

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 13, 2018**

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.)
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<u>1915 Snapps Ferry Road, Building N Greeneville, Tennessee</u> (Address of principal executive offices)	<u>37745</u> (Zip Code)
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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 7. REGULATION FD.

Item 2.02. Results of Operations and Financial Condition.

Item 7.01. Regulation FD Disclosure.

Forward Air Corporation (the “Company”) is furnishing its Investor Presentation as Exhibit 99.1 to this Current Report on Form 8-K which the Company intends to use from time to time in presentations and meetings with investors and other stakeholders.

Pursuant to General Instruction B.2 of Current Report on Form 8-K, the information in this Item 7.01 and Exhibit 99.1 attached hereto is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Furthermore, the information in this Item 7.01 shall not be deemed incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended, except as expressly set forth herein or therein by specific reference.

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.

No.	Exhibit
99.1	<u>Investor Presentation.</u>

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: February 13, 2018

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

EXHIBIT INDEX

No.	Exhibit
99.1	<u>Investor Presentation.</u>



Keeping Your Business Moving ForwardSM

Investor Presentation

NASDAQ:FWRD
www.ForwardAirCorp.com



Forward Looking Statements Disclosure

Today's presentation and discussion will contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "anticipates," "intends," "estimates," or similar expressions are intended to identify these forward-looking statements. These statements, which include statements regarding our competitive advantages, synergies, and scalable platform, and future technology investments are based on Forward Air's current plans and expectations and involve risks and uncertainties that could cause future activities and results of operations to be materially different from those set forth in the forward-looking statements. For further information, please refer to Forward Air's reports and filings with the Securities and Exchange Commission.

To supplement the financial measures prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), we have included the following non-GAAP financial information in this presentation: adjusted EBITDA, adjusted EBITDA margin, adjusted operating margin and adjusted EPS. The reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP can be found in the Appendix to this presentation. Because these non-GAAP financial measures exclude certain items as described herein, they may not be indicative of the results that the Company expects to recognize for future periods. As a result, these non-GAAP financial measures should be considered in addition to, and not a substitute for, financial information prepared in accordance with GAAP.

EXPEDITED LTL

- Comprehensive national network
- Provides expedited regional, inter-regional and national LTL services
- Offers local pick-up and delivery, warehousing and other services
- Terminal network located at or near airports in the US and Canada

TRUCKLOAD PREMIUM SERVICES

- Expedited Truckload brokerage
- Dedicated fleet services
- Maximum security and temperature-controlled logistics services
- Long-haul, regional and local services

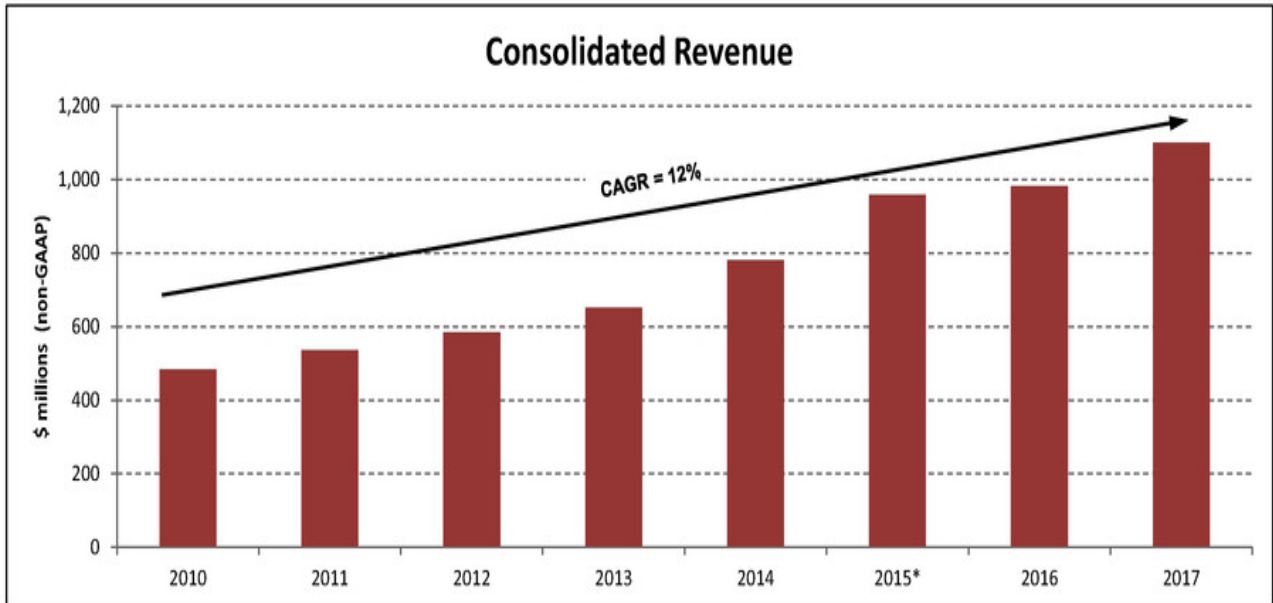
INTERMODAL

- High value intermodal container drayage
- Warehousing and other value-added services
- Regional linehaul
- Growing footprint

POOL DISTRIBUTION

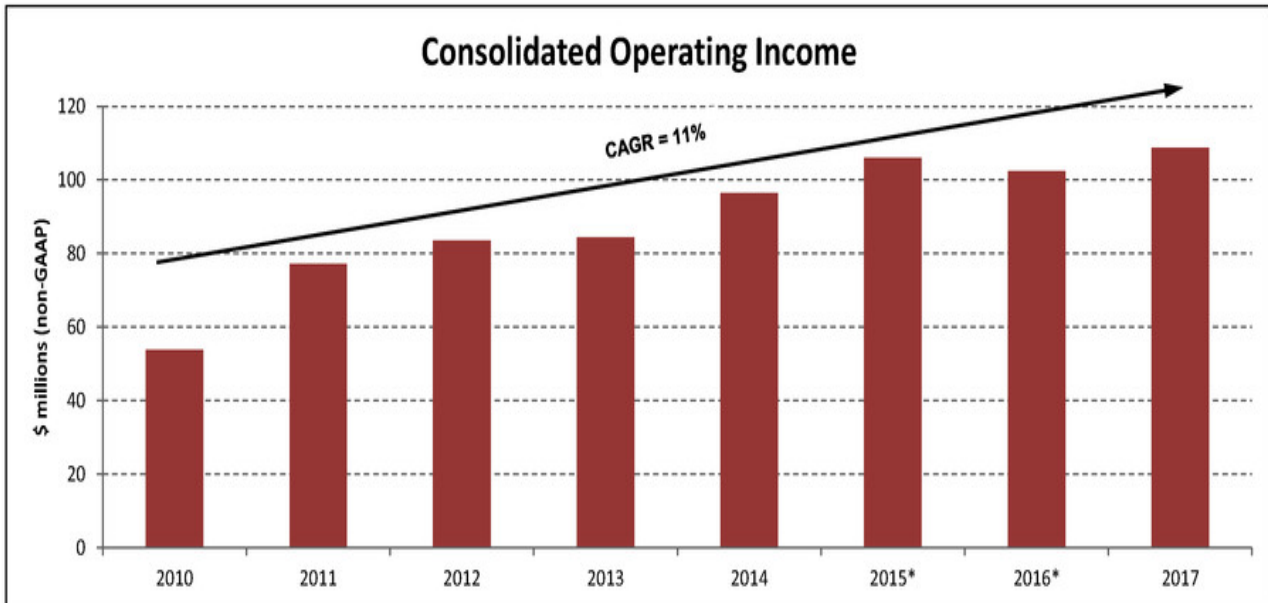
- Customized consolidation, final-mile handling and distribution of time-sensitive products
- DC bypass, flow through, direct to store and reverse logistics services
- 28 terminal network

- **Deliver premium solutions: expedited, time-definite, service-sensitive**
- **Most comprehensive provider of wholesale transportation services in North America, serving Freight Forwarders, Airlines, 3PLs, etc.**
- **Operate an asset-light model utilizing independent owner-operators**
- **Provide our customers with safe, superior service**
- **Expanding into new areas organically and through acquisitions**
- **Leading technology lowers operating cost & improves customer service**
- **Superior service & operating flexibility regardless of economic cycle**



- **12% annual revenue growth since 2010**
- **Organic as well as acquisitive growth**
- **Expanded existing services and introduced new offerings (e.g., Intermodal)**

*Adjusted to exclude Towne integration & deal costs (2015)



- **11% annual EBIT growth since 2010**
- **Organic as well as acquisitive growth**
- **Expedited LTL key contributor; Intermodal growing rapidly**

*Adjusted to exclude Towne integration & deal costs (2015), technology related permanent tax deductions (2015), and TQI impairment charge (2016)

(\$ millions)

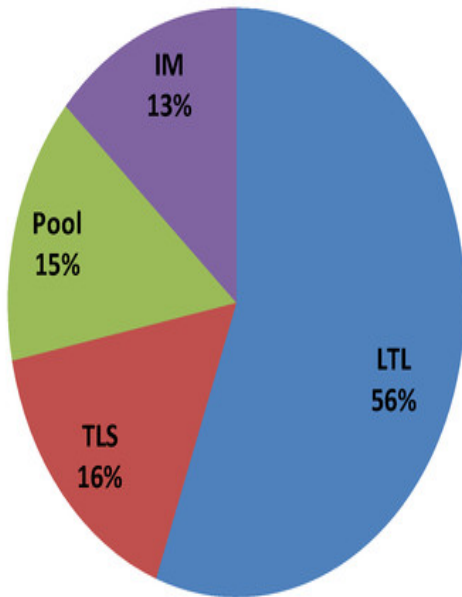
Business Unit	2017		TAM Comments
	Revenue	TAM	
Expedited LTL	620	3,500	\$1,500 traditional airport-to-airport + \$2,000 3PL
Truckload Premium Services	179	3,000	\$1,500 expedited + \$1,500 medical+refrigerated
Intermodal	149	7,000	Midwest + SE region
Pool Distribution	164	4,000	\$1,500 retail + \$2,500 other verticals
Intercompany Eliminations	(11)		
Total	1,101	17,500	6% of estimated total addressable market

Source: Studies performed by Tompkins International and SJ Consulting

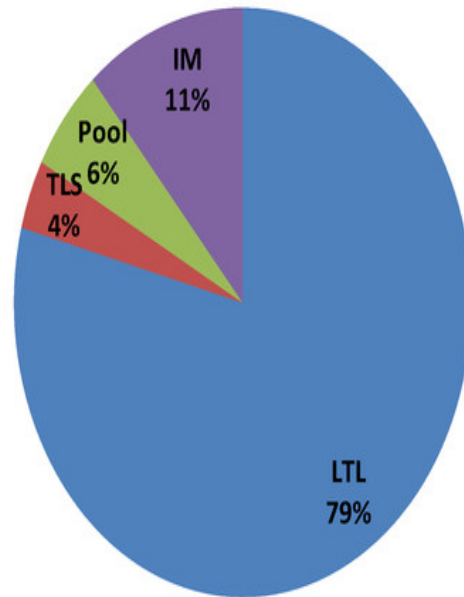
- **Currently serve 6% of total addressable market**
- **Significant opportunity for future growth**

Revenue & Operating Income Mix

Revenue: 2017



Operating Income: 2017

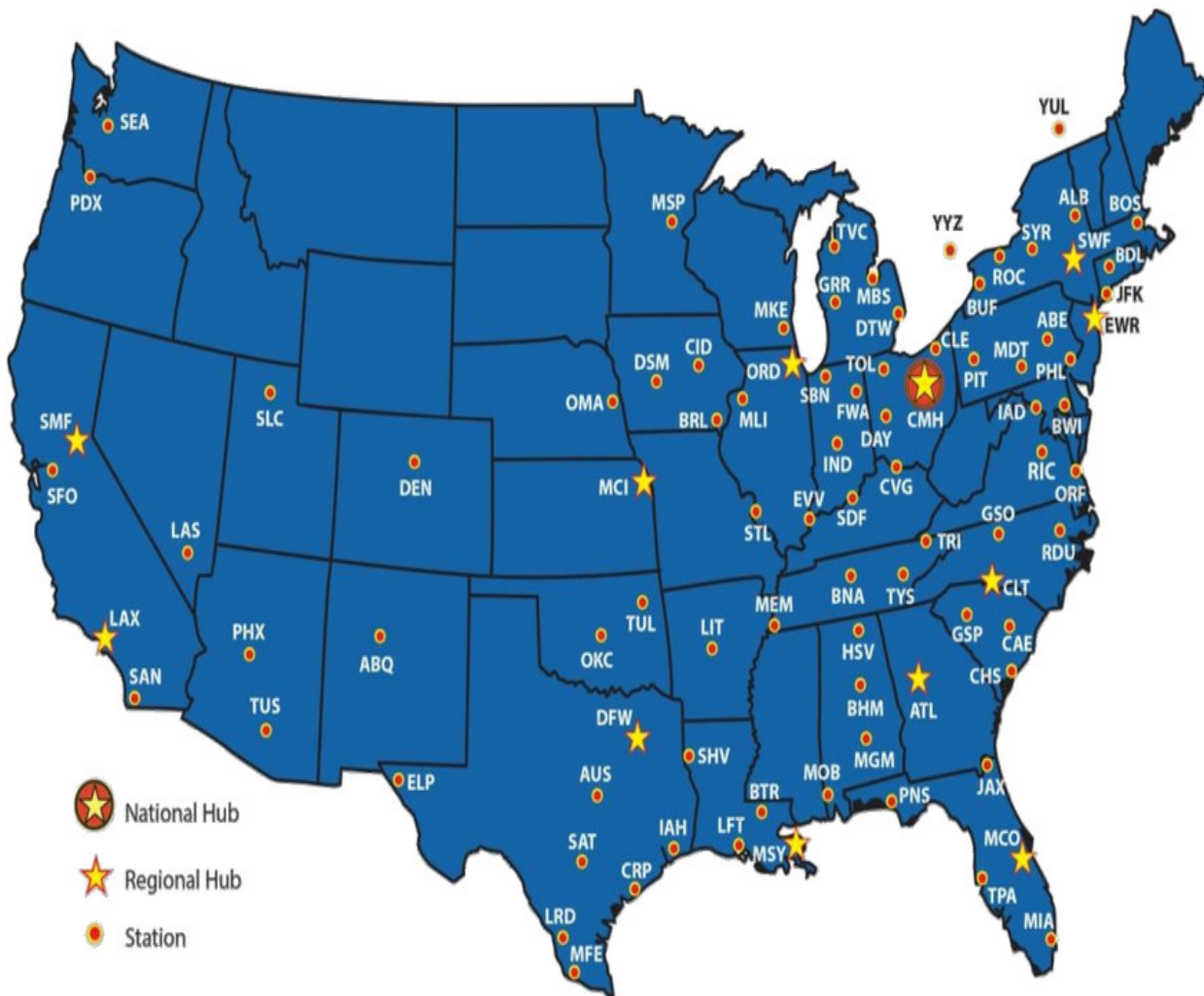


Expedited LTL	2017
Revenue	\$ 620 M
Operating Income	\$ 88 M
EBITDA	\$ 108 M
Lbs per Week	49.5 M
Shipments per Week	79.5 K
Lbs per Shipment	623 Lbs
Owner-Operators	945
Trailers	4,008



Highlights

- Nationwide time-definite service, serving 8,100 lane segments and 90 cities each business day
- Pick-up and delivery by zip code and/or zone covering 96% of continental US zip codes
- Offer a variety of freight management services (warehousing, dedicated final mile, etc.)



Truckload Premium Services

Truckload Premium Services	2017
Revenue	\$ 179 M
Operating Income	\$ 4 M
EBITDA	\$ 10 M
Total Miles	96.6 M
Qualified 3rd Party Carriers	4,848
Dedicated Owner-Operators	293
Company Tractors	82
Trailers	1,427



Highlights

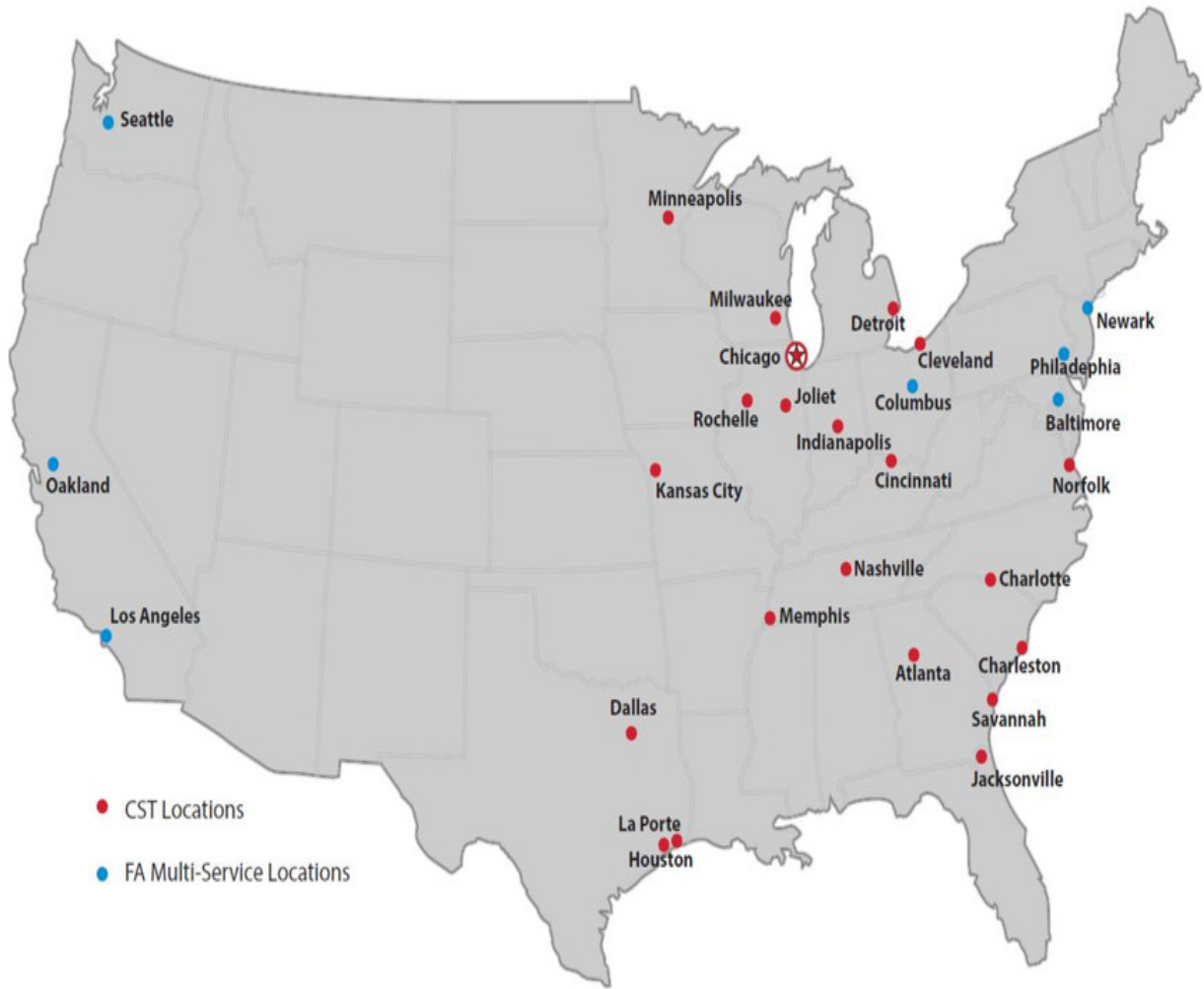
- High level of service allows for premium rate per mile
- Competitive advantage having dedicated owner-operator capacity
- Quality third party transportation providers allow for flexible capacity
- Beneficial synergies through cross-utilization with Expedited LTL fleet

Intermodal	2017
Revenue	\$ 149 M
Operating Income	\$ 13 M
EBITDA	\$ 19 M
Owner-Operators	621
Company Tractors	141
Chassis & Trailers	263



Highlights

- Branded as CST (Central States Trucking)
- 20 terminals serving Midwest, Southeast and Southwest regions
- Service partnership with 20 of the top 100 importers
- Scalable platform for future growth

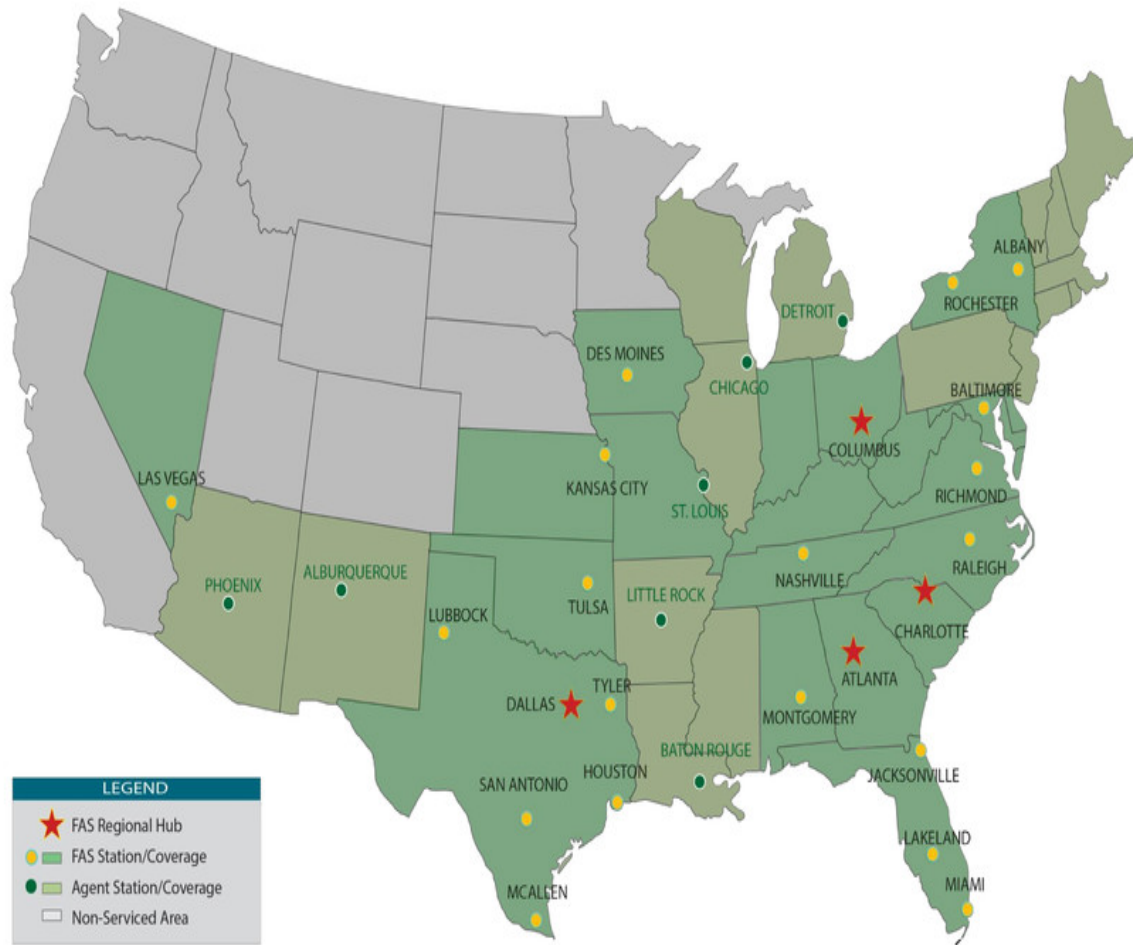


Pool Distribution	2017
Revenue	\$ 164 M
Operating Income	\$ 6 M
EBITDA	\$ 13 M
Owner-Operators	236
Company Straight Trucks	225
Company Tractors	102



Highlights

- Branded as Forward Air Solutions
- Terminal and service locations in 28 states
- Leverages core competencies of Expedited LTL business
- Current customer base is primarily specialty retail; pursuing customers in other verticals



- Advanced technology is a cornerstone of every Forward Air business operation
- Our technology priorities include:
 - End-to-end customer visibility to every shipment we handle in every business unit
 - Secure real-time transactions with customers and service providers using APIs and EDI
 - Web-based technologies and mobile applications for customers, drivers and service providers
- Forward Air is committed to making long-term, on-going investments in technology to provide high level service and security



Financial Overview

- Goal to deliver superior returns to shareholders through profitable organic growth and disciplined acquisitions
- Commitment to return capital to shareholders through dividends and share repurchases

	2017	2016	2015
Gross Revenue [*]	\$ 1,101 M	\$ 983 M	\$ 959 M
Adjusted Operating Income [†]	\$ 109 M	\$ 102 M	\$ 106 M
Adjusted Operating Margin [†]	9.9%	10.4%	11.1%
Adjusted EPS [‡]	\$ 2.36	\$ 2.08	\$ 2.07
Adjusted EBITDA [†]	\$ 150 M	\$ 141 M	\$ 143 M
Adjusted EBITDA Margin [†]	13.6%	14.3%	14.9%
Capital to Shareholders	\$ 67 M	\$ 56 M	\$ 35 M
Debt / Adjusted EBITDA [†]	0.3 x	0.2 x	0.6 x
ROIC (w/o Goodwill & Intang.) [§]	26.2%	24.5%	25.6%
ROIC (w/Goodwill & Intang.) [§]	13.4%	12.2%	11.9%

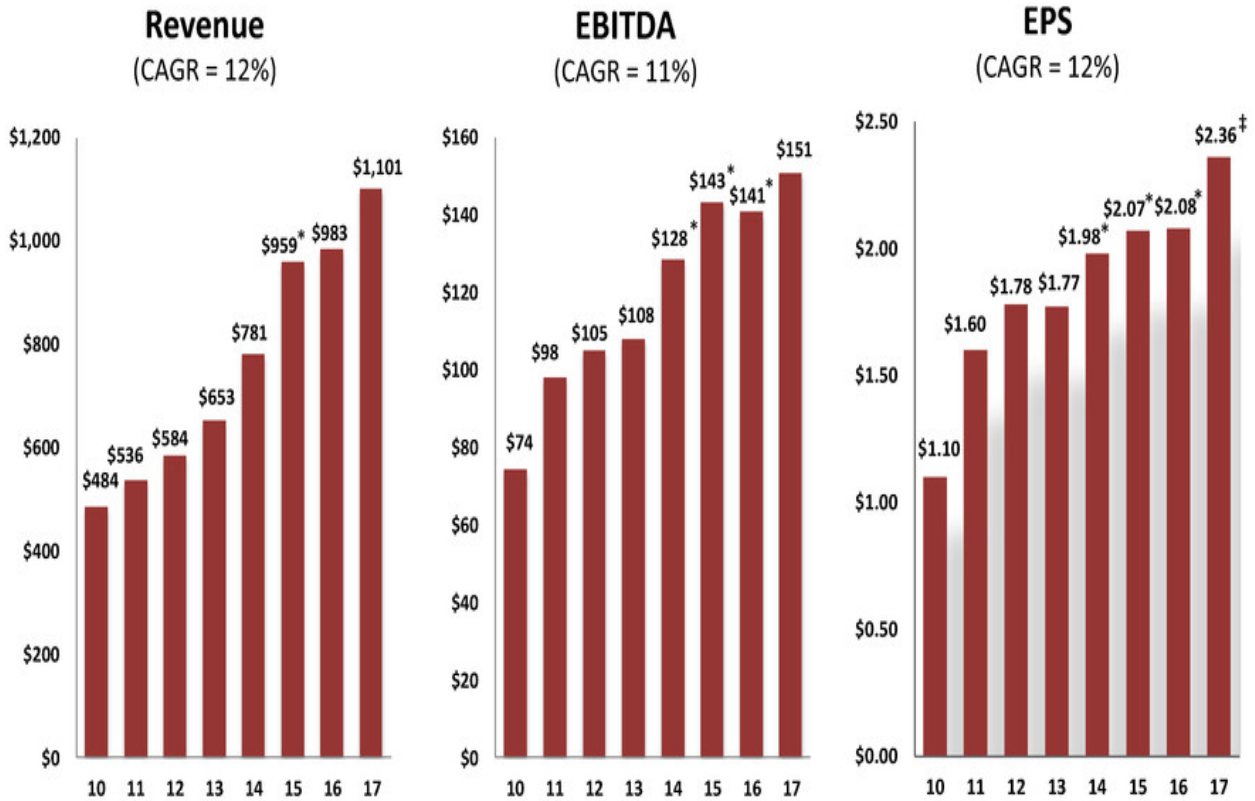
^{*}Adjusted to exclude Towne integration & deal costs (2015)

[†]Adjusted to exclude Towne integration & deal costs (2015), technology related permanent tax deductions (2015), and TQI impairment charge (2016)

[‡]Reported EPS of \$2.89 less \$0.53 impact from Tax Cut and Jobs Act (2017)

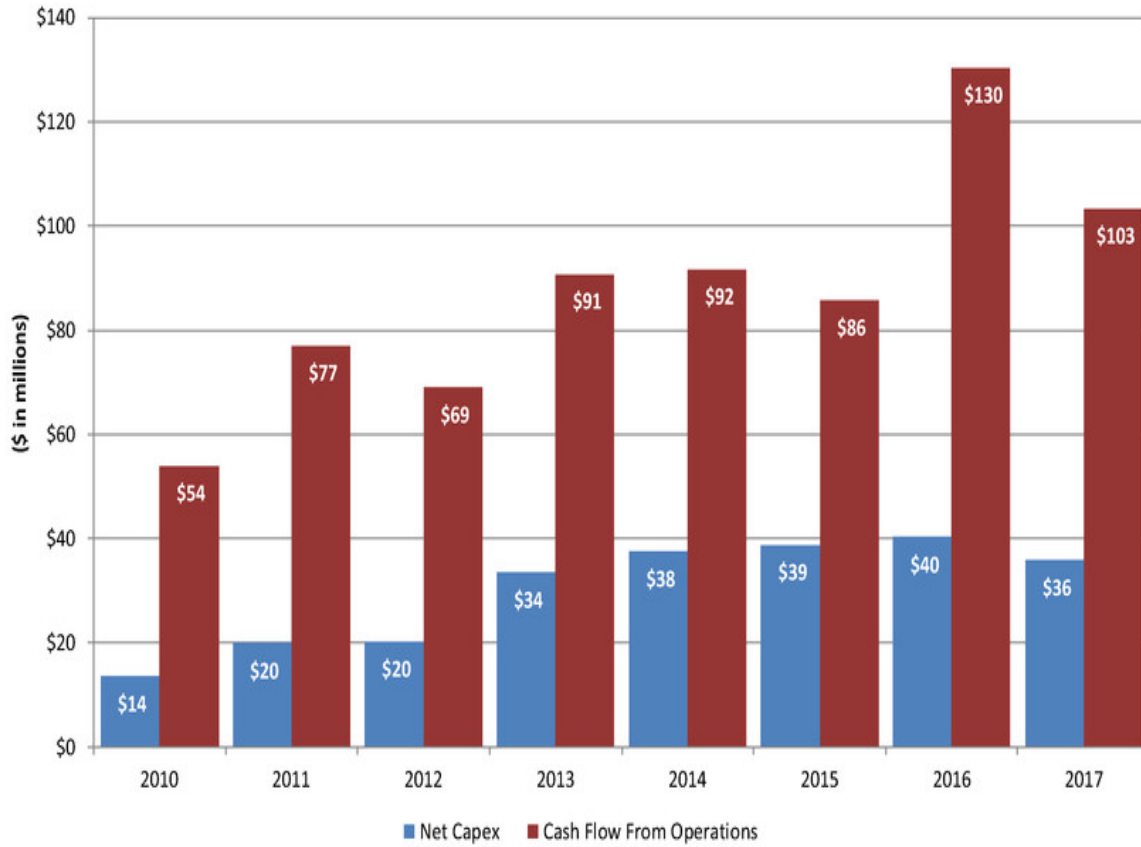
[§]ROIC is calculated as Non Operating Profit After Tax (adjusted for the amortization of intangibles) divided by Operating Invested Capital

Revenue & Earnings History



*Adjusted to exclude CST acquisition costs (2014), Towne integration & deal costs (2015), technology related permanent tax deductions (2015), and impairment charge (2016)
[†]Reported EPS of \$2.89 less \$0.53 impact from Tax Cut and Jobs Act (2017)

Strong Cash Flow Generation



- Sustainable Revenue Growth
- Flexible Asset-Light Model
- Solid Capital Returns
- Proven Operating Leverage
- Strong Balance Sheet



Appendix

GAAP vs. Non GAAP Reconciliation

GAAP Revenue Reconciliation	LTM	2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016	2015	2014
GAAP Revenue	1,100.8	1,100.8	306.1	280.2	267.5	247.0	982.5	264.8	249.6	238.6	229.5	959.1	781.0
Towne Integration	-	-	-	-	-	-	-	-	-	-	-	0.6	-
Non GAAP Revenue	1,100.8	1,100.8	306.1	280.2	267.5	247.0	982.5	264.8	249.6	238.6	229.5	958.5	781.0

GAAP Financials	LTM	2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016	2015	2014
Operating Income	108.7	108.7	28.8	26.9	29.8	23.2	60.0	28.2	24.7	(14.3)	21.4	81.8	96.4
Operating Margin	9.9%	9.9%	9.4%	9.6%	11.1%	9.4%	6.1%	10.7%	9.9%	-6.0%	9.3%	8.5%	12.3%
Net Interest & Other Expense	(1.2)	(1.2)	(0.4)	(0.3)	(0.2)	(0.3)	(1.6)	(0.2)	(0.2)	(0.6)	(0.6)	(2.1)	(0.3)
Income Taxes	20.1	20.1	(7.0)	8.5	10.0	8.6	30.7	15.3	12.6	(4.8)	7.7	24.1	34.9
Net Income (Loss)	87.3	87.3	35.4	18.2	19.6	14.2	27.7	12.7	11.9	(10.1)	13.1	55.6	61.2
Fully Diluted Share Count	29,949	29,949	29,635	29,940	30,114	30,106	30,444	30,258	30,355	30,451	30,625	31,040	31,072
Two Class	(0.7)	(0.7)	(0.3)	(0.2)	(0.2)	(0.1)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.4)
Fully Diluted EPS	2.89	2.89	1.18	0.60	0.64	0.47	0.90	0.42	0.39	(0.33)	0.43	1.78	1.96

Non GAAP Adjustments	LTM	2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016	2015	2014
Operating Income	-	-	-	-	-	-	(42.4)	-	-	(42.4)	-	(24.3)	(0.9)
Net Interest & Other Expense	-	-	-	-	-	-	-	-	-	-	-	(0.4)	-
Income Taxes	-	-	-	-	-	-	(6.4)	5.0	3.6	(15.0)	-	(15.7)	(0.3)
Net Income (Loss)	-	-	-	-	-	-	(36.0)	(5.0)	(3.6)	(27.4)	-	(9.0)	(0.6)
Fully Diluted Share Count	29,949	29,949	29,635	29,940	30,114	30,106	30,444	30,258	30,355	30,451	30,625	31,040	31,072
Fully Diluted EPS	-	-	-	-	-	-	(1.18)	(0.16)	(0.12)	(0.90)	0.00	(0.29)	(0.02)

Non GAAP Financials	LTM	2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016	2015	2014
Operating Income	108.7	108.7	28.8	26.9	29.8	23.2	102.4	28.2	24.7	28.1	21.4	106.1	97.3
Operating Margin	9.9%	9.9%	9.4%	9.6%	11.1%	9.4%	10.4%	10.7%	9.9%	11.8%	9.3%	11.1%	12.5%
Net Interest & Other Expense	(1.2)	(1.2)	(0.4)	(0.3)	(0.2)	(0.3)	(1.6)	(0.2)	(0.2)	(0.6)	(0.6)	(1.7)	(0.3)
Income Taxes	20.1	20.1	(7.0)	8.5	10.0	8.6	37.1	10.3	9.0	10.2	7.7	39.8	35.2
Net Income (Loss)	87.3	87.3	35.4	18.2	19.6	14.2	63.7	17.7	15.5	17.3	13.1	64.6	61.8
Fully Diluted Share Count	29,949	29,949	29,635	29,940	30,114	30,106	30,444	30,258	30,355	30,451	30,625	31,040	31,072
Two class	(0.7)	(0.7)	(0.3)	(0.2)	(0.2)	(0.1)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.4)
Fully Diluted EPS	2.89	2.89	1.18	0.60	0.64	0.47	2.08	0.58	0.51	0.57	0.43	2.07	1.98

Operating Income	108.7	108.7	28.8	26.9	29.8	23.2	102.4	28.2	24.7	28.1	21.4	106.1	97.3
(+) Depreciation & Amortization	41.1	41.1	10.5	10.3	10.2	10.0	38.2	9.8	9.4	9.3	9.7	37.1	31.1
EBITDA	149.7	149.7	39.3	37.2	40.0	33.2	140.6	38.0	34.1	37.4	31.1	143.2	128.4
EBITDA Margin	13.6%	13.6%	12.8%	13.3%	15.0%	13.5%	14.3%	14.4%	13.7%	15.7%	13.5%	14.9%	16.4%

Non GAAP Adjustments include CST acquisition costs (2014), Towne integration & deal costs (2015), technology related permanent tax deductions (2015), and impairment charge (2016)

Segment EBITDA Reconciliation

	LTM	2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Expedited LTL											
GAAP Operating Income	88.1	88.1	23.5	23.2	23.0	18.4	83.5	20.5	21.0	24.9	17.1
(+) Non GAAP Operating Income Adjustments	-	-	-	-	-	-	-	-	-	-	-
(+) Depreciation & Amortization	20.2	20.2	5.1	5.0	5.0	5.1	21.9	5.6	5.5	5.3	5.5
= EBITDA	108.4	108.4	28.7	28.2	28.0	23.5	105.4	26.1	26.5	30.2	22.6
Truckload Premium Services											
GAAP Operating Income	4.2	4.2	(0.5)	1.1	1.9	1.7	(35.4)	1.3	2.0	(40.3)	1.6
(+) Non GAAP Operating Income Adjustments	0.0	-	-	-	-	-	42.4	-	-	42.4	-
(+) Depreciation & Amortization	5.9	5.9	1.5	1.4	1.5	1.5	6.4	1.5	1.5	1.7	1.7
= EBITDA	10.2	10.2	1.1	2.6	3.3	3.2	13.5	2.8	3.5	3.9	3.3
Intermodal											
GAAP Operating Income	12.7	12.7	3.5	3.5	3.1	2.6	11.0	2.8	3.0	2.8	2.4
(+) Non GAAP Operating Income Adjustments	-	-	-	-	-	-	-	-	-	-	-
(+) Depreciation & Amortization	5.8	5.8	1.6	1.7	1.5	1.1	3.9	1.1	1.0	0.9	0.9
= EBITDA	18.5	18.5	5.1	5.2	4.6	3.7	14.8	3.9	4.0	3.6	3.3
Pool Distribution											
GAAP Operating Income	6.4	6.4	2.7	0.7	1.6	1.4	3.6	3.8	0.1	(0.4)	0.1
(+) Non GAAP Operating Income Adjustments	-	-	-	-	-	-	-	-	-	-	-
(+) Depreciation & Amortization	6.6	6.6	1.6	1.6	1.6	1.8	6.0	1.5	1.5	1.5	1.5
= EBITDA	12.9	12.9	4.3	2.3	3.2	3.1	9.6	5.4	1.5	1.1	1.6

Non GAAP Adjustments include impairment charge



Thank You For Your Time

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