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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 9, 2009 (February 9, 2009)

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

<u>Tennessee</u> (State or other jurisdiction of incorporation)	<u>000-22490</u> (Commission File Number)	<u>62-1120025</u> (I.R.S. Employer Identification No.)
<u>430 Airport Road Greeneville, Tennessee</u> (Address of principal executive offices)		<u>37745</u> (Zip Code)

Registrant's telephone number, including area code: (423) 636-7000

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**SECTION 2. FINANCIAL INFORMATION.**

**Item 2.02. Results of Operations and Financial Condition.**

Attached as Exhibit 99.1 and incorporated herein by reference is a copy of a press release, dated February 9, 2009, announcing the financial results of Forward Air Corporation for the quarter and fiscal year ended December 31, 2008.

**SECTION 9. FINANCIAL STATEMENTS AND EXHIBITS.**

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following exhibit is being furnished as part of this Report.

<u>No.</u>	<u>Exhibit</u>
99.1	Press Release of Forward Air Corporation dated February 9, 2009.

**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 hereunto duly authorized.

Date: February 9, 2009

Forward Air Corporation

By: /s/ Rodney L. Bell  
Rodney L. Bell  
Chief Financial Officer, Senior Vice President, and  
Treasurer

**EXHIBIT INDEX**

<b>No.</b>	<b>Exhibit</b>
99.1	Press Release of Forward Air Corporation dated February 9, 2009.



Exhibit 99.1

## FORWARD AIR CORPORATION REPORTS FOURTH QUARTER AND FISCAL 2008 RESULTS

GREENEVILLE, Tenn.—(BUSINESS WIRE) – February 9, 2009—Forward Air Corporation (NASDAQ:FWRD) today reported results for the fourth quarter and year ended December 31, 2008.

Operating revenue for the quarter ended December 31, 2008 increased 7.8% to \$123.4 million from \$114.5 million for the same quarter in 2007. Income from operations was \$14.0 million, compared with \$20.0 million for the fourth quarter of 2007, a decrease of 30.0%. As a percent of operating revenue, income from operations decreased to 11.3% from 17.5% for the same quarter last year. Net income during the period decreased by \$4.1 million, or 32.8%, to \$8.3 million from \$12.4 million in the fourth quarter of 2007. Net income per diluted share for the fourth quarter of 2008 was \$0.29 compared with \$0.43 in the same quarter in 2007, a decrease of 32.6%.

Operating revenue for the year ended December 31, 2008 increased 20.8% to \$474.4 million from \$392.7 million for the same period in 2007. Income from operations was \$70.3 million, compared with \$71.0 million in the prior-year period, a decrease of 1.0%. As a percent of operating revenue, income from operations decreased to 14.8% for the year ended 2008 from 18.1% in 2007. Net income during the period decreased 5.3% to \$42.5 million from \$44.9 million in the prior-year period. Net income per diluted share from operations for the year ended 2008 was \$1.47 compared with \$1.50 for the year ended December 31, 2007, a decrease of 2.0%.

Bruce A. Campbell, Chairman, President, and CEO, said, "As noted in last month's update we experienced an unprecedented decline in demand for our core airport-to-airport freight services during the fourth quarter 2008. This negative trend accelerated throughout the quarter with December volumes declining in excess of 20% from December of 2007. Thus far this year, volumes appear to have stabilized around negative 20% in our core business."

Commenting further, Mr. Campbell said, "In response to this dramatic decline in volume we have made further reductions in our work force, initiated an across the board salary and wage freeze, curtailed 2009 planned capital spending and continued to attack every expense line item in order to drive meaningful cost reductions. It is important to note that we have taken all of these measures without sacrificing the superior level of service that has differentiated Forward Air from our competitors. This is truly a testament to the dedication of our employees and independent owner operators and they have our sincerest appreciation."

In commenting on the fourth quarter, Rodney L. Bell, Senior Vice President and CFO, said "In the fourth quarter cash flow from operations was \$21.1 million as compared to \$18.6 million in the same quarter of 2007 further illustrating the strength of our non-asset model even in the most challenging of economic environments. As mentioned in our update, we ended the year with just over \$22 million in cash and \$42.2 million available on our \$100 million line of credit."

Commenting further, Mr. Bell said, "We anticipate first quarter year-over-year revenue in our Forward Air, Inc segment to decline between 10 and 15% while we expect revenue in our Forward Air Solutions segment to approximately double primarily on the strength of our two 2008 acquisitions. We anticipate income per diluted share to be between \$0.10 and \$0.15 per share."

### Review of Financial Results

Forward Air will hold a conference call to discuss fourth quarter 2008 results on Tuesday, February 10, 2009 at 9:00 a.m. EDT. The Company's conference call will be available online at [www.forwardair.com](http://www.forwardair.com) or by dialing 800-841-9385. A replay of the conference call will be available at [www.forwardair.com](http://www.forwardair.com) beginning shortly after the completion of the live call.

### About Forward Air Corporation

Forward Air Corporation operates two business segments, Forward Air, Inc. and Forward Air Solutions, Inc.

Forward Air, Inc. is a high-service-level contractor to the air cargo industry providing time-definite ground transportation services through a network of 82 terminals located on or near major airports in the United States and Canada. It provides these services as a cost-effective alternative to air transportation of cargo that must be delivered at a specific time but is relatively less time-sensitive than traditional air freight or when air transportation is not economical.

Forward Air Solutions, Inc. is a provider of pool distribution services. Pool distribution involves the consolidation and shipment of several smaller less-than-truckload shipments to a common area or region. Once at the regional destination, the loads are deconsolidated, then grouped with other shipments with common delivery points, and delivered in a very precise, time-sensitive manner. Our pool distribution network consists of 20 terminals within the Mid-Atlantic, Southeast, Midwest and Southwestern United States.

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**Forward Air Corporation**  
**Consolidated Condensed Statements of Income**  
(In thousands, except per share data)  
(Unaudited)

	<u>Three months ended</u>		<u>Year ended</u>	
	<u>December 31, 2008</u>	<u>December 31, 2007</u>	<u>December 31, 2008</u>	<u>December 31, 2007</u>
<b>Operating revenue:</b>				
Forward Air				
Airport-to-airport	\$ 77,713	\$ 86,034	\$ 334,860	\$ 313,162
Logistics	16,602	11,976	59,290	42,626
Other	6,669	5,524	25,133	20,923
Forward Air Solutions				
Pool distribution	22,468	10,956	55,153	16,026
Total operating revenue	<u>123,452</u>	<u>114,490</u>	<u>474,436</u>	<u>392,737</u>
<b>Operating expenses:</b>				
Purchased transportation				
Forward Air				
Airport-to-airport	30,358	33,608	128,785	123,658
Logistics	13,336	9,176	44,560	32,727
Other	1,500	1,737	6,425	6,049
Forward Air Solutions				
Pool distribution	3,551	1,292	9,315	2,003
Total purchased transportation	<u>48,745</u>	<u>45,813</u>	<u>189,085</u>	<u>164,437</u>
Salaries, wages and employee benefits	32,149	27,800	116,504	88,803
Operating leases	7,485	4,670	24,403	16,761
Depreciation and amortization	4,785	3,095	16,615	10,824
Insurance and claims	2,409	2,434	8,099	7,685
Fuel expense	2,999	1,334	11,465	2,421
Other operating expenses	10,834	9,353	37,980	30,758
Total operating expenses	<u>109,406</u>	<u>94,499</u>	<u>404,151</u>	<u>321,689</u>
Income from operations	14,046	19,991	70,285	71,048
<b>Other income (expense):</b>				
Interest expense	(396)	(355)	(1,236)	(491)
Other, net	37	231	362	1,756
Total other income (expense)	<u>(359)</u>	<u>(124)</u>	<u>(874)</u>	<u>1,265</u>
Income before income taxes	13,687	19,867	69,411	72,313
Income taxes	5,350	7,463	26,869	27,388
Net income	<u>\$ 8,337</u>	<u>\$ 12,404</u>	<u>\$ 42,542</u>	<u>\$ 44,925</u>
<b>Net income per share:</b>				
Basic	<u>\$ 0.29</u>	<u>\$ 0.43</u>	<u>\$ 1.48</u>	<u>\$ 1.52</u>
Diluted	<u>\$ 0.29</u>	<u>\$ 0.43</u>	<u>\$ 1.47</u>	<u>\$ 1.50</u>
<b>Weighted average shares outstanding:</b>				
Basic	28,889	28,832	28,808	29,609
Diluted	28,987	29,154	29,025	29,962
<b>Dividends per share:</b>	<u>\$ 0.07</u>	<u>\$ 0.07</u>	<u>\$ 0.28</u>	<u>\$ 0.28</u>

**Forward Air Corporation**  
**Condensed Consolidated Balance Sheets**  
(In thousands)  
(Unaudited)

	<b>December 31, 2008</b>	<b>December 31, 2007 (a)</b>
<b>Assets</b>		
Current assets:		
Cash	\$ 22,093	\$ 4,909
Accounts receivable, net	57,206	59,734
Other current assets	12,290	6,807
Total current assets	<u>91,589</u>	<u>71,450</u>
Property and equipment	186,377	158,354
Less accumulated depreciation and amortization	<u>63,401</u>	<u>55,322</u>
Total property and equipment, net	122,976	103,032
Goodwill and other acquired intangibles:		
Goodwill	50,230	36,053
Other acquired intangibles, net	<u>40,708</u>	<u>29,991</u>
Total goodwill and other acquired intangibles	90,938	66,044
Other assets	<u>2,024</u>	<u>1,358</u>
Total assets	<u>\$ 307,527</u>	<u>\$ 241,884</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 11,633	\$ 11,714
Accrued expenses	12,927	14,274
Current portion of debt and capital lease obligations	<u>1,602</u>	<u>830</u>
Total current liabilities	26,162	26,818
Debt and capital lease obligations, less current portion	53,035	31,486
Other long-term liabilities	3,055	4,476
Deferred income taxes	8,841	7,371
Shareholders' equity:		
Common stock	289	286
Additional paid-in capital	10,249	--
Retained earnings	<u>205,896</u>	<u>171,447</u>
Total shareholders' equity	<u>216,434</u>	<u>171,733</u>
Total liabilities and shareholders' equity	<u>\$ 307,527</u>	<u>\$ 241,884</u>

(a) Taken from audited financial statements, which are not presented in their entirety

**Forward Air Corporation**  
**Condensed Consolidated Statements of Cash Flows**  
(In thousands)  
(Unaudited)

	<b>Year ended</b>	
	<b>December 31, 2008</b>	<b>December 31, 2007</b>
<b>Operating activities:</b>		
Net income	\$ 42,542	\$ 44,925
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	16,615	10,824
Share-based compensation	6,267	3,710
Loss (gain) on disposal of property and equipment	171	(172)
Provision for loss (recovery) on receivables	903	(33)
Provision for revenue adjustments	4,259	2,312
Deferred income taxes	1,151	596
Tax benefit for stock options exercised	(1,030)	(1,261)
Changes in operating assets and liabilities, net of acquisitions		
Accounts receivable	(2,376)	(11,474)
Prepaid expenses and other current assets	(2,102)	291
Accounts payable and accrued expenses	(2,665)	6,606
Income taxes	(4,652)	6,069
Net cash provided by operating activities	<u>59,083</u>	<u>62,393</u>
<b>Investing activities:</b>		
Proceeds from disposal of property and equipment	87	574
Purchases of property and equipment	(26,699)	(47,026)
Proceeds from sales or maturities of available-for-sale securities	--	143,410
Purchases of available-for-sale securities	--	(82,282)
Acquisition of businesses	(29,329)	(48,627)
Other	(247)	(119)
Net cash used in investing activities	<u>(56,188)</u>	<u>(34,070)</u>
<b>Financing activities:</b>		
Payments of debt and capital lease obligations	(1,603)	(493)
Borrowings on line of credit	45,000	40,000
Payments on line of credit	(25,000)	(10,000)
Proceeds from exercise of stock options	3,085	1,017
Payments of cash dividends	(8,089)	(8,305)
Proceeds from common stock issued under employee stock purchase plan	255	259
Cash settlement of share-based awards for minimum tax withholdings	(389)	(250)
Repurchase of common stock	--	(55,134)
Tax benefit for stock options exercised	1,030	1,261
Net cash provided by (used in) financing activities	<u>14,289</u>	<u>(31,645)</u>
Net increase (decrease) in cash	17,184	(3,322)
Cash at beginning of period	4,909	8,231
Cash at end of period	<u>\$ 22,093</u>	<u>\$ 4,909</u>



**Forward Air Corporation**  
**Segment Information**  
(In millions)  
(Unaudited)

	Three months ended					
	December 31, 2008	Percent of Revenue	December 31, 2007	Percent of Revenue	Change	%
<b>Operating revenue</b>						
Forward Air	\$ 101.4	82.2%	\$ 103.6	90.5%	(2.2)	(2.1)%
FASI	22.5	18.2	11.0	9.6	11.5	104.5
Intercompany Eliminations	(0.5)	(0.4)	(0.1)	(0.1)	(0.4)	400.0
<b>Total</b>	<b>123.4</b>	<b>100.0</b>	<b>114.5</b>	<b>100.0</b>	<b>8.9</b>	<b>7.8</b>
<b>Purchased transportation</b>						
Forward Air	45.3	44.7	44.5	43.0	0.8	1.8
FASI	3.9	17.3	1.4	12.7	2.5	178.6
Intercompany Eliminations	(0.5)	100.0	(0.1)	100.0	(0.4)	400.0
<b>Total</b>	<b>48.7</b>	<b>39.5</b>	<b>45.8</b>	<b>40.0</b>	<b>2.9</b>	<b>6.3</b>
<b>Salaries, wages and employee benefits</b>						
Forward Air	22.2	21.9	23.2	22.4	(1.0)	(4.3)
FASI	9.9	44.0	4.6	41.8	5.3	115.2
<b>Total</b>	<b>32.1</b>	<b>26.0</b>	<b>27.8</b>	<b>24.3</b>	<b>4.3</b>	<b>15.5</b>
<b>Operating leases</b>						
Forward Air	4.9	4.8	4.1	3.9	0.8	19.5
FASI	2.6	11.6	0.6	5.5	2.0	333.3
<b>Total</b>	<b>7.5</b>	<b>6.1</b>	<b>4.7</b>	<b>4.1</b>	<b>2.8</b>	<b>59.6</b>
<b>Depreciation and amortization</b>						
Forward Air	3.8	3.7	2.9	2.8	0.9	31.0
FASI	1.0	4.4	0.2	1.8	0.8	400.0
<b>Total</b>	<b>4.8</b>	<b>3.9</b>	<b>3.1</b>	<b>2.7</b>	<b>1.7</b>	<b>54.8</b>
<b>Insurance and claims</b>						
Forward Air	2.2	2.2	2.0	1.9	0.2	10.0
FASI	0.2	0.9	0.4	3.6	(0.2)	(50.0)
<b>Total</b>	<b>2.4</b>	<b>2.0</b>	<b>2.4</b>	<b>2.1</b>	<b>--</b>	<b>--</b>
<b>Fuel expense</b>						
Forward Air	1.0	1.0	0.5	0.5	0.5	100.0
FASI	2.0	8.9	0.8	7.3	1.2	150.0
<b>Total</b>	<b>3.0</b>	<b>2.4</b>	<b>1.3</b>	<b>1.1</b>	<b>1.7</b>	<b>130.8</b>
<b>Other operating expenses</b>						
Forward Air	8.5	8.4	8.2	7.9	0.3	3.7
FASI	2.4	10.7	1.2	10.9	1.2	100.0
<b>Total</b>	<b>10.9</b>	<b>8.8</b>	<b>9.4</b>	<b>8.2</b>	<b>1.5</b>	<b>16.0</b>
<b>Income from operations</b>						
Forward Air	13.5	13.3	18.2	17.6	(4.7)	(25.8)
FASI	0.5	2.2	1.8	16.4	(1.3)	(72.2)
<b>Total</b>	<b>\$ 14.0</b>	<b>11.3%</b>	<b>\$ 20.0</b>	<b>17.5%</b>	<b>(6.0)</b>	<b>(30.0)%</b>

**Forward Air Corporation**  
**Segment Information**  
(In millions)  
(Unaudited)

	Year ended					
	December 31, 2008	Percent of Revenue	December 31, 2007	Percent of Revenue	Change	%
<b>Operating revenue</b>						
Forward Air	\$ 421.2	88.8%	\$ 376.8	95.9%	\$ 44.4	11.8 %
FASI	55.3	11.6	16.0	4.1	39.3	245.6
Intercompany Eliminations	(2.1)	(0.4)	(0.1)	--	(2.0)	(2,000.0)
<b>Total</b>	<u>474.4</u>	<u>100.0</u>	<u>392.7</u>	<u>100.0</u>	<u>81.7</u>	<u>20.8</u>
<b>Purchased transportation</b>						
Forward Air	179.9	42.7	162.4	43.1	17.5	10.8
FASI	11.2	20.2	2.1	13.1	9.1	433.3
Intercompany Eliminations	(2.1)	100.0	(0.1)	100.0	(2.0)	(2,000.0)
<b>Total</b>	<u>189.0</u>	<u>39.9</u>	<u>164.4</u>	<u>41.9</u>	<u>24.6</u>	<u>15.0</u>
<b>Salaries, wages and employee benefits</b>						
Forward Air	92.5	22.0	82.0	21.8	10.5	12.8
FASI	24.0	43.4	6.8	42.5	17.2	252.9
<b>Total</b>	<u>116.5</u>	<u>24.6</u>	<u>88.8</u>	<u>22.6</u>	<u>27.7</u>	<u>31.2</u>
<b>Operating leases</b>						
Forward Air	18.5	4.4	15.8	4.2	2.7	17.1
FASI	5.9	10.7	1.0	6.3	4.9	490.0
<b>Total</b>	<u>24.4</u>	<u>5.1</u>	<u>16.8</u>	<u>4.3</u>	<u>7.6</u>	<u>45.2</u>
<b>Depreciation and amortization</b>						
Forward Air	14.4	3.4	10.4	2.8	4.0	38.5
FASI	2.2	4.0	0.5	3.1	1.7	340.0
<b>Total</b>	<u>16.6</u>	<u>3.5</u>	<u>10.9</u>	<u>2.8</u>	<u>5.7</u>	<u>52.3</u>
<b>Insurance and claims</b>						
Forward Air	7.3	1.7	7.2	1.9	0.1	1.4
FASI	0.8	1.4	0.5	3.1	0.3	60.0
<b>Total</b>	<u>8.1</u>	<u>1.7</u>	<u>7.7</u>	<u>1.9</u>	<u>0.4</u>	<u>5.2</u>
<b>Fuel expense</b>						
Forward Air	5.8	1.4	1.3	0.3	4.5	346.2
FASI	5.7	10.3	1.1	6.9	4.6	418.2
<b>Total</b>	<u>11.5</u>	<u>2.4</u>	<u>2.4</u>	<u>0.6</u>	<u>9.1</u>	<u>379.2</u>
<b>Other operating expenses</b>						
Forward Air	32.1	7.6	29.0	7.7	3.1	10.7
FASI	5.9	10.7	1.7	10.6	4.2	247.1
<b>Total</b>	<u>38.0</u>	<u>8.0</u>	<u>30.7</u>	<u>7.8</u>	<u>7.3</u>	<u>23.8</u>
<b>Income (loss) from operations</b>						
Forward Air	70.7	16.8	68.7	18.2	2.0	2.9
FASI	(0.4)	(0.7)	2.3	14.4	(2.7)	(117.4)
<b>Total</b>	<u>\$ 70.3</u>	<u>14.8%</u>	<u>\$ 71.0</u>	<u>18.1%</u>	<u>(0.7)</u>	<u>(1.0)%</u>

## **Important Information**

This press release contains “forward-looking statements,” as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements other than historical information or statements of current condition and relate to future events or our future financial performance. Some forward-looking statements may be identified by use of such terms as “believes,” “anticipates,” “intends,” “plans,” “estimates,” “projects” or “expects.” Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The following is a list of factors, among others, that could cause actual results to differ materially from those contemplated by the forward-looking statements: economic factors such as recessions, inflation, higher interest rates and downturns in customer business cycles, our inability to maintain our historical growth rate because of a decreased volume of freight moving through our network or decreased average revenue per pound of freight moving through our network, increasing competition and pricing pressure, surplus inventories, loss of a major customer, the creditworthiness of our customers and their ability to pay for services rendered, our ability to secure terminal facilities in desirable locations at reasonable rates, the inability of our information systems to handle an increased volume of freight moving through our network, changes in fuel prices, claims for property damage, personal injuries or workers’ compensation, employment matters including rising health care costs, enforcement of and changes in governmental regulations, environmental and tax matters, the handling of hazardous materials, the availability and compensation of qualified independent owner-operators and freight handlers needed to serve our transportation needs and our inability to successfully integrate acquisitions. As a result of the foregoing, no assurance can be given as to future financial condition, cash flows or results of operations. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

-END-

### **CONTACT:**

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