

OLD DOMINION FREIGHT LINE INC/VA
Form 10-Q
August 07, 2018
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 June 30, 2018

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 (I.R.S. Employer
incorporation or organization) Identification No.)
500 Old Dominion Way 27360
Thomasville, North Carolina
(Address of principal executive offices) (Zip Code)
(336) 889-5000
(Registrant's telephone number, including area code)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes No

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

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) 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.

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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 August 6, 2018 there were 81,996,361 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)	June 30, 2018 (Unaudited)	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$140,571	\$127,462
Customer receivables, less allowances of \$10,033 and \$9,465, respectively	456,906	394,169
Other receivables	7,373	21,612
Prepaid expenses and other current assets	42,735	41,410
Total current assets	647,585	584,653
Property and equipment:		
Revenue equipment	1,760,117	1,591,036
Land and structures	1,638,421	1,548,079
Other fixed assets	451,237	432,146
Leasehold improvements	8,747	8,668
Total property and equipment	3,858,522	3,579,929
Accumulated depreciation	(1,272,814)	(1,175,470)
Net property and equipment	2,585,708	2,404,459
Goodwill	19,463	19,463
Other assets	68,326	59,849
Total assets	\$3,321,082	\$3,068,424

Note: The Condensed Balance Sheet at December 31, 2017 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.

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

(In thousands, except share and per share data)	June 30, 2018 (Unaudited)	December 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 81,668	\$ 73,729
Compensation and benefits	177,121	152,566
Claims and insurance accruals	52,168	49,949
Other accrued liabilities	27,510	24,805
Income taxes payable	27,895	—
Current maturities of long-term debt	—	50,000
Total current liabilities	366,362	351,049
Long-term liabilities:		
Long-term debt	45,000	45,000
Other non-current liabilities	230,724	205,561
Deferred income taxes	196,945	189,960
Total long-term liabilities	472,669	440,521
Total liabilities	839,031	791,570
Commitments and contingent liabilities		
Shareholders' equity:		
Common stock - \$0.10 par value, 140,000,000 shares authorized, 82,079,355 and 82,375,945 shares outstanding at June 30, 2018 and December 31, 2017, respectively	8,208	8,238
Capital in excess of par value	139,557	138,359
Retained earnings	2,334,286	2,130,257
Total shareholders' equity	2,482,051	2,276,854
Total liabilities and shareholders' equity	\$ 3,321,082	\$ 3,068,424

Note: The Condensed Balance Sheet at December 31, 2017 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)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
(In thousands, except share and per share data)	2018	2017	2018	2017
Revenue from operations	\$1,033,498	\$839,912	\$1,958,518	\$1,594,008
Operating expenses:				
Salaries, wages and benefits	522,249	441,904	1,023,560	858,408
Operating supplies and expenses	124,919	88,580	238,980	