

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, 2005

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

Tennessee	000-22490	62-1120025
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(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

430 Airport Road Greeneville, Tennessee	37745
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(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))

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, 2005, announcing the financial results of Forward Air Corporation (the "Company") for the quarter ended June 30, 2005.

SECTION 5. CORPORATE GOVERNANCE AND MANAGEMENT.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

The Company's Board of Directors has elected G. Michael Lynch to its Board of Directors, effective July 26, 2005. Mr. Lynch has been appointed to serve on the Board's Audit Committee. There are no arrangements or understandings between

Mr. Lynch and any other persons pursuant to which Mr. Lynch was selected as a director. There have been no transactions since the beginning of the Company's last fiscal year, or any currently proposed transaction, or series of similar transactions, to which the Company was or is to be a party, in which the amount involved exceeds \$60,000 and in which Mr. Lynch had, or will have, a direct or indirect material interest.

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 July 26, 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: July 26, 2005

By: /s/ Andrew C. Clarke

Andrew C. Clarke
Chief Financial Officer
and Senior Vice President

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EXHIBIT INDEX

No.	Exhibit
99.1	Press Release of Forward Air Corporation dated July 26, 2005.

Exhibit 99.1

Forward Air Corporation Reports Record Second Quarter 2005 Results; 13.3% Revenue Growth; 21.7% Operating Margin; 42.3% Fully Diluted EPS Growth

GREENEVILLE, Tenn.--(BUSINESS WIRE)--July 26, 2005--Forward Air Corporation (NASDAQ:FWRD) today reported record results for the second quarter ended June 30, 2005.

Operating revenue for the quarter ended June 30, 2005 increased 13.3% to a record \$77.5 million from \$68.4 million for the same quarter in 2004. Income from operations was \$16.8 million, compared with \$13.4 million in the prior-year quarter, an increase of 25.4%. As a percent of operating revenue, income from operations expanded to 21.7% from 19.6% in 2004. Pre-tax income for the quarter increased to \$19.0 million from \$13.6 million in the previous period. Included in pre-tax income during 2005 is a \$1.4 million (\$0.9 million after-tax or \$0.03 per diluted share) gain from the settlement of a lawsuit discussed below. Net income during the period increased 41.2% to \$12.0 million from \$8.5 million in the prior-year quarter. Diluted income per share from operations for the second quarter of 2005 was \$0.37 compared with \$0.26 in the prior-year quarter, an increase of 42.3%.

Operating revenue for the six months ended June 30, 2005 increased 10.8% to \$147.0 million from \$132.7 million for the same period in 2004. Income from operations was \$30.2 million, compared with \$24.1 million in the prior-year period, an increase of 25.3%. As a percent of operating revenue, income from operations expanded to 20.5% for the first six months of 2005 from 18.2% in 2004. Pre-tax income for the period increased to \$32.9 million from \$24.5 million in the previous period. Pre-tax income during the first six months of 2005 includes a \$1.4 million (\$0.9 million after-tax or \$0.03 per diluted share) gain from the settlement of a lawsuit discussed below. Net income during the period increased 34.6% to \$20.6 million from \$15.3 million in the prior-year period. Diluted income per share from operations for the first six months of 2005 was \$0.63 compared with \$0.47 in the prior-year period, an increase of 34.0%.

Commenting on the Company's second quarter 2005 results, Bruce A. Campbell, President and CEO, said, "Congratulations to the Forward Air team for its efforts in these record results. We were encouraged by the positive trends we saw during the quarter and our team was able to successfully execute the acquisition of selected assets from the airport-to-airport operations of U.S. Xpress Enterprises, Inc. during the last month of the second quarter. We feel our sole focus of providing on-time, damage-free service to the time-definite freight market has positioned us well for continued success."

Commenting further on the second quarter 2005 results, Andrew C. Clarke, Senior Vice President and CFO, said, "During the quarter, the Company was able to settle its lawsuit with the City of Atlanta regarding property the Company owned adjacent to the Hartsfield-Jackson Airport. As a result of the settlement, we recognized a pre-tax gain of \$1.4 million (\$0.9 million after-tax or \$0.03 per diluted share), which is reflected in the results above. Regarding the acquisition of certain assets of U.S. Xpress, the Company recorded amortization expense of approximately \$0.1 million during the second quarter and expects the ongoing quarterly impact to be approximately \$0.3 million."

Review of Financial Results

Forward Air will hold a quarterly conference call to discuss second quarter 2005 results on Wednesday, July 27, 2005, at 9:00 a.m. EDT. The Company's conference call will be available online at www.forwardair.com or by dialing 800-841-9385. 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 air freight or when air transportation is not economical.

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

	Three months ended		Six Months Ended	
	6/30/05	6/30/04 (a)	6/30/05	6/30/04 (a)
Operating revenue	\$77,488	\$ 68,410	\$147,021	\$132,713
Operating expenses:				
Purchased transportation	31,003	27,925	59,482	54,919
Salaries, wages and employee benefits	16,367	15,110	31,819	29,783
Operating leases	3,376	3,191	6,712	6,453
Depreciation and amortization	1,969	1,696	3,822	3,395
Insurance and claims	1,839	1,827	3,021	3,249
Other operating expenses	6,143	5,257	11,993	10,776
Total operating expenses	60,697	55,006	116,849	108,575
Income from operations	16,791	13,404	30,172	24,138
Other income, net	2,191	208	2,708	371
Pre-tax income	18,982	13,612	32,880	24,509
Income taxes	7,028	5,104	12,233	9,194
Net income	\$11,954	\$ 8,508	\$ 20,647	\$ 15,315

Income per share:

Basic	\$ 0.37	\$ 0.26	\$ 0.64	\$ 0.47
Diluted	\$ 0.37	\$ 0.26	\$ 0.63	\$ 0.47

Weighted average shares outstanding:

Basic	32,277	32,246	32,282	32,255
Diluted	32,621	32,697	32,674	32,669

FORWARD AIR CORPORATION
Condensed Consolidated Balance Sheets
(In thousands)

	6/30/05	12/31/04
	(Unaudited)	Audited (b)
Assets:		
Cash and short-term investments	\$ 93,949	\$ 111,678
Other current assets	48,102	47,744
Property and equipment, net	35,602	37,286
Other assets	29,165	17,845
Total assets	\$ 206,818	\$ 214,553
Liabilities and Shareholders' Equity:		
Current liabilities	25,854	25,657
Long-term obligations	7,467	7,893
Shareholders' equity	173,497	181,003
Total liabilities and shareholders' equity	\$ 206,818	\$ 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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