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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **October 25, 2017 (October 25, 2017)**

**FORWARD AIR CORPORATION**

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(Exact name of registrant as specified in its charter)

<b>Tennessee</b> (State or other jurisdiction of incorporation)	<b>000-22490</b> (Commission File Number)	<b>62-1120025</b> (I.R.S. Employer Identification No.)
<b>1915 Snapps Ferry Road, Building N Greeneville, Tennessee</b>		<b>37745</b>
(Address of principal executive offices)		(Zip Code)
Registrant's telephone number, including area code: <b>(423) 636-7000</b>		
<b>Not Applicable</b>		
(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.

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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 October 25, 2017, announcing the financial results of Forward Air Corporation for the three and nine months ended September 30, 2017.

Also, attached as Exhibit 99.2 are certain historical operating statistics for each quarter ended from March 31, 2015 through September 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 September 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.

<u>No.</u>	<u>Exhibit</u>
99.1	<a href="#">Press Release of Forward Air Corporation dated October 25, 2017</a>

<u>No.</u>	<u>Exhibit</u>
	<a href="#">Forward Air Corporation Historical Operating Statistics</a>

99.2

<u>No.</u>	<u>Exhibit</u>
99.3	<a href="#">2017 Summary Segment Statement of Operations</a>

99.3

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**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: October 25, 2017

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

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## EXHIBIT INDEX

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<u>No.</u>	<u>Exhibit</u>
	<a href="#"><u>Forward Air Corporation Historical Operating Statistics</u></a>
99.2	
<u>No.</u>	<u>Exhibit</u>
	<a href="#"><u>2017 Summary Segment Statement of Operations</u></a>
99.3	



NEWS RELEASE

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

GREENEVILLE, Tenn.- (BUSINESS WIRE) - October 25, 2017 - Forward Air Corporation (NASDAQ:FWRD) today reported operating revenue, income from operations, net income and diluted earnings per share for the three and nine months ended September 30, 2017.

Operating revenue for the quarter ended September 30, 2017 increased 12.3% to \$280.2 million from \$249.6 million for the same quarter in 2016. Income from operations was \$26.9 million, compared to \$24.7 million in the prior year quarter. Net income during the period was \$18.2 million compared to \$11.9 million in the third quarter of 2016. Net income per diluted share for the third quarter of 2017 was \$0.60 compared to \$0.39 in the prior year quarter. Adjusted to exclude the impact of the second quarter 2016 TQI impairment on income taxes, prior year quarter adjusted earnings per share was \$0.51.

Bruce A. Campbell, Chairman, President, and CEO, commenting on the third quarter results said, "During the third quarter, our business units delivered solid revenue and earnings growth on one less operating day. Our Expedited LTL group drove strong volumes despite weather-related slowdowns and a tightening Truckload market. Truckload Premium Services also grew its revenues but faced a greater reliance on brokered miles amid a challenging driver recruitment environment. Our Intermodal group showed good growth as it continued to integrate the Atlantic acquisition. Pool Distribution also overcame weather-related impacts to deliver another great quarter."

Commenting on the Company's third quarter results, Michael J. Morris, Senior Vice President and CFO, said, "Our third quarter net income per diluted share reflects a \$0.02 benefit related to a discrete tax item. When excluding this impact, we would have been at the middle of our \$0.56-\$0.60 guidance range." Regarding the Company's fourth quarter 2017 guidance, Mr. Morris said, "We expect fourth quarter year-on-year revenue growth to be 12% to 16%. We expect net income per diluted share to be between \$0.60 and \$0.64, compared to \$0.42 in the prior year quarter." The fourth quarter of 2016 includes tax ramifications related to the impairment of TQI's intangible assets. When excluded, adjusted net income per diluted share was \$0.58 for the fourth 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 October 24, 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 November 23, 2017, and is expected to be paid on December 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.

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## **Review of Financial Results**

Forward Air will hold a conference call to discuss third quarter 2017 results on Thursday, October 26, 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) 230-1092. 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>.

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

	Three months ended		Nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
<b>Operating revenue:</b>				
Expedited LTL	\$ 155,703	\$ 144,337	\$ 448,571	\$ 423,410
Truckload Premium Services	45,941	42,210	132,912	120,270
Pool Distribution	39,180	36,437	113,838	101,153
Intermodal	42,292	27,579	105,853	76,391
Eliminations and other operations	(2,915)	(1,011)	(6,474)	(3,487)
Operating revenue	<u>280,201</u>	<u>249,552</u>	<u>794,700</u>	<u>717,737</u>
<b>Operating expenses:</b>				
Purchased transportation	123,326	105,039	342,017	300,783
Salaries, wages and employee benefits	64,882	60,161	191,282	175,857
Operating leases	16,809	16,215	47,205	44,684
Depreciation and amortization	10,326	9,399	30,578	28,409
Insurance and claims	7,844	7,170	21,379	19,213
Fuel expense	4,096	3,416	11,448	9,375
Other operating expenses	26,020	23,452	70,895	65,218
Impairment of goodwill, intangibles and other assets	—	—	—	42,442
Total operating expenses	<u>253,303</u>	<u>224,852</u>	<u>714,804</u>	<u>685,981</u>
<b>Operating (loss) income:</b>				
Expedited LTL	23,204	21,014	64,596	63,026
Truckload Premium Services	136	2,038	3,699	(36,679)
Pool Distribution	681	66	3,672	(191)
Intermodal	3,480	3,041	9,133	8,170
Other operations	(603)	(1,459)	(1,204)	(2,570)
Income from operations	<u>26,898</u>	<u>24,700</u>	<u>79,896</u>	<u>31,756</u>
<b>Other income (expense):</b>				
Interest expense	(288)	(216)	(806)	(1,230)
Other, net	(2)	(4)	(11)	(149)
Total other income (expense)	<u>(290)</u>	<u>(220)</u>	<u>(817)</u>	<u>(1,379)</u>
Income before income taxes	26,608	24,480	79,079	30,377
Income tax expense	8,453	12,549	27,131	15,413
Net income and comprehensive income	<u>\$ 18,155</u>	<u>\$ 11,931</u>	<u>\$ 51,948</u>	<u>\$ 14,964</u>
<b>Net income per share:</b>				
Basic	<u>\$ 0.60</u>	<u>\$ 0.39</u>	<u>\$ 1.72</u>	<u>\$ 0.49</u>
Diluted	<u>\$ 0.60</u>	<u>\$ 0.39</u>	<u>\$ 1.71</u>	<u>\$ 0.49</u>
<b>Dividends per share:</b>	<u>\$ 0.15</u>	<u>\$ 0.12</u>	<u>\$ 0.45</u>	<u>\$ 0.36</u>

**Expedited LTL Segment Information**

(In millions)

(Unaudited)

	Three months ended					
	September 30, 2017	Percent of Revenue	September 30, 2016	Percent of Revenue	Change	Percent Change
Operating revenue	\$ 155.7	100.0%	\$ 144.3	100.0%	\$ 11.4	7.9 %
Operating expenses:						
Purchased transportation	64.0	41.1	56.3	39.0	7.7	13.7
Salaries, wages and employee benefits	35.2	22.6	33.8	23.4	1.4	4.1
Operating leases	9.4	6.0	9.0	6.2	0.4	4.4
Depreciation and amortization	5.4	3.5	5.5	3.8	(0.1)	(1.8)
Insurance and claims	3.3	2.1	3.9	2.7	(0.6)	(15.4)
Fuel expense	0.9	0.6	0.8	0.6	0.1	12.5
Other operating expenses	14.3	9.2	14.0	9.7	0.3	2.1
Total operating expenses	132.5	85.1	123.3	85.4	9.2	7.5
Income from operations	\$ 23.2	14.9%	\$ 21.0	14.6%	\$ 2.2	10.5 %

**Expedited LTL Operating Statistics**

	Three months ended		
	September 30, 2017	September 30, 2016	Percent Change
Operating ratio	85.1%	85.4%	(0.4)%
Business days	63.0	64.0	(1.6)
Business weeks	12.6	12.8	(1.6)
Expedited LTL:			
Tonnage			
Total pounds <sup>1</sup>	636,009	588,929	8.0
Average weekly pounds <sup>1</sup>	50,477	46,010	9.7
Linehaul shipments			
Total linehaul	986,632	909,787	8.4
Average weekly	78,304	71,077	10.2
Forward Air Complete shipments	242,902	195,594	24.2
As a percentage of linehaul shipments	24.6%	21.5%	14.4
Average linehaul shipment size	645	647	(0.3)
Revenue per pound <sup>2</sup>			
Linehaul yield	\$ 16.89	\$ 17.71	(3.7)
Fuel surcharge	1.11	1.06	0.2
Forward Air Complete	3.94	3.49	2.1
Total Expedited LTL yield	\$ 21.94	\$ 22.26	(1.4)%

<sup>1</sup> - In thousands

<sup>2</sup> - 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					
	September 30, 2017	Percent of Revenue	September 30, 2016	Percent of Revenue	Change	Percent Change
Operating revenue	\$ 45.9	100.0%	\$ 42.2	100.0%	\$ 3.7	8.8 %
Operating expenses:						
Purchased transportation	33.9	73.9	29.7	70.4	4.2	14.1
Salaries, wages and employee benefits	5.0	10.9	4.9	11.6	0.1	2.0
Operating leases	0.3	0.6	0.1	0.2	0.2	200.0
Depreciation and amortization	1.6	3.5	1.5	3.6	0.1	6.7
Insurance and claims	2.0	4.4	1.1	2.6	0.9	81.8
Fuel expense	0.8	1.7	0.7	1.7	0.1	14.3
Other operating expenses	2.2	4.8	2.2	5.2	—	—
Total operating expenses	45.8	99.8	40.2	95.3	5.6	13.9
Income from operations	\$ 0.1	0.2%	\$ 2.0	4.7%	\$ (1.9)	(95.0)%

**Truckload Premium Services Operating Statistics**

	Three months ended		
	September 30, 2017	September 30, 2016	Percent Change
Company driver <sup>1</sup>	1,990	1,761	13.0 %
Owner operator <sup>1</sup>	11,454	13,125	(12.7)
Third party <sup>1</sup>	11,263	8,339	35.1
Total Miles	24,707	23,225	6.4
Revenue per mile	\$ 1.79	\$ 1.78	0.6
Cost per mile	\$ 1.44	\$ 1.37	5.1 %

<sup>1</sup> - In thousands

**Pool Distribution Segment Information**

**(In millions)**

**(Unaudited)**

	<b>Three months ended</b>					
	<b>September 30, 2017</b>	<b>Percent of Revenue</b>	<b>September 30, 2016</b>	<b>Percent of Revenue</b>	<b>Change</b>	<b>Percent Change</b>
Operating revenue	\$ 39.2	100.0%	\$ 36.4	100.0%	\$ 2.8	7.7%
Operating expenses:						
Purchased transportation	10.4	26.5	10.1	27.7	0.3	3.0
Salaries, wages and employee benefits	15.3	39.0	14.4	39.6	0.9	6.3
Operating leases	3.3	8.4	3.3	9.1	—	—
Depreciation and amortization	1.7	4.4	1.4	3.8	0.3	21.4
Insurance and claims	1.1	2.8	1.0	2.7	0.1	10.0
Fuel expense	1.3	3.3	1.2	3.3	0.1	8.3
Other operating expenses	5.4	13.8	4.9	13.5	0.5	10.2
Total operating expenses	38.5	98.2	36.3	99.7	2.2	6.1
Income from operations	\$ 0.7	1.8%	\$ 0.1	0.3%	\$ 0.6	600.0%

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**Intermodal Segment Information****(In millions)****(Unaudited)**

	<b>Three months ended</b>					
	<b>September 30, 2017</b>	<b>Percent of Revenue</b>	<b>September 30, 2016</b>	<b>Percent of Revenue</b>	<b>Change</b>	<b>Percent Change</b>
Operating revenue	\$ 42.3	100.0%	\$ 27.6	100.0%	\$ 14.7	53.3%
Operating expenses:						
Purchased transportation	17.5	41.4	9.7	35.1	7.8	80.4
Salaries, wages and employee benefits	9.0	21.3	6.6	23.9	2.4	36.4
Operating leases	3.8	9.0	3.3	12.0	0.5	15.2
Depreciation and amortization	1.7	4.0	1.0	3.6	0.7	70.0
Insurance and claims	1.2	2.8	0.8	2.9	0.4	50.0
Fuel expense	1.1	2.6	0.7	2.5	0.4	57.1
Other operating expenses	4.5	10.6	2.5	9.1	2.0	80.0
Total operating expenses	38.8	91.7	24.6	89.1	14.2	57.7
Income from operations	\$ 3.5	8.3%	\$ 3.0	10.9%	\$ 0.5	16.7%

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

	<u>September 30,</u> <u>2017</u>	<u>December 31,</u> <u>2016 (a)</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 12,423	\$ 8,511
Accounts receivable, net	132,100	116,602
Other current assets	13,319	11,157
Total current assets	157,842	136,270
Property and equipment	383,890	379,021
Less accumulated depreciation and amortization	192,109	178,816
Net property and equipment	191,781	200,205
Goodwill and other acquired intangibles:		
Goodwill	191,535	184,675
Other acquired intangibles, net of accumulated amortization	113,562	106,650
Total net goodwill and other acquired intangibles	305,097	291,325
Other assets	14,448	13,491
Total assets	<u>\$ 669,168</u>	<u>\$ 641,291</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 22,377	\$ 18,012
Accrued expenses	35,354	31,903
Current portion of debt and capital lease obligations	466	28,012
Total current liabilities	58,197	77,927
Debt and capital lease obligations, less current portion	40,696	725
Other long-term liabilities	22,681	21,699
Deferred income taxes	42,004	41,871
Shareholders' equity:		
Common stock	295	301
Additional paid-in capital	191,352	179,512
Retained earnings	313,943	319,256
Total shareholders' equity	505,590	499,069
Total liabilities and shareholders' equity	<u>\$ 669,168</u>	<u>\$ 641,291</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>Three months ended</b>	
	<b>September 30, 2017</b>	<b>September 30, 2016</b>
<b>Operating activities:</b>		
Net income	\$ 18,155	\$ 11,931
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	10,326	9,399
Share-based compensation	1,939	2,093
Loss on disposal of property and equipment	194	111
Provision for loss on receivables	1,531	280
Provision for revenue adjustments	663	365
Deferred income tax expense	(662)	(220)
Excess tax benefit for stock options exercised	—	(50)
Changes in operating assets and liabilities		
Accounts receivable	(10,759)	(6,716)
Prepaid expenses and other current assets	2,567	2,182
Accounts payable and accrued expenses	1,776	14,026
Net cash provided by operating activities	<u>25,730</u>	<u>33,401</u>
<b>Investing activities:</b>		
Proceeds from disposal of property and equipment	158	695
Purchases of property and equipment	(8,948)	(12,684)
Acquisition of business, net of cash acquired	—	(10,100)
Other	(585)	(71)
Net cash used in investing activities	<u>(9,375)</u>	<u>(22,160)</u>
<b>Financing activities:</b>		
Payments of debt and capital lease obligations	(282)	(13,942)
Proceeds from senior credit facility	20,000	—
Proceeds from exercise of stock options	750	5,947
Payments of cash dividends	(4,502)	(3,653)
Repurchase of common stock (repurchase program)	(29,988)	(9,995)
Excess tax benefit for stock options exercised	—	50
Cash settlement of share-based awards for tax withholdings	—	(14)
Net cash used in financing activities	<u>(14,022)</u>	<u>(21,607)</u>
Net increase (decrease) in cash	2,333	(10,366)
Cash at beginning of period	10,090	21,679
Cash at end of period	<u>\$ 12,423</u>	<u>\$ 11,313</u>

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

	Nine months ended	
	September 30, 2017	September 30, 2016
<b>Operating activities:</b>		
Net income	\$ 51,948	\$ 14,964
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	30,578	28,409
Impairment of goodwill, intangible and other assets	—	42,442
Share-based compensation	5,965	6,204
Loss on disposal of property and equipment	701	201
Provision for loss on receivables	1,788	268
Provision for revenue adjustments	2,131	1,570
Deferred income tax	132	661
Excess tax benefit for stock options exercised	—	(137)
Changes in operating assets and liabilities		
Accounts receivable	(19,417)	(8,000)
Other current assets	(1,411)	(1,354)
Accounts payable and accrued expenses	5,296	9,380
Net cash provided by operating activities	77,711	94,608
<b>Investing activities:</b>		
Proceeds from disposal of property and equipment	1,497	1,795
Purchases of property and equipment	(13,610)	(28,725)
Acquisition of business, net of cash acquired	(22,500)	(11,800)
Other	(73)	(673)
Net cash used in investing activities	(34,686)	(39,403)
<b>Financing activities:</b>		
Payments of debt and capital lease obligations	(42,715)	(41,825)
Proceeds from senior credit facility	55,000	—
Proceeds from exercise of stock options	5,642	7,041
Payments of cash dividends	(13,584)	(10,987)
Repurchase of common stock (repurchase program)	(41,983)	(29,986)
Common stock issued under employee stock purchase plan	226	215
Excess tax benefit for stock options exercised	—	137
Cash settlement of share-based awards for tax withholdings	(1,699)	(1,800)
Net cash used in financing activities	(39,113)	(77,205)
Net increase (decrease) in cash	3,912	(22,000)
Cash at beginning of period	8,511	33,312
Cash at end of period	\$ 12,423	\$ 11,312

## 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 September 30, 2016 and December 31, 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)

<b>Three months ended September 30, 2016</b>							
	Operating Income	Other, Net	Income before taxes	Income taxes	Effective tax rate	Net Income	Diluted earnings per share
<b>Reported (GAAP)</b>	\$ 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

<b>Three months ended December 31, 2016</b>							
	Operating Income	Other, Net	Income before taxes	Income taxes	Effective tax rate	Net Income	Diluted earnings per share
<b>Reported (GAAP)</b>	\$ 28.2	\$ (0.2)	\$ 28.0	\$ 15.3	54.6%	\$ 12.7	\$ 0.42
Items impacting comparability:							
Impact of TQI impairment on income taxes	—	—	—	(5.0)	17.8%	5.0	0.16
After considering items (Non-GAAP)	\$ 28.2	\$ (0.2)	\$ 28.0	\$ 10.3	36.8%	\$ 17.7	\$ 0.58

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

**Forward Air Corporation**  
**Additional Guidance Data**  
**(In thousands, except per share data)**  
**(Unaudited)**

<b>Actual</b>	<b>Three months ended September 30, 2017</b>
Net income	\$ 18,155
Income allocated to participating securities	(145)
Numerator for diluted income per share - net income	<u>\$ 18,010</u>
Fully diluted share count	29,940
Diluted earnings per share	\$ 0.60
<b>Projected</b>	<b>Full year 2017</b>
Projected tax rate	35.8%
Projected year end fully diluted share count (before consideration of future share repurchases)	30,000
Projected capital expenditures, net	\$ 39,700

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## **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

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Forward Air Corporation  
Historical Operating Data - Unaudited

2015

	March 31	June 30	September 30	December 31	Average
<b>Expedited LTL</b>					
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
<b>Pool Distribution</b>					
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
<b>Truckload Premium Services</b>					
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

	<b>2016</b>				
	March 31	June 30	September 30	December 31	Average
<b>Expedited LTL</b>					
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
<b>Pool Distribution</b>					
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
<b>Truckload Premium Services</b>					
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
<b>Intermodal</b>					
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

	<b>2017</b>			
	March 31	June 30	September 30	Average
<b>Expedited LTL</b>				
Average linehaul pounds per week (1) (in thousands)	44,254	48,888	50,477	47,610
Number of terminals - Company-operated	72	72	72	72
Number of terminals - agent	19	22	22	21
Number of terminals - total	91	94	94	93
Average tractors - Company	199	200	196	198
Average leased tractors - Company	98	98	98	98
Average leased straight trucks - Company	40	40	40	40
Average tractors - owner-operator	953	963	952	956
Average tractors - total	1,290	1,301	1,286	1,292
Average trailers	3,246	3,126	3,219	3,197
Average leased trailers	840	769	743	784
Average trailers - total	4,086	3,895	3,962	3,981
<b>Pool Distribution</b>				
Number of terminals - Company-operated	19	19	19	19
Number of terminals - agent	9	9	9	9
Number of terminals - total	28	28	28	28
Average tractors - Company	67	68	69	68
Average leased tractors - Company	29	29	29	29
Average straight trucks & vans - Company	134	134	132	133
Average leased straight trucks - Company	79	79	79	79
Average tractors - owner-operator	81	78	83	81
Average straight trucks & vans - owner-operator	156	151	150	152
Average tractors - total	546	539	542	542
Average trailers	542	454	472	489
<b>Truckload Premium Services</b>				
Average tractors - Company	83	84	80	82
Average tractors - owner-operator	325	313	274	304
Average tractors - total	408	397	354	386
Average trailers	1,336	1,482	1,357	1,392
<b>Intermodal</b>				
Shipment count	34,754	45,131	51,109	43,665
Number of Locations - company	13	19	19	17
Number of Locations - agent	—	—	—	—
Number of Locations - total	13	19	19	17
Avg. tractors-company	23	47	57	42
Avg. leased tractors-company	88	87	85	87
Avg. leased straight trucks - company	6	5	5	5
Avg. tractors-o/o	377	706	696	593
Avg. tractors-total	494	845	843	727
Avg. trailers & chasises	30	264	258	184
Avg. leased trailers & chasis	46	34	31	37
Avg. trailers - total	76	298	289	221

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

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

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

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

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

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**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
<b>Total operating expenses</b>	<b>119,772</b>	<b>79,722</b>	<b>31,896</b>	<b>21,432</b>	<b>163</b>	<b>252,985</b>
<b>Income from operations</b>	<b>\$ 24,921</b>	<b>\$ (40,282)</b>	<b>\$ (371)</b>	<b>\$ 2,757</b>	<b>\$ (1,373)</b>	<b>\$ (14,348)</b>

**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
<b>Revenue</b>	\$ 144,337	\$ 42,210	\$ 36,437	\$ 27,579	\$ (1,011)	\$ 249,552
<b>Purchased transportation</b>	56,332	29,754	10,087	9,708	(842)	105,039
<b>Salaries, wages, and employee benefits</b>	33,752	4,860	14,387	6,574	588	60,161
<b>Operating leases</b>	8,995	87	3,274	3,263	596	16,215
<b>Depreciation and amortization</b>	5,470	1,470	1,472	987	—	9,399
<b>Insurance and claims</b>	3,948	1,078	1,020	793	331	7,170
<b>Fuel expense</b>	848	684	1,216	668	—	3,416
<b>Other operating expenses</b>	13,978	2,239	4,915	2,545	(225)	23,452
<b>Total operating expenses</b>	123,323	40,172	36,371	24,538	448	224,852
<b>Income from operations</b>	\$ 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
<b>Revenue</b>	\$ 147,368	\$ 44,003	\$ 47,507	\$ 27,279	\$ (1,364)	\$ 264,793
<b>Purchased transportation</b>	59,587	31,733	12,466	9,706	(920)	112,572
<b>Salaries, wages, and employee benefits</b>	36,353	4,956	17,809	6,604	423	66,145
<b>Operating leases</b>	8,907	64	3,495	2,818	524	15,808
<b>Depreciation and amortization</b>	5,641	1,497	1,541	1,123	(1)	9,801
<b>Insurance and claims</b>	3,106	1,867	1,221	779	(793)	6,180
<b>Fuel expense</b>	923	683	1,539	712	—	3,857
<b>Other operating expenses</b>	12,359	1,930	5,612	2,751	(445)	22,207
<b>Total operating expenses</b>	126,876	42,730	43,683	24,493	(1,212)	236,570
<b>Income from operations</b>	\$ 20,492	\$ 1,273	\$ 3,824	\$ 2,786	\$ (152)	\$ 28,223

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

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

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

Three months ended September 30, 2017						
	Expedited LTL	Truckload Premium Services	Pool Distribution	Intermodal	Eliminations and other operations	Consolidated
<b>Revenue</b>	\$ 155,703	\$ 45,941	\$ 39,180	\$ 42,292	\$ (2,915)	\$ 280,201
<b>Purchased transportation</b>	64,045	33,926	10,417	17,457	(2,519)	123,326
<b>Salaries, wages, and employee benefits</b>	35,202	5,029	15,337	9,039	275	64,882
<b>Operating leases</b>	9,367	334	3,268	3,827	13	16,809
<b>Depreciation and amortization</b>	5,435	1,546	1,652	1,690	3	10,326
<b>Insurance and claims</b>	3,280	1,976	1,067	1,228	293	7,844
<b>Fuel expense</b>	911	793	1,325	1,067	—	4,096
<b>Other operating expenses</b>	14,259	2,201	5,433	4,504	(377)	26,020
<b>Total operating expenses</b>	132,499	45,805	38,499	38,812	(2,312)	253,303
<b>Income from operations</b>	\$ 23,204	\$ 136	\$ 681	\$ 3,480	\$ (603)	\$ 26,898