

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 15, 2005

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

Tennessee 000-22490 62-1120025

(State or other (Commission File Number) (I.R.S. Employer
jurisdiction of incorporation) Identification No.)

430 Airport Road
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))

EXPLANATORY NOTE

The information in this Report, including the exhibit, is being furnished pursuant to Item 2.02 and Item 7.01 of Form 8-K and General Instruction B.2 to Form 8-K. Such information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or

otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

Item 2.02 and Item 7.01.

Results of Operations and Financial Condition and Regulation FD Disclosure.

Attached as Exhibit 99.1 and incorporated herein by reference is a copy of Forward Air Corporation's press release, dated February 15, 2005, announcing its financial results for the quarter and year ended December 31, 2004, authorization of a three-for-two stock split and initiation of a cash dividend policy.

The three-for-two stock split will be effected in the form of a stock dividend to common stock shareholders of record as of the close of business on March 18, 2005. The additional shares will be distributed to shareholders on or about April 1, 2005. Cash will be paid in lieu of issuing fractional shares.

The Board of Directors has initiated a cash dividend policy and declared a quarterly cash dividend of \$0.06 per share of common stock on a post split-adjusted basis. The Board of Directors approved a dividend policy that anticipates an annual dividend of \$0.24 per share of common stock, payable in four quarterly increments of \$0.06 per share of common stock. The actual declaration and payment of future cash dividends is subject to final determination by the Registrant's Board of Directors each quarter.

The Registrant's first cash dividend is payable to common stock shareholders of record on April 4, 2005 and is expected to be paid on April 18, 2005. Accordingly, the cash dividend will be paid on a post-split basis.

A copy of the press release is attached as Exhibit 99.1 hereto.

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

SECTION 9. FINANCIAL STATEMENTS AND EXHIBITS.

Item 9.01. Financial Statements and Exhibits.

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

Exhibit Number	Description
99.1	Press Release of Forward Air Corporation dated February 15, 2005.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FORWARD AIR CORPORATION

Date: February 15, 2005 By: /s/ Andrew C. Clarke

 Andrew C. Clarke
 Chief Financial Officer
 and Senior Vice President

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EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release of Forward Air Corporation dated February 15, 2005.

Forward Air Corporation Reports Record
Fourth Quarter and Fiscal 2004 Results, Announces a Three-for-Two
Stock Split and Initiates a Quarterly Cash Dividend

GREENEVILLE, Tenn.--(BUSINESS WIRE)--Feb. 15, 2005--

19.0% Revenue Growth in Fourth Quarter 2004;
20.2% Operating Margin in Fourth Quarter 2004

Forward Air Corporation (NASDAQ:FWRD) today reported record results for the fourth quarter and fiscal year ended December 31, 2004.

Operating revenue for the quarter ended December 31, 2004 increased 19.0% to a record \$77.6 million from \$65.2 million for the same quarter in 2003. Income from operations was \$15.7 million, compared with \$11.6 million in the prior-year quarter, an increase of 35.3%. As a percent of operating revenue, income from operations expanded to 20.2% during the quarter from 17.8% in 2003. Net income during the period increased 31.2% to \$10.1 million from \$7.7 million in the prior-year quarter. Diluted income per share from operations for the fourth quarter of 2004 was \$0.46 compared with \$0.35 in the prior-year quarter, an increase of 31.4%.

Operating revenue for the year ended December 31, 2004 increased 16.9% to \$282.2 million from \$241.5 million in 2003. Income from operations for 2004 was \$53.6 million compared with \$40.2 million in the prior year, an increase of 33.3%. As a percent of operating revenue, income from operations increased to a record 19.0% from 16.6% in 2003. Net income for 2004 increased 33.3% to \$34.4 million compared with \$25.8 million in the prior year. Diluted income per share for 2004 was \$1.57 compared with \$1.19 in 2003, an increase of 31.9%.

Commenting on the Company's fourth quarter and year-end results, Bruce A. Campbell, President and CEO, said "Congratulations to all the Forward Air employees for their efforts in producing record results for the fourth quarter of 2004. Our revenue growth of 19.0% and operating income margin of 20.2% during the fourth quarter are simply outstanding. We are also pleased with our full year 2004 results, as we were able to grow revenue, tonnage, yield and profits while increasing cash on the balance sheet by over \$24.0 million. As we enter 2005, our people are motivated and focused on delivering industry-leading results and serving the needs of our customers."

Three-for-Two Stock Split

The Company announced that its board of directors authorized a three-for-two stock split of its common stock for shareholders of record on March 18, 2005. Shares resulting from the split are expected to be distributed to common stock shareholders on or about April 1, 2005. Cash will be issued in lieu of any fractional shares.

Cash Dividend Declared

Forward Air's board of directors also initiated a cash dividend policy and declared a quarterly cash dividend of \$0.06 per share of common stock on a post split-adjusted basis. The board of directors approved a dividend policy that anticipates an annual dividend of \$0.24 per share of common stock, payable in four quarterly increments of \$0.06 per share of common stock. Any declaration and payment of future cash dividends is subject to final determination by the board of directors each quarter.

The first cash dividend is payable to common stock shareholders of record on April 4, 2005 and is expected to be paid on April 18, 2005.

Bruce A. Campbell, commenting on the stock split and new dividend policy, stated "Over the past three years, Forward Air has grown its revenue and profitability by focusing on the needs of the deferred air freight industry. At the same time, we have been able to increase our cash and investment positions by nearly \$70 million after taking into account the nearly \$25 million of the Company's common stock repurchased since 2002. We are pleased that the board of directors has initiated these policies as a way of returning value to our shareholders."

Review of Financial Results

Forward Air Corporation will hold a quarterly conference call to discuss fourth quarter and fiscal 2004 results on Wednesday, February 16, 2005, at 9:00 a.m. EST. The Company's conference call will be available online at www.forwardair.com or by dialing 800-589-4298. A replay of the conference call will be available at www.forwardair.com beginning shortly after the completion of the live call.

About Forward Air

Forward Air is a high-service-level contractor to the air cargo industry providing time-definite ground transportation services through a network of 80 terminals located on or near major airports in the United States and Canada. The Company provides these services as a cost-effective alternative to air transportation of cargo that must be delivered at a specific time but is relatively less time-sensitive than traditional airfreight or when air transportation is not economical.

FORWARD AIR CORPORATION
Condensed Statements of Income (Unaudited)
(In thousands, except per share data)

	Three months ended		Year ended	
	12/31/04	12/31/03	12/31/04	12/31/03
Operating revenue	\$77,578	\$65,184	\$282,197	\$241,517
Operating expenses:				
Purchased transportation	32,938	27,889	118,425	102,063
Salaries, wages and employee benefits	17,336	14,382	62,728	54,267
Operating leases	3,059	3,477	12,791	13,102
Depreciation and amortization	1,729	1,823	6,817	7,263
Insurance and claims	836	1,014	5,382	5,153
Other operating expenses	6,028	5,023	22,456	19,487
Total operating expenses	61,926	53,608	228,599	201,335
Income from operations	15,652	11,576	53,598	40,182
Other income, net	411	153	1,072	529
Pre-tax income	16,063	11,729	54,670	40,711
Income taxes	5,969	4,027	20,249	14,896
Net income	\$10,094	\$ 7,702	\$ 34,421	\$ 25,815

Income per share:

Basic	\$ 0.47	\$ 0.36	\$ 1.60	\$ 1.21
Diluted	\$ 0.46	\$ 0.35	\$ 1.57	\$ 1.19

Weighted average shares outstanding:

Basic	21,598	21,475	21,540	21,327
Diluted	22,059	21,821	21,960	21,707

FORWARD AIR CORPORATION
Condensed Consolidated Balance Sheets
(In thousands)

12/31/04 12/31/03

(Unaudited) Audited (a)

Assets:		
Cash and short-term investments	\$111,678	\$ 86,539
Other current assets	47,744	36,627
Property and equipment, net	37,286	32,912
Other assets	17,845	19,009
	-----	-----
Total assets	\$214,553	\$175,087
	=====	=====

Liabilities and Shareholders' Equity:		
Current liabilities	25,657	20,290
Long-term obligations	7,893	7,089
Shareholders' equity	181,003	147,708
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Total liabilities and shareholders' equity	\$214,553	\$175,087
	=====	=====

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

Important Information

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

CONTACT: Forward Air Corporation, Greeneville
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