
**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): **July 26, 2017 (July 26, 2017)**

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

Tennessee (State or other jurisdiction of incorporation)	000-22490 (Commission File Number)	62-1120025 (I.R.S. Employer Identification No.)
1915 Snapps Ferry Road, Building N Greeneville, Tennessee		37745
(Address of principal executive offices)		(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

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 July 26, 2017, announcing the financial results of Forward Air Corporation for the three and six months ended June 30, 2017.

Also, attached as Exhibit 99.2 are certain historical operating statistics for each quarter ended from March 31, 2015 through June 30, 2017. Prior year results may have been reclassified to conform to current year presentation.

Also, attached as Exhibit 99.3 are summary segment statement of operations for each quarter ended from March 31, 2015 through June 30, 2017. Prior year results may have been reclassified to conform to current year presentation.

The information in this Item 2.02, including Exhibit 99.1, 99.2 and 99.3 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

SECTION 9. FINANCIAL STATEMENTS AND EXHIBITS.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being furnished as part of this Report.

No.	Exhibit
99.1	Press Release of Forward Air Corporation dated June 30, 2017

No.	Exhibit
	Forward Air Corporation Historical Operating Statistics

99.2

No.	Exhibit
99.3	2017 Summary Segment Statement of Operations

99.3

SIGNATURE

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: July 26, 2017

FORWARD AIR CORPORATION
By: /s/ Michael J. Morris
Michael J. Morris
Chief Financial Officer, Senior Vice
President and Treasurer

EXHIBIT INDEX

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NEWS RELEASE

**FORWARD AIR CORPORATION REPORTS
SECOND QUARTER 2017 RESULTS AND
QUARTERLY CASH DIVIDEND**

GREENEVILLE, Tenn.- (BUSINESS WIRE) - July 26, 2017 - Forward Air Corporation (NASDAQ:FWRD) today reported operating revenue, income from operations, net income and diluted earnings per share for the three and six months ended June 30, 2017.

Operating revenue for the quarter ended June 30, 2017 increased 12.1% to \$267.5 million from \$238.6 million for the same quarter in 2016. Income from operations was \$29.8 million, compared to loss from operations of \$14.3 million in the prior year quarter, which includes a one-time non-cash charge of \$42.4 million primarily resulting from intangible asset impairments related to the Company's TQI acquisition. Net income during the period was \$19.6 million compared to a net loss of \$10.1 million in the second quarter of 2016. Net income per diluted share for the second quarter of 2017 was \$0.64 compared to a net loss per share of \$0.33 in the prior year quarter. Net of tax effects, the TQI impairment charge accounted for \$27.4 million, or \$0.90 per share of the second quarter of 2016 net loss. Adjusted to exclude the TQI impairment, prior year quarter adjusted earnings per share was \$0.57.

Bruce A. Campbell, Chairman, President, and CEO, commenting on the second quarter results said, "During the second quarter, we executed on our growth strategies and increased revenue in every business unit. Our Expedited LTL and Truckload Premium Services groups drove strong volume growth but faced a challenging driver recruitment environment as the truckload market tightened towards the end of the quarter. Our Intermodal group closed the Atlantic acquisition and is on track with its integration. Pool Distribution had another great quarter driven by new business wins and solid cost controls."

Commenting on the Company's second quarter results, Michael J. Morris, Senior Vice President and CFO, said, "Our second quarter results reflect the impact of certain indemnification claims related to the Towne purchase, as well as the impact of Atlantic. Our second quarter outlook did not consider these items since they were not yet finalized. The impacts of the Towne indemnification and Atlantic contributed \$0.05 to our diluted earnings per share. When excluding this activity, we would have been at the high end of our \$0.55-\$0.59 guidance range, driven by good performance from our Pool Distribution group." Regarding the Company's third quarter 2017 guidance, Mr. Morris said, "We expect third quarter year-on-year revenue growth to be up 9% to 13%. We expect net income per diluted share to be between \$0.56 and \$0.60, compared to \$0.39 in the prior year quarter." The third quarter of 2016 includes tax ramifications related to the impairment of TQI's intangible assets. When excluded, adjusted net income per diluted share was \$0.51 for the third quarter of 2016.

A tabular reconciliation of non-GAAP financial measures to reported results prepared in accordance with accounting principles generally accepted in the United States ("GAAP") is contained in the financial summary statements attached to this press release.

On July 25, 2017, our Board of Directors declared a quarterly cash dividend of \$0.15 per share of common stock. The dividend is payable to shareholders of record at the close of business on August 25, 2017, and is expected to be paid on September 8, 2017.

This quarterly dividend is pursuant to a cash dividend policy approved by the Board of Directors, which anticipates a total annual dividend of \$0.60 per share of common stock, payable in quarterly increments of \$0.15 per share of common stock. The actual declaration of future cash dividends, and the establishment of record and payment dates, is subject to final determination by the Board of Directors each quarter after its review of the Company's financial performance.

Review of Financial Results

Forward Air will hold a conference call to discuss second quarter 2017 results on Thursday, July 27, 2017 at 9:00 a.m. EDT. The Company's conference call will be available online at <https://www.forwardaircorp.com> or by dialing (800) 288-8975. A replay of the conference call will be available at <https://www.forwardaircorp.com> beginning shortly after the completion of the live call.

About Forward Air Corporation

Forward Air keeps your business moving forward by providing services within four business segments: Expedited LTL (provides expedited regional, inter-regional and national LTL services, including local pick-up and delivery, shipment consolidation/deconsolidation, warehousing, and customs brokerage by utilizing a comprehensive national network of terminals); Truckload Premium Services (provides expedited truckload brokerage, dedicated fleet services, as well as high-security and temperature-controlled logistics services); Intermodal (provides first-and last-mile high-value drayage services both to and from seaports and railheads, dedicated contract and Container Freight Station warehouse and handling services); and Pool Distribution (provides high-frequency handling and distribution of time sensitive product to numerous destinations within a specific geographic region). For more information, visit our website at <https://www.forwardaircorp.com>.

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

	Three months ended		Six months ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Operating revenue:				
Expedited LTL	\$ 152,270	\$ 144,693	\$ 292,868	\$ 279,072
Truckload Premium Services	45,186	39,440	86,971	78,060
Pool Distribution	36,835	31,525	74,658	64,716
Intermodal	35,270	24,189	63,561	48,813
Eliminations and other operations	(2,043)	(1,210)	(3,559)	(2,476)
Operating revenue	<u>267,518</u>	<u>238,637</u>	<u>514,499</u>	<u>468,185</u>
Operating expenses:				
Purchased transportation	115,609	99,267	218,692	195,743
Salaries, wages and employee benefits	64,402	57,018	126,399	115,695
Operating leases	14,796	14,601	30,397	28,469
Depreciation and amortization	10,219	9,341	20,252	19,009
Insurance and claims	7,730	6,648	13,536	12,044
Fuel expense	3,671	2,999	7,351	5,960
Other operating expenses	21,282	20,669	44,875	41,766
Impairment of goodwill, intangibles and other assets	—	42,442	—	42,442
Total operating expenses	<u>237,709</u>	<u>252,985</u>	<u>461,502</u>	<u>461,128</u>
Operating (loss) income:				
Expedited LTL	22,992	24,921	41,392	42,011
Truckload Premium Services	1,859	(40,282)	3,563	(38,717)
Pool Distribution	1,625	(371)	2,991	(257)
Intermodal	3,073	2,757	5,652	5,130
Other operations	260	(1,373)	(601)	(1,110)
Income (loss) from operations	<u>29,809</u>	<u>(14,348)</u>	<u>52,997</u>	<u>7,057</u>
Other income (expense):				
Interest expense	(236)	(461)	(518)	(1,015)
Other, net	18	(117)	(8)	(145)
Total other income (expense)	<u>(218)</u>	<u>(578)</u>	<u>(526)</u>	<u>(1,160)</u>
Income (loss) before income taxes	29,591	(14,926)	52,471	5,897
Income tax expense (benefit)	10,041	(4,860)	18,678	2,864
Net income (loss) and comprehensive income (loss)	<u>\$ 19,550</u>	<u>\$ (10,066)</u>	<u>\$ 33,793</u>	<u>\$ 3,033</u>
Net income (loss) per share:				
Basic	<u>\$ 0.65</u>	<u>\$ (0.33)</u>	<u>\$ 1.12</u>	<u>\$ 0.10</u>
Diluted	<u>\$ 0.64</u>	<u>\$ (0.33)</u>	<u>\$ 1.11</u>	<u>\$ 0.10</u>
Dividends per share:	<u>\$ 0.15</u>	<u>\$ 0.12</u>	<u>\$ 0.30</u>	<u>\$ 0.24</u>

Expedited LTL Segment Information
(In millions)
(Unaudited)

	Three months ended					
	June 30, 2017	Percent of Revenue	June 30, 2016	Percent of Revenue	Change	Percent Change
Operating revenue	\$ 152.3	100.0%	\$ 144.7	100.0%	\$ 7.6	5.3 %
Operating expenses:						
Purchased transportation	61.1	40.1	55.8	38.6	5.3	9.5
Salaries, wages and employee benefits	36.9	24.2	33.9	23.4	3.0	8.8
Operating leases	9.0	5.9	8.5	5.9	0.5	5.9
Depreciation and amortization	5.5	3.6	5.3	3.7	0.2	3.8
Insurance and claims	4.2	2.8	3.4	2.3	0.8	23.5
Fuel expense	0.9	0.6	0.8	0.5	0.1	12.5
Other operating expenses	11.7	7.7	12.1	8.4	(0.4)	(3.3)
Total operating expenses	129.3	84.9	119.8	82.8	9.5	7.9
Income from operations	\$ 23.0	15.1%	\$ 24.9	17.2%	\$ (1.9)	(7.6)%

Expedited LTL Operating Statistics

	Three months ended		
	June 30, 2017	June 30, 2016	Percent Change
Operating ratio	84.9%	82.8%	2.5 %
Business days	64.0	64.0	—
Business weeks	12.8	12.8	—
Expedited LTL:			
Tonnage			
Total pounds ¹	625,765	606,033	3.3
Average weekly pounds ¹	48,888	47,346	3.3
Linehaul shipments			
Total linehaul	1,010,114	964,756	4.7
Average weekly	78,915	75,372	4.7
Forward Air Complete shipments	243,969	206,406	18.2
As a percentage of linehaul shipments	24.2%	21.4%	13.1
Average linehaul shipment size	620	628	(1.3)
Revenue per pound ²			
Linehaul yield	\$ 17.05	\$ 17.58	(2.4)
Fuel surcharge	1.17	0.94	1.0
Forward Air Complete	3.77	3.31	2.1
Total Expedited LTL yield	\$ 21.99	\$ 21.83	0.7 %

¹ - In thousands

² - In dollars per hundred pound; percentage change is expressed as a percent of total yield.

Truckload Premium Services Segment Information

(In millions)

(Unaudited)

	Three months ended					
	June 30, 2017	Percent of Revenue	June 30, 2016	Percent of Revenue	Change	Percent Change
Operating revenue	\$ 45.2	100.0%	\$ 39.4	100.0 %	\$ 5.8	14.7 %
Operating expenses:						
Purchased transportation	32.7	72.3	27.4	69.6	5.3	19.3
Salaries, wages and employee benefits	5.0	11.1	4.5	11.4	0.5	11.1
Operating leases	0.1	0.2	0.1	0.3	—	—
Depreciation and amortization	1.6	3.5	1.7	4.3	(0.1)	(5.9)
Insurance and claims	1.3	2.9	1.0	2.5	0.3	30.0
Fuel expense	0.7	1.6	0.6	1.5	0.1	16.7
Other operating expenses	2.0	4.4	2.0	5.1	—	—
Impairment of goodwill, intangibles and other assets	—	—	42.4	107.6	(42.4)	100.0
Total operating expenses	43.4	96.0	79.7	202.3	(36.3)	(45.5)
Income (loss) from operations	\$ 1.8	4.0%	\$ (40.3)	(102.3)%	\$ 42.1	NM

Truckload Premium Services Operating Statistics

	Three months ended		
	June 30, 2017	June 30, 2016	Percent Change
Company driver ¹	1,809	1,544	17.2 %
Owner operator ¹	12,521	12,563	(0.3)
Third party ¹	10,115	7,491	35.0
Total Miles	24,445	21,598	13.2
Revenue per mile	\$ 1.79	\$ 1.77	1.1
Cost per mile	\$ 1.40	\$ 1.34	4.5 %

¹ - In thousands

Pool Distribution Segment Information

(In millions)

(Unaudited)

	Three months ended					
	June 30, 2017	Percent of Revenue	June 30, 2016	Percent of Revenue	Change	Percent Change
Operating revenue	\$ 36.8	100.0%	\$ 31.5	100.0 %	\$ 5.3	16.8 %
Operating expenses:						
Purchased transportation	9.6	26.1	8.6	27.3	1.0	11.6
Salaries, wages and employee benefits	14.0	38.0	11.9	37.8	2.1	17.6
Operating leases	3.1	8.4	3.0	9.5	0.1	3.3
Depreciation and amortization	1.6	4.4	1.5	4.8	0.1	6.7
Insurance and claims	1.1	3.0	1.0	3.2	0.1	10.0
Fuel expense	1.2	3.3	1.1	3.5	0.1	9.1
Other operating expenses	4.6	12.5	4.8	15.2	(0.2)	(4.2)
Total operating expenses	35.2	95.7	31.9	101.3	3.3	10.3
Income from operations	\$ 1.6	4.3%	\$ (0.4)	(1.3)%	\$ 2.0	NM

Intermodal Segment Information
(In millions)
(Unaudited)

	Three months ended					
	June 30, 2017	Percent of Revenue	June 30, 2016	Percent of Revenue	Change	Percent Change
Operating revenue	\$ 35.3	100.0%	\$ 24.2	100.0%	\$ 11.1	45.9%
Operating expenses:						
Purchased transportation	14.0	39.7	8.4	34.7	5.6	66.7
Salaries, wages and employee benefits	8.0	22.7	6.0	24.8	2.0	33.3
Operating leases	3.1	8.8	2.9	12.0	0.2	6.9
Depreciation and amortization	1.5	4.2	0.9	3.7	0.6	66.7
Insurance and claims	1.3	3.7	0.5	2.0	0.8	160.0
Fuel expense	0.9	2.5	0.6	2.5	0.3	50.0
Other operating expenses	3.4	9.6	2.1	8.7	1.3	61.9
Total operating expenses	32.2	91.2	21.4	88.4	10.8	50.5
Income from operations	\$ 3.1	8.8%	\$ 2.8	11.6%	\$ 0.3	10.7%

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

	June 30, 2017	December 31, 2016 (a)
Assets		
Current assets:		
Cash and cash equivalents	\$ 10,090	\$ 8,511
Accounts receivable, net	123,535	116,602
Other current assets	14,526	11,157
Total current assets	148,151	136,270
Property and equipment	375,069	379,021
Less accumulated depreciation and amortization	185,510	178,816
Net property and equipment	189,559	200,205
Goodwill and other acquired intangibles:		
Goodwill	191,535	184,675
Other acquired intangibles, net of accumulated amortization	116,231	106,650
Total net goodwill and other acquired intangibles	307,766	291,325
Other assets	14,211	13,491
Total assets	\$ 659,687	\$ 641,291
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 17,642	\$ 18,012
Accrued expenses	34,921	31,833
Income taxes payable	1,629	70
Current portion of debt and capital lease obligations	462	28,012
Total current liabilities	54,654	77,927
Debt and capital lease obligations, less current portion	20,983	725
Other long-term liabilities	22,148	21,699
Deferred income taxes	42,665	41,871
Shareholders' equity:		
Common stock	301	301
Additional paid-in capital	188,663	179,512
Retained earnings	330,273	319,256
Total shareholders' equity	519,237	499,069
Total liabilities and shareholders' equity	\$ 659,687	\$ 641,291

(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)

	Three months ended	
	June 30, 2017	June 30, 2016
Operating activities:		
Net income	\$ 19,550	\$ (10,066)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	10,219	9,341
Impairment of goodwill, intangible and other assets	—	42,442
Share-based compensation	2,064	2,159
Loss (gain) on disposal of property and equipment	19	(3)
Provision for loss on receivables	235	184
Provision for revenue adjustments	750	406
Deferred income tax expense	879	(4,150)
Excess tax benefit for stock options exercised	—	(49)
Changes in operating assets and liabilities		
Accounts receivable	(8,047)	(5,529)
Prepaid expenses and other current assets	(6,131)	(6,118)
Accounts payable and accrued expenses	(4,617)	(4,851)
Net cash provided by operating activities	<u>14,921</u>	<u>23,766</u>
Investing activities:		
Proceeds from disposal of property and equipment	549	945
Purchases of property and equipment	(2,010)	(13,352)
Acquisition of business, net of cash acquired	(22,500)	—
Other	383	(623)
Net cash used in investing activities	<u>(23,578)</u>	<u>(13,030)</u>
Financing activities:		
Payments of debt and capital lease obligations	(14,576)	(13,914)
Proceeds from senior credit facility	22,000	—
Proceeds from exercise of stock options	3,368	213
Payments of cash dividends	(4,543)	(3,656)
Repurchase of common stock (repurchase program)	(1,999)	(9,996)
Common stock issued under employee stock purchase plan	226	215
Excess tax benefit for stock options exercised	—	49
Cash settlement of share-based awards for tax withholdings	(64)	(5)
Net cash provided by (used in) financing activities	<u>4,412</u>	<u>(27,094)</u>
Net decrease in cash	(4,245)	(16,358)
Cash at beginning of period	14,335	38,037
Cash at end of period	<u>\$ 10,090</u>	<u>\$ 21,679</u>

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

	Six months ended	
	June 30, 2017	June 30, 2016
Operating activities:		
Net income	\$ 33,793	\$ 3,033
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	20,252	19,009
Impairment of goodwill, intangible and other assets	—	42,442
Share-based compensation	4,026	4,111
Loss on disposal of property and equipment	507	90
Provision for loss (recovery) on receivables	257	(12)
Provision for revenue adjustments	1,468	1,205
Deferred income tax	794	881
Excess tax benefit for stock options exercised	—	(87)
Changes in operating assets and liabilities		
Accounts receivable	(8,658)	(1,284)
Other current assets	(3,978)	(3,536)
Accounts payable and accrued expenses	3,520	(4,646)
Net cash provided by operating activities	<u>51,981</u>	<u>61,206</u>
Investing activities:		
Proceeds from disposal of property and equipment	1,339	1,100
Purchases of property and equipment	(4,662)	(16,040)
Acquisition of business, net of cash acquired	(22,500)	(1,700)
Other	512	(601)
Net cash used in investing activities	<u>(25,311)</u>	<u>(17,241)</u>
Financing activities:		
Payments of debt and capital lease obligations	(42,433)	(27,883)
Proceeds from senior credit facility	35,000	—
Proceeds from exercise of stock options	4,892	1,094
Payments of cash dividends	(9,082)	(7,334)
Repurchase of common stock (repurchase program)	(11,995)	(19,991)
Common stock issued under employee stock purchase plan	226	215
Excess tax benefit for stock options exercised	—	87
Cash settlement of share-based awards for tax withholdings	(1,699)	(1,786)
Net cash used in financing activities	<u>(25,091)</u>	<u>(55,598)</u>
Net increase (decrease) in cash	1,579	(11,633)
Cash at beginning of period	8,511	33,312
Cash at end of period	<u>\$ 10,090</u>	<u>\$ 21,679</u>

Forward Air Corporation Reconciliation of U.S. GAAP and Non-GAAP Financial Measures

The Company reports its financial results in accordance with GAAP (also referred to herein as “reported”). However, the Company also uses “non-GAAP financial measures” that are derived on the basis of methodologies other than in accordance with GAAP. Specifically, the Company believes that meaningful analysis of its financial performance in 2017 and 2016 requires an understanding of the factors underlying that performance, including an understanding of items that are non-operational. Management uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions and in evaluating the Company’s performance.

This press release contains the following non-GAAP financial measures: adjusted income from operations, adjusted net income, adjusted earnings per diluted share, adjusted effective income tax rate and guidance with respect to adjusted net income per diluted share. These measures exclude intangible asset impairments costs and intangible asset impairment tax ramifications related to TQI for the three months ended June 30, 2016 and September 30, 2016. The Company believes that excluding these items will assist investors in understanding our core operating performance and allow for more accurate comparisons of results.

Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company’s reported results prepared in accordance with GAAP. Our non-GAAP financial information does not represent a comprehensive basis of accounting. As required by the Securities and Exchange Act of 1933 and the rules and regulations promulgated thereunder, the tables below present, for the periods indicated, a reconciliation of our presented non-GAAP financial measures to the most directly comparable GAAP financial measures.

Forward Air Corporation Reconciliation to U.S. GAAP (In millions, except per share data) (Unaudited)

Three months ended June 30, 2016							
	Operating Income	Other, Net	Income before taxes	Income taxes	Effective tax rate	Net Income	Diluted earnings per share
Reported (GAAP)	\$ (14.3)	\$ (0.6)	\$ (14.9)	\$ (4.8)	32.2%	\$ (10.1)	\$ (0.33)
Items impacting comparability:							
TQI impairment charge	42.4	—	42.4	15.0	4.9%	27.4	0.90
After considering items (Non-GAAP)	\$ 28.1	\$ (0.6)	\$ 27.5	\$ 10.2	37.1%	\$ 17.3	\$ 0.57

Forward Air Corporation Reconciliation to U.S. GAAP (In millions, except per share data) (Unaudited)

Three months ended September 30, 2016							
	Operating Income	Other, Net	Income before taxes	Income taxes	Effective tax rate	Net Income	Diluted earnings per share
Reported (GAAP)	\$ 24.7	\$ (0.2)	\$ 24.5	\$ 12.6	51.3%	\$ 11.9	\$ 0.39
Items impacting comparability:							
Impact of TQI impairment on income taxes	—	—	—	(3.6)	14.3%	3.6	0.12
After considering items (Non-GAAP)	\$ 24.7	\$ (0.2)	\$ 24.5	\$ 9.0	37.0%	\$ 15.5	\$ 0.51

The following table summarizes supplemental guidance information that management believes to be useful.

Forward Air Corporation
Additional Guidance Data
(In thousands)
(Unaudited)

Actual	Three months ended
	June 30, 2017
Fully diluted share count	30,114
Projected	Full year 2017
Projected tax rate	36.4 %
Projected year end fully diluted share count (before consideration of future share repurchases)	30,300
Projected capital expenditures, net	\$ 49,500

Note Regarding Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “will” and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding expected operating results, such as revenue growth and earnings, and guidance relating to income per diluted share, adjusted income per diluted share and adjusted effective tax rate for the second quarter.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: 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, tax matters, the availability and compensation of qualified independent owner-operators and freight handlers needed to serve our transportation needs, our inability to successfully integrate acquisitions and the risks described in our Annual Report on Form 10-K for the year ended December 31, 2016.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

SOURCE: Forward Air Corporation

Forward Air Corporation

Michael J. Morris, 404-362-8933

mmorris@forwardair.com

Forward Air Corporation
Historical Operating Data - Unaudited

2015

	March 31	June 30	September 30	December 31	Average
Expedited LTL					
Average linehaul pounds per week (1) (in thousands)	41,262	50,803	48,208	48,530	47,224
Number of terminals - Company-operated	74	74	73	72	74
Number of terminals - agent	17	17	17	19	17
Number of terminals - total	91	91	90	91	91
Average tractors - Company	307	271	265	332	294
Average leased tractors - Company	72	73	73	66	71
Average leased straight trucks - Company	22	22	22	19	21
Average tractors - owner-operator	1,344	1,145	1,090	1,030	1,152
Average tractors - total	1,745	1,511	1,450	1,447	1,538
Average trailers	3,731	3,669	3,660	3,924	3,746
Average leased trailers	1,057	1,012	1,015	1,089	1,043
Average trailers - total	4,788	4,681	4,675	5,013	4,789
Pool Distribution					
Number of terminals - Company-operated	19	20	20	20	20
Number of terminals - agent	10	9	9	9	9
Number of terminals - total	29	29	29	29	29
Average tractors - Company	65	62	62	64	63
Average leased tractors - Company	—	—	7	45	13
Average straight trucks & vans - Company	156	180	177	159	168
Average leased straight trucks - Company	15	16	24	23	20
Average tractors - owner-operator	91	87	82	104	91
Average straight trucks & vans - owner-operator	81	100	118	126	106
Average tractors - total	408	445	470	521	461
Average trailers	126	126	126	73	113
Truckload Premium Services					
Average tractors - Company	83	72	84	84	81
Average tractors - owner-operator	242	298	378	395	328
Average tractors - total	325	370	462	479	409
Average trailers	96	122	122	119	115

(1) Includes pounds associated with linehaul shipments only.

Forward Air Corporation
Historical Operating Data - Unaudited

	2016				
	March 31	June 30	September 30	December 31	Average
Expedited LTL					
Average linehaul pounds per week (1)					
(in thousands)	44,041	47,346	46,010	48,579	46,486
Number of terminals - Company-operated	72	72	72	72	72
Number of terminals - agent	19	19	19	19	19
Number of terminals - total	91	91	91	91	91
Average tractors - Company	330	294	277	244	286
Average leased tractors - Company	62	30	30	32	39
Average leased straight trucks - Company	17	1	1	1	5
Average tractors - owner-operator	1,020	989	960	958	982
Average tractors - total	1,429	1,314	1,268	1,235	1,312
Average trailers	2,881	3,098	3,490	3,471	3,235
Average leased trailers	1,012	1,011	1,059	818	975
Average trailers - total	3,893	4,109	4,549	4,289	4,210
Pool Distribution					
Number of terminals - Company-operated	20	19	19	19	19
Number of terminals - agent	9	9	9	9	9
Number of terminals - total	29	28	28	28	28
Average tractors - Company	64	67	67	67	66
Average leased tractors - Company	45	19	30	29	31
Average straight trucks & vans - Company	151	146	142	140	145
Average leased straight trucks - Company	23	72	78	79	63
Average tractors - owner-operator	91	84	84	89	87
Average straight trucks & vans - owner-operator	118	118	141	152	132
Average tractors - total	492	506	542	556	524
Average trailers	73	73	73	73	73
Truckload Premium Services					
Average tractors - Company	84	84	83	83	84
Average tractors - owner-operator	360	329	336	314	335
Average tractors - total	444	413	419	397	419
Average trailers	1,341	1,247	1,301	1,328	1,304
Intermodal					
Shipment count	29,401	30,004	33,948	34,363	31,929
Number of Locations - company	13	13	13	13	13
Number of Locations - agent	—	—	—	—	—
Number of Locations - total	13	13	13	13	13
Avg. tractors-company	—	—	24	24	12
Avg. leased tractors-company	87	87	84	87	86
Avg. leased straight trucks - company	6	6	6	6	6
Avg. tractors-o/o	371	340	405	398	379
Avg. tractors-total	464	433	519	515	483
Avg. trailers & chasises	30	30	30	30	30
Avg. leased trailers & chasis	28	28	28	46	33
Avg. trailers - total	58	58	58	76	63

(1) Includes pounds associated with linehaul shipments only.

Forward Air Corporation
Historical Operating Data - Unaudited

	2017		
	March 31	June 30	Average
Expedited LTL			
Average linehaul pounds per week (1) (in thousands)	44,254	48,888	46,571
Number of terminals - Company-operated	72	72	72
Number of terminals - agent	19	22	21
Number of terminals - total	91	94	93
Average tractors - Company	199	200	200
Average leased tractors - Company	98	98	98
Average leased straight trucks - Company	40	40	40
Average tractors - owner-operator	953	963	958
Average tractors - total	1,290	1,301	1,296
Average trailers	3,246	3,126	3,186
Average leased trailers	840	769	805
Average trailers - total	4,086	3,895	3,991
Pool Distribution			
Number of terminals - Company-operated	19	19	19
Number of terminals - agent	9	9	9
Number of terminals - total	28	28	28
Average tractors - Company	67	68	68
Average leased tractors - Company	29	29	29
Average straight trucks & vans - Company	134	134	134
Average leased straight trucks - Company	79	79	79
Average tractors - owner-operator	81	78	80
Average straight trucks & vans - owner-operator	156	151	154
Average tractors - total	546	539	544
Average trailers	542	454	498
Truckload Premium Services			
Average tractors - Company	83	84	84
Average tractors - owner-operator	325	313	319
Average tractors - total	408	397	403
Average trailers	1,336	1,482	1,409
Intermodal			
Shipment count	34,754	45,131	39,943
Number of Locations - company	13	19	16
Number of Locations - agent	—	—	—
Number of Locations - total	13	19	16
Avg. tractors-company	23	47	35
Avg. leased tractors-company	88	87	88
Avg. leased straight trucks - company	6	5	6
Avg. tractors-o/o	377	706	542
Avg. tractors-total	494	845	671
Avg. trailers & chasises	30	264	147
Avg. leased trailers & chasis	46	34	40
Avg. trailers - total	76	298	187

(1) Includes pounds associated with linehaul shipments only.

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended March 31, 2015						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 122,207	\$ 34,472	\$ 27,224	\$ 23,027	\$ (1,012)	\$ 205,918
Purchased transportation	52,853	22,614	7,469	7,063	(662)	89,337
Salaries, wages, and employee benefits	30,322	4,423	10,100	5,934	3,124	53,903
Operating leases	5,918	92	2,086	2,528	5,132	15,756
Depreciation and amortization	4,741	1,410	1,557	967	9	8,684
Insurance and claims	2,820	539	875	586	310	5,130
Fuel expense	935	894	1,286	901	4	4,020
Other operating expenses	9,733	1,289	3,635	3,059	3,123	20,839
Total operating expenses	107,322	31,261	27,008	21,038	11,040	197,669
Income from operations	\$ 14,885	\$ 3,211	\$ 216	\$ 1,989	\$ (12,052)	\$ 8,249

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended June 30, 2015						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 155,858	\$ 39,395	\$ 27,684	\$ 27,494	\$ (737)	\$ 249,694
Purchased transportation	66,006	25,298	7,549	8,965	(336)	107,482
Salaries, wages, and employee benefits	39,335	4,715	10,575	6,187	1,074	61,886
Operating leases	8,368	83	2,120	2,898	4,808	18,277
Depreciation and amortization	5,563	1,513	1,485	948	10	9,519
Insurance and claims	2,419	852	926	675	1,368	6,240
Fuel expense	1,134	895	1,284	869	6	4,188
Other operating expenses	12,237	1,898	3,758	3,634	667	22,194
Total operating expenses	135,062	35,254	27,697	24,176	7,597	229,786
Income from operations	\$ 20,796	\$ 4,141	\$ (13)	\$ 3,318	\$ (8,334)	\$ 19,908

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended September 30, 2015						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 149,212	\$ 38,528	\$ 32,133	\$ 28,890	\$ (1,670)	\$ 247,093
Purchased transportation	61,723	25,541	8,783	9,414	(1,027)	104,434
Salaries, wages, and employee benefits	35,735	4,701	12,171	6,189	229	59,025
Operating leases	8,374	205	2,560	3,308	2,625	17,072
Depreciation and amortization	5,403	1,590	1,451	939	16	9,399
Insurance and claims	2,601	791	879	684	206	5,161
Fuel expense	1,001	783	1,315	727	—	3,826
Other operating expenses	12,781	1,747	4,419	4,093	535	23,575
Total operating expenses	127,618	35,358	31,578	25,354	2,584	222,492
Income from operations	\$ 21,594	\$ 3,170	\$ 555	\$ 3,536	\$ (4,254)	\$ 24,601

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended December 31, 2015						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 149,748	\$ 40,937	\$ 42,954	\$ 24,881	\$ (2,100)	\$ 256,420
Purchased transportation	61,908	27,570	11,213	8,314	(1,489)	107,516
Salaries, wages, and employee benefits	37,847	5,240	15,966	6,085	651	65,789
Operating leases	8,095	153	3,443	3,026	450	15,167
Depreciation and amortization	5,417	1,693	1,511	919	16	9,556
Insurance and claims	2,215	691	1,067	618	360	4,951
Fuel expense	881	774	1,532	682	—	3,869
Other operating expenses	11,467	2,049	5,160	2,131	(250)	20,557
Total operating expenses	127,830	38,170	39,892	21,775	(262)	227,405
Income from operations	\$ 21,918	\$ 2,767	\$ 3,062	\$ 3,106	\$ (1,838)	\$ 29,015

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended March 31, 2016						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 134,379	\$ 38,620	\$ 33,192	\$ 24,624	\$ (1,266)	\$ 229,549
Purchased transportation	53,441	26,561	8,877	8,433	(836)	96,476
Salaries, wages, and employee benefits	34,884	4,972	12,707	5,989	126	58,678
Operating leases	8,038	78	2,880	3,008	(136)	13,868
Depreciation and amortization	5,531	1,750	1,497	890	—	9,668
Insurance and claims	2,768	865	1,165	868	(271)	5,395
Fuel expense	720	626	1,022	593	—	2,961
Other operating expenses	11,913	2,203	4,930	2,471	(419)	21,098
Total operating expenses	117,295	37,055	33,078	22,252	(1,536)	208,144
Income from operations	\$ 17,084	\$ 1,565	\$ 114	\$ 2,372	\$ 270	\$ 21,405

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended June 30, 2016						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 144,693	\$ 39,440	\$ 31,525	\$ 24,189	\$ (1,210)	\$ 238,637
Purchased transportation	55,744	27,364	8,590	8,401	(832)	99,267
Salaries, wages, and employee benefits	33,942	4,530	11,935	6,045	566	57,018
Operating leases	8,490	103	3,059	2,943	6	14,601
Depreciation and amortization	5,278	1,724	1,464	875	—	9,341
Insurance and claims	3,367	994	975	528	784	6,648
Fuel expense	814	565	1,073	547	—	2,999
Other operating expenses	12,137	2,000	4,800	2,093	(361)	20,669
Impairment of goodwill, intangibles and other assets	—	42,442	—	—	—	42,442
Total operating expenses	119,772	79,722	31,896	21,432	163	252,985
Income from operations	\$ 24,921	\$ (40,282)	\$ (371)	\$ 2,757	\$ (1,373)	\$ (14,348)

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended September 30, 2016						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 144,337	\$ 42,210	\$ 36,437	\$ 27,579	\$ (1,011)	\$ 249,552
Purchased transportation	56,332	29,754	10,087	9,708	(842)	105,039
Salaries, wages, and employee benefits	33,752	4,860	14,387	6,574	588	60,161
Operating leases	8,995	87	3,274	3,263	596	16,215
Depreciation and amortization	5,470	1,470	1,472	987	—	9,399
Insurance and claims	3,948	1,078	1,020	793	331	7,170
Fuel expense	848	684	1,216	668	—	3,416
Other operating expenses	13,978	2,239	4,915	2,545	(225)	23,452
Total operating expenses	123,323	40,172	36,371	24,538	448	224,852
Income from operations	\$ 21,014	\$ 2,038	\$ 66	\$ 3,041	\$ (1,459)	\$ 24,700

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended December 31, 2016						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 147,368	\$ 44,003	\$ 47,507	\$ 27,279	\$ (1,364)	\$ 264,793
Purchased transportation	59,587	31,733	12,466	9,706	(920)	112,572
Salaries, wages, and employee benefits	36,353	4,956	17,809	6,604	423	66,145
Operating leases	8,907	64	3,495	2,818	524	15,808
Depreciation and amortization	5,641	1,497	1,541	1,123	(1)	9,801
Insurance and claims	3,106	1,867	1,221	779	(793)	6,180
Fuel expense	923	683	1,539	712	—	3,857
Other operating expenses	12,359	1,930	5,612	2,751	(445)	22,207
Total operating expenses	126,876	42,730	43,683	24,493	(1,212)	236,570
Income from operations	\$ 20,492	\$ 1,273	\$ 3,824	\$ 2,786	\$ (152)	\$ 28,223

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended March 31, 2017						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 140,598	\$ 41,785	\$ 37,823	\$ 28,291	\$ (1,515)	\$ 246,982
Purchased transportation	55,374	29,283	9,901	9,747	(1,222)	103,083
Salaries, wages, and employee benefits	34,898	5,204	14,430	6,712	754	61,998
Operating leases	9,249	85	3,186	3,067	14	15,601
Depreciation and amortization	5,563	1,558	1,802	1,110	—	10,033
Insurance and claims	2,845	1,059	1,009	792	101	5,806
Fuel expense	937	796	1,247	700	—	3,680
Other operating expenses	13,332	2,096	4,881	3,583	(300)	23,592
Total operating expenses	122,198	40,081	36,456	25,711	(653)	223,793
Income from operations	\$ 18,400	\$ 1,704	\$ 1,367	\$ 2,580	\$ (862)	\$ 23,189

Forward Air Corporation
Summary Segment Results of Operations
(In thousands)
(Unaudited)

Three months ended June 30, 2017						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
Revenue	\$ 152,270	\$ 45,186	\$ 36,835	\$ 35,270	\$ (2,043)	\$ 267,518
Purchased transportation	61,036	32,670	9,617	14,010	(1,724)	115,609
Salaries, wages, and employee benefits	36,922	4,982	14,024	8,041	433	64,402
Operating leases	9,002	126	3,113	3,066	(511)	14,796
Depreciation and amortization	5,520	1,590	1,613	1,496	—	10,219
Insurance and claims	4,193	1,250	1,099	1,323	(135)	7,730
Fuel expense	910	683	1,157	921	—	3,671
Other operating expenses	11,695	2,026	4,587	3,340	(366)	21,282
Total operating expenses	129,278	43,327	35,210	32,197	(2,303)	237,709
Income from operations	\$ 22,992	\$ 1,859	\$ 1,625	\$ 3,073	\$ 260	\$ 29,809