Quarterly Report to Shareholders

Second Quarter 2010

NORTH LIBERTY, IOWA

To Our Stockholders:

Heartland Express ended the second quarter of 2010 with operating revenues of $127.4 million, net income of $16.7 million, and $0.18 earnings per share. We ended the first six months of 2010 with operating revenues of $243.0 million, net income of $28.5 million, and $0.31 earnings per share. Net income for the second quarter of 2010 decreased by $0.03 per share and $0.07 per share for the six month period due to a decrease in gains on disposal of property and equipment and increased depreciation expense primarily attributable to the purchase of new tractors during 2009.

The Company continues to achieve the best operating ratio (operating expenses as a % of gross revenues) in our industry. We are extremely proud of our second quarter and year-to-date operating ratios of 82.7% and 84.4%, respectively given the recent operating environment. Our net margin in the second quarter of 2010 was 13.1% and 11.7% for the first six months of this year. In addition, we ended the past four quarters with a return on assets of 9.7% and a 14.6% return on equity. Fuel expense increased $5.9 million or 23.6% during the quarter primarily due to an increase in average fuel prices. During the quarter ended June 30, 2010 the U.S. average cost of fuel was $3.029 per gallon compared to $2.341 per gallon for the same period of 2009, a 29.4% increase. The Company continues to benefit from the focus on the reduction of idle hours and strategic fuel purchasing decisions which offset a portion of the rise in fuel costs. These results in a down economy are a testament to the strength of our organization.

Freight demand continues to lag dramatically behind that experienced in 2007 prior to the recent recession, however, freight rates have stabilized and equipment utilization has improved in comparison to last year. The Company is positioned to add capacity and continue to increase utilization to take advantage of opportunities resulting from decreased industry capacity. The industry continues to be challenged by driver recruitment and retention. This challenge is expected to amplify with the implementation of the stringent safety requirements of CSA 2010 and the anticipated decrease in qualified drivers.

We are well positioned for the challenges and opportunities of tomorrow. Our debt-free balance sheet at the end of the second quarter of 2010 includes cash, cash equivalents, short-term and long-term investments of $255.2 million, a $54.9 million increase from our December 31, 2009 balance sheet. Cash flows from operations for the six months ended June 30, 2010 of $47.9 million were 19.7% of operating revenues. Long-term and short-term investments include illiquid auction rate securities held since February 2008. These holdings now represent 47.4% of our total cash balance compared 91.9% at March 31, 2008. Heartland Express continues to pay a regular cash dividend. The most recent dividend of approximately $1.8 million at the rate of $0.02 per share was paid on July 2, 2010 to shareholders of record at the close of business on June 22, 2010. The Company has now paid cash dividends of $243.2 million over the past twenty-eight consecutive quarters. The payment of dividends reflects our confidence that cash flows will remain strong.

Many in our industry are now faced with aging fleets as they have been forced to delay capital expenditures due to narrowing margins. We are committed to operating one of the newest and most fuel efficient fleets in the industry. The average age of our tractor fleet was 1.8 years at the end of the second quarter of 2010. I am pleased to announce that the average age of our fleet will continue to improve throughout the remainder of 2010 with the anticipated delivery of new 2011 ProStar Internationals beginning in the third quarter. These fleet upgrades keep us positioned to take advantage of growth opportunities and enhance our efforts to satisfy the safety requirements of CSA 2010. In addition, the Company will benefit from increased fuel economy as it continues to replace the remainder of the 2007 models in its fleet with the aerodynamic and fuel efficient ProStar and ProStar+ tractors.

Customer service is a core foundation of our company and requires a concerted team effort. Customer service awards received thus far in 2010 include the 2009 Whirlpool National Supplier of the Year, 2009 Quaker/Gatorade Southwest Region Carrier of the Year, 2009 Sears Partner in Progress award, 2009 Unilever Excellence Award for outstanding on-time delivery, the Nestle Waters 2009 World Class Customer Service Award, the 2009 Genpak Regional Carrier of the Year, the 2009 Eastman Chemical Company Supplier Excellence Award, the 2009 LXP Carrier of the Year - Tier One Carriers for the third consecutive year, Lowe's 2009 Platinum Carrier Award, and the Walmart Transportation 2009 General Merchandise Platinum Carrier of the Year Award. Our focus on customer service continues to distinguish us from the competition.

I can't thank our employees enough for what they have accomplished over the past year and a half in these difficult economic times. I am proud to say that our organization did not take a step backwards during this period. We maintained our efficiencies and margins with an 83.4% operating ratio and a 12.2% net margin during this tough eighteen month period. We accomplished this without any layoffs. This was our way of saying "THANKS" to our employees. They have built our company into one of the strongest in our industry.

Thank you for your investment and confidence in Heartland Express.

Respectfully,

Mike Gerdin
President
HEARTLAND EXPRESS, INC.

HEARTLAND EXPRESS, INC.
AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

ASSETS	**June 30, 2010**	**December 31, 2009**
CURRENT ASSETS	(Unaudited)	*
Cash, cash equivalents and short-term investments	$ 152,301	$ 59,477
Trade receivables, net	42,592	37,361
Prepaid tires	4,526	6,579
Other current assets	5,129	1,923
Income tax receivable	1,363	4,658
Deferred income taxes, net	13,911	14,516
Total current assets	219,822	124,514
PROPERTY AND EQUIPMENT	400,924	413,564
Less accumulated depreciation	163,680	138,394
	237,244	275,170
LONG-TERM INVESTMENTS	102,939	140,884
OTHER ASSETS	11,107	10,595
	$ 571,112	$ 551,163
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 8,467	$ 6,953
Accrued expenses	43,574	40,101
Total current liabilities	52,041	47,054
LONG-TERM LIABILITIES		
Income taxes payable	26,362	31,323
Deferred income taxes, net	44,358	51,218
Insurance accruals less current portion	56,023	53,898
Total long-term liabilities	126,743	136,439
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Capital stock, common, $.01 par value; authorized 395,000 shares; issued and outstanding 90,689 in 2010 and 2009	907	907
Additional paid-in capital	439	439
Retained earnings	396,563	371,650
Accumulated other comprehensive loss	(5,581)	(5,326)
	392,328	367,670
	$ 571,112	$ 551,163

*Taken from audited financial statements which are not presented in their entirety.

HEARTLAND EXPRESS, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
OPERATING REVENUE	$ 127,411	$ 116,974	$ 243,028	$ 231,953
OPERATING EXPENSES:				
Salaries, wages, and benefits	$ 42,320	$ 42,938	$ 82,858	$ 86,997
Rent and purchased transportation	2,533	2,806	4,927	5,744
Fuel	31,012	25,086	60,552	49,644
Operations and maintenance	4,141	4,314	7,571	8,354
Operating taxes and licenses	2,202	2,433	4,025	4,716
Insurance and claims	5,422	4,625	8,373	8,139
Communications and utilities	860	906	1,762	1,902
Depreciation	15,379	13,160	31,102	24,974
Other operating expenses	3,535	3,188	6,527	6,591
Gain on disposal of property and equipment	(2,026)	(4,190)	(2,533)	(5,857)
	105,378	95,266	205,164	191,204
Operating Income	22,033	21,708	37,864	40,749
Interest income	416	563	819	1,434
Income before income taxes	22,449	22,271	38,683	42,183
Federal and state income taxes	5,796	4,656	10,143	10,427
Net Income	$ 16,653	$ 17,615	$ 28,540	$ 31,756
Earnings per share	$ 0.18	$ 0.19	$ 0.31	$ 0.35
Weighted average shares outstanding	90,689	90,689	90,689	91,582
Dividends declared per share	$ 0.02	$ 0.02	$ 0.04	$ 0.04

Statements by the Company in reports to its stockholders and public filings, as well as oral public statements by Company representatives may contain certain forward looking information that is subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Without limitation, these risks and uncertainties include economic recessions or downturns in customers' business cycles, excessive increases in capacity within truckload markets, decreased demand for transportation services offered by the Company, rapid inflation and fuel price increases, increases in interest rates, and the availability and compensation of qualified drivers and owner-operators. Readers should review and consider the various disclosures made by the Company in its reports to its stockholders and reports on forms 10-K and 10-Q.