

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): April 26, 2005

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

| | | |
|---|-----------------------------|---|
| Tennessee | 000-22490 | 62-1120025 |
| ----- | ----- | ----- |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer 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 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.

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 Forward Air Corporation's press release, dated April 26, 2005, announcing its financial results for the quarter ended March 31, 2005.

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 April 26, 2005. |

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: April 26, 2005

By: /s/ Andrew C. Clarke

Andrew C. Clarke
Chief Financial Officer
and Senior Vice President

EXHIBIT INDEX

| No. | Exhibit |
|------|--|
| 99.1 | Press Release of Forward Air Corporation dated April 26, 2005. |

Exhibit 99.1

Forward Air Corporation Reports Record First Quarter 2005 Results

GREENEVILLE, Tenn.--(BUSINESS WIRE)--April 26, 2005--Forward Air Corporation (NASDAQ:FWRD):

- 8.1% Revenue Growth
- 19.2% Operating Margin
- 28.6% Fully Diluted EPS Growth

Forward Air Corporation (NASDAQ:FWRD) today reported record results for the first quarter ended March 31, 2005.

Operating revenue for the quarter ended March 31, 2005 increased 8.1% to a record \$69.5 million from \$64.3 million for the same quarter in 2004. Income from operations was \$13.4 million, compared with \$10.7 million in the prior-year quarter, an increase of 25.2%. As a percent of operating revenue, income from operations expanded to 19.2% during the quarter from 16.7% in 2004. Net income during the period increased 27.9% to \$8.7 million from \$6.8 million in the prior-year quarter. Diluted income per share from operations for the first quarter of 2005 was \$0.27 compared with \$0.21 in the prior-year quarter, an increase of 28.6%.

Commenting on the Company's first quarter 2005 results, Bruce A. Campbell, President and CEO, said, "Congratulations to the Forward Air team for their performance in the first quarter. Revenue growth was led by 8.0% growth in our airport-to-airport network and more than 15.0% growth in our logistics business. Our people worked hard to bring more income to the bottom line, which produced income per share growth of nearly 29.0% and a record operating income margin of 19.2%. We are encouraged by the positive yield trends we saw in our airport-to-airport network primarily the result of a March 1 rate increase. We believe this increase was an important step in positioning us for the balance of 2005 and will allow us to focus 100% of our energy on providing industry-leading service and value to our customers."

Review of Financial Results

Forward Air will hold a quarterly conference call to discuss first quarter 2005 results on Wednesday, April 27, 2005, at 9:00 a.m. EDT. The Company's conference call will be available online at www.forwardair.com or by dialing 800-474-8920. 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 (a) | |
|---------------------------------------|------------------------|----------|
| | 3/31/05 | 3/31/04 |
| Operating revenue | \$69,533 | \$64,303 |
| Operating expenses: | | |
| Purchased transportation | 28,479 | 26,994 |
| Salaries, wages and employee benefits | 15,452 | 14,673 |
| Operating leases | 3,336 | 3,262 |

| | | |
|--------------------------------------|----------|----------|
| Depreciation and amortization | 1,853 | 1,699 |
| Insurance and claims | 1,182 | 1,423 |
| Other operating expenses | 5,850 | 5,517 |
| | ----- | ----- |
| Total operating expenses | 56,152 | 53,568 |
| | ----- | ----- |
| Income from operations | 13,381 | 10,735 |
| Other income, net | 518 | 163 |
| | ----- | ----- |
| Pre-tax income | 13,899 | 10,898 |
| Income taxes | 5,206 | 4,090 |
| | ----- | ----- |
| Net income | \$ 8,693 | \$ 6,808 |
| | ===== | ===== |
| Income per share: | | |
| Basic | \$ 0.27 | \$ 0.21 |
| Diluted | \$ 0.27 | \$ 0.21 |
| Weighted average shares outstanding: | | |
| Basic | 32,293 | 32,265 |
| Diluted | 32,729 | 32,822 |

FORWARD AIR CORPORATION
Condensed Consolidated Balance Sheets
(In thousands)

| | | |
|--|-------------|-------------|
| | 3/31/05 | 12/31/04 |
| | ----- | ----- |
| | (Unaudited) | Audited (b) |
| Assets: | | |
| Cash and short-term investments | \$ 116,862 | \$ 111,678 |
| Other current assets | 42,828 | 47,744 |
| Property and equipment, net | 35,488 | 37,286 |
| Other assets | 17,857 | 17,845 |
| | ----- | ----- |
| Total assets | \$ 213,035 | \$ 214,553 |
| | ===== | ===== |
| Liabilities and Shareholders' Equity: | | |
| Current liabilities | 18,139 | 25,657 |
| Long-term obligations | 7,783 | 7,893 |
| Shareholders' equity | 187,113 | 181,003 |
| | ----- | ----- |
| Total liabilities and shareholders' equity | \$ 213,035 | \$ 214,553 |
| | ===== | ===== |

(a) Income per share has been restated to give effect to a three-for-two stock split declared in February 2005.

(b) 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.

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