatures continued)

**WELLS FARGO BANK, NATIONAL ASSOCIATION**, as Administrative Agent and as a Lender

By: /s/ Michael J. Stein
Name: Michael J. Stein
Title: Executive Director

**BANK OF AMERICA, N.A.**, as a Lender

By: /s/ Maggie Keeve
Name: Maggie Keeve
Title: Senior Vice President

Signature Page to
First Amendment to Third Amended and Restated Credit Agreement

**U.S. BANK NATIONAL ASSOCIATION**, as a Lender

By: /s/ Eric M. Herm
Name: Eric M. Herm
Title: Vice President

Signature Page to
First Amendment to Third Amended and Restated Credit Agreement

**Exhibit A**

SCHEDULE 8.5B

**OLD DOMINION FREIGHT LINE, INC.**
**INVESTMENT POLICY**

**EXHIBIT 4.20**

**SECOND AMENDMENT TO**
**NOTE PURCHASE AND PRIVATE SHELF AGREEMENT**

This Second Amendment to Note Purchase and Private Shelf Agreement (this "***Amendment***"), is made and entered into as of August 28, 2024, by and among Old Dominion Freight Line, Inc., a Virginia corporation (the "***Company***"), PGIM, Inc. ("***Prudential***") and the other holders of Notes (as defined in the Note Agreement defined below) that are signatories hereto (together with their successors and assigns, the "***Noteholders***").

**W I T N E S S E T H:**

**WHEREAS**, the Company, Prudential and the Noteholders are parties to a certain Note Purchase and Private Shelf Agreement, dated as of May 4, 2020, (as amended, restated, supplemented or otherwise modified prior to the date hereof, the "***Note Agreement***"; capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Note Agreement), pursuant to which the Noteholders have purchased Notes from the Company;

**WHEREAS**, the Company has requested that Prudential and the Noteholders amend certain provisions of the Note Agreement, and subject to the terms and conditions hereof, Prudential and the Noteholders are willing to do so;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1.**Amendments to Note Agreement**. Effective as of the Second Amendment Effective Date, the Note Agreement is hereby amended as follows:

(a)Paragraph 10B of the Note Agreement is amended by adding the following defined term in the appropriate alphabetical order.

"Second Amendment Effective Date" means August 28, 2024.

(b) The definition of "Consolidated Net Interest Expense" in paragraph 10B of the Note Agreement is hereby amended and restated in its entirety as follows:

"Consolidated Net Interest Expense" shall mean, for any period, the difference (but not less than zero) between (i) gross interest expense of the Company and its Subsidiaries deducted in the calculation of Consolidated Net Income for such period and (ii) the gross interest income of the Company and its Subsidiaries included in the calculation of Consolidated Net Income for such period, determined on a consolidated basis in accordance with GAAP.

(c)Paragraph 6E(x) of the Note Agreement is hereby amended and restated in its entirety as follows:

(x) Investments (other than Acquisitions) made pursuant to the the Company's investment policy, as set forth on Schedule 6E(x) as of the Second Amendment Effective Date, and as such investment policy may be modified from time to time with the approval of the Audit Committee of the Board of Directors of the Company; provided that the Company's investment policy shall not be modified in any manner that would or would reasonably be expected to materially and adversely affect the interests or remedies of the holder of any Note without the prior written consent of the Required Holders; and

(d)Schedule 6E(x) to the Note Agreement is hereby amended and restated in its entirety as set forth on Schedule 6E(x) attached hereto as Exhibit A**.**

2.**<u>Conditions to Effectiveness of this Amendment</u>.** Notwithstanding any other provision of this Amendment and without affecting in any manner the rights of the holders of the Notes hereunder, it is understood and agreed that this Amendment shall not become effective, and the Company shall have no rights under this Amendment, until Prudential and the Noteholders shall have received the following:

(a)reimbursement or payment of its out of pocket costs and expenses incurred in connection with this Amendment or the Note Agreement (including reasonable fees, charges and disbursements of King & Spalding LLP) as reflected in summary invoices or statements rendered to the Company at least one Business Day prior to the effectiveness of this Amendment;

(b)executed counterparts to this Amendment from the Company, Prudential and the Noteholders; and

(c)a copy of the fully executed amendment to the Credit Agreement in form and substance satisfactory to the Purchasers.

3.**<u>Representations and Warranties</u>.** To induce Prudential and the Noteholders to enter into this Amendment, the Company hereby represents and warrants to Prudential and the Noteholders as follows:

(a) The Company has taken, or on the date of this Amendment will have taken, all necessary corporate action to execute, deliver and perform this Amendment and has taken all necessary corporate action to authorize the execution, delivery and performance of this Amendment.

(b) No consent, approval, authorization or other action by, notice to, or registration or filing with, any Governmental Authority or other Person is or will be required as a condition to or otherwise in connection with the due execution, delivery and performance by the Company of this Amendment or the legality, validity or enforceability hereof or thereof, other than (i) consents, authorizations and filings that have been (or on or prior to the date of this Amendment will have been) made or obtained and that are (or on the date of this Amendment will be) in full force and effect, and (ii) consents and filings the failure to obtain or make would not, individually or in the aggregate, have a Material Adverse Effect.

(c) This Amendment has been duly executed and delivered on behalf of the Company.

(d) This Amendment constitutes the legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles or by principles of good faith and fair dealing (regardless of whether enforcement is sought in equity or at law).

(e) Neither the execution and delivery of this Amendment, nor the consummation of the transactions contemplated herein, nor performance of and compliance with the terms and provisions hereof by the Company will (i) violate any provision of its articles or certificate of incorporation or its bylaws, (ii) contravene any other Requirement of Law applicable to it, (iii) conflict with, result in a breach of or constitute (with notice, lapse of time or both) a default under any indenture, contract, agreement or other instrument to which it is a party, by which it or any of its properties is bound or to which it is subject, except where such conflict, breach or default would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, or (iv) result in or require the creation or imposition of any Lien upon any of its properties or assets.

(f) Immediately before and after giving effect to this Amendment, the representations and warranties contained in the Note Agreement and the other Note Documents are true in all material respects (except to the extent such representation and warranty is qualified by materiality or reference to Material Adverse Effect or Material Adverse Change, in which case, such representation and warranty shall be true and correct in all respects or except to the extent that such representation and warranty is made as of a specific date, in which case, such representation and warranty shall be true and correct as of such date), and no Default or Event of Default has occurred and is continuing as of the date hereof.

4.**Ratification of the Note Agreement and the Notes**. The Company acknowledges and consents to the terms set forth herein and agrees that this Amendment does not impair, reduce or limit any of its obligations under the Note Agreement, as amended hereby, and the Notes.

5.**Effect of Amendment.** Except as set forth expressly herein, the Note Agreement, as amended hereby, and the other Note Documents, shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations (except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles or by principles of good faith and fair dealing (regardless of whether enforcement is sought in equity or at law)) of the Company to all holders of the Notes. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the holders of the Notes under the Note Agreement, nor constitute a waiver of any provision of the Note Agreement, except as expressly provided herein. From and after the date hereof, all references to the Note Agreement shall mean the Note Agreement as modified by this Amendment. This Amendment shall constitute a Note Document for all purposes of the Note Agreement.

6.**Governing Law. THIS AMENDMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAW OF THE STATE OF NEW YORK IN ACCORDANCE WITH THE PROVISIONS OF §5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW**.

7.**No Novation.** This Amendment is not intended by the parties to be, and shall not be construed to be, a novation of the Note Agreement or an accord and satisfaction in regard thereto.

8.**Costs and Expenses**. To the extent provided in Paragraph 11B of the Note Agreement, the Company agrees to pay on demand all reasonable out of pocket costs and expenses of the Noteholders in connection with the preparation, execution and delivery of this Amendment, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Noteholders with respect thereto.

9.**Counterparts.** This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile transmission or by electronic mail in PDF form shall be as effective as delivery of a manually executed counterpart hereof.

10.**Estoppel.** To induce the Noteholders to enter into this Amendment, the Company hereby acknowledges and agrees that, as of the date hereof, to the knowledge of the Company, there exists no right of offset, defense or counterclaim in favor of the Company against any holder of the Notes with respect to the obligations of the Company to any such holder, either with or without giving effect to this Amendment.

11.**Binding Nature.** This Amendment shall be binding upon and inure to the benefit of the parties hereto, any other holders of Notes from time to time and their respective successors, successors-in-titles, and assigns.

12.**Entire Understanding.** This Amendment sets forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations or agreements, whether written or oral, with respect thereto.

[*Signature pages follow*]

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

**COMPANY:**

**OLD DOMINION FREIGHT LINE, INC.**

By: /s/ Anthony Slater
Name: Anthony Slater
Title: Vice President – Treasurer

**NOTEHOLDERS:**

**PGIM, INC.**

By: /s/ Kyle Ulep
Vice President

**THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep
Vice President

**PHYSICIANS MUTUAL INSURANCE COMPANY**

By: PGIM Private Placement Investors,
L.P. (as Investment Advisor)

By: PGIM Private Placement Investors, Inc.
(as its General Partner)

By: /s/ Kyle Ulep
Vice President

**PRUDENTIAL LEGACY INSURANCE COMPANY OF NEW JERSEY**

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep
Vice President

**PICA HARTFORD LIFE INSURANCE COMFORT TRUST**

By: The Prudential Insurance Company of America,
as grantor

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep
Vice President

**Exhibit A**

# OLD DOMINION FREIGHT LINE, INC.
# INVESTMENT POLICY

**EXHIBIT 31.1**

**CERTIFICATION**

I, Kevin M. Freeman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Old Dominion Freight Line, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2024

/s/ KEVIN M. FREEMAN
President and Chief Executive Officer

**EXHIBIT 31.2**

**CERTIFICATION**

I, Adam N. Satterfield, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Old Dominion Freight Line, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2024

/s/ ADAM N. SATTERFIELD
Executive Vice President and Chief Financial Officer

**EXHIBIT 32.1**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO SECTION 906**
**OF THE SARBANES-OXLEY ACT OF 2002**

I, Kevin M. Freeman, state and attest that:

(1) I am the President and Chief Executive Officer of Old Dominion Freight Line, Inc. (the "Issuer").

(2) Accompanying this certification is the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (the "Quarterly Report"), a periodic report filed by the Issuer with the Securities and Exchange Commission pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which contains financial statements.

(3) I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- The Quarterly Report containing the financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act, and
- The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer for the periods presented.

/s/ KEVIN M. FREEMAN

Name: Kevin M. Freeman
Date: November 6, 2024

**EXHIBIT 32.2**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Adam N. Satterfield, state and attest that:

(1) I am the Executive Vice President and Chief Financial Officer of Old Dominion Freight Line, Inc. (the "Issuer").

(2) Accompanying this certification is the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (the "Quarterly Report"), a periodic report filed by the Issuer with the Securities and Exchange Commission pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which contains financial statements.

(3) I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- The Quarterly Report containing the financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act, and
- The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer for the periods presented.

/s/ ADAM N. SATTERFIELD

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|---|---|
| Name: | Adam N. Satterfield |
| Date: | November 6, 2024 |