
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 20, 2011 (July 20, 2011)

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

Tennessee

(State or other jurisdiction of
incorporation)

000-22490

(Commission File Number)

62-1120025

(I.R.S. Employer
Identification No.)

430 Airport Road
Greeneville, Tennessee

(Address of principal executive offices)

37745

(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 20, 2011, announcing the financial results of Forward Air Corporation for the quarter and year-to-date period ended June 30, 2011.

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 | Press Release of Forward Air Corporation dated July 20, 2011. |

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 20, 2011

By: /s/ Rodney L. Bell
Rodney L. Bell
Chief Financial Officer, Senior Vice President and Treasurer

EXHIBIT INDEX

| No. | Exhibit |
|------|---|
| 99.1 | Press Release of Forward Air Corporation dated July 20, 2011. |

Forward Air Corporation Reports Second Quarter 2011 Results

GREENEVILLE, Tenn.--(BUSINESS WIRE)--July 20, 2011--Forward Air Corporation (NASDAQ:FWRD) today reported revenue, operating income, net income and diluted earnings per share for the second quarter and six months ended June 30, 2011.

Operating revenue for the quarter ended June 30, 2011 increased 8.3% to \$132.2 million from \$122.1 million for the same quarter in 2010. Income from operations was \$19.9 million, compared with \$13.5 million in the prior-year quarter. As a percent of operating revenue, income from operations increased to 15.1% from 11.1% for the same quarter last year. Net income during the period increased to \$12.0 million from \$7.9 million in the prior-year quarter. Income per diluted share for the second quarter of 2011 was \$0.40 compared with \$0.27 in the prior-year quarter.

Operating revenue for the six months ended June 30, 2011 increased 10.2% to \$252.4 million from \$229.1 million for the same period in 2010. Income from operations was \$33.2 million, compared with \$19.6 million in the prior-year period. As a percent of operating revenue, income from operations increased to 13.1% for the first six months of 2011 from 8.6% for the same period in 2010. Net income during the period was \$19.8 million compared to \$11.3 million in the prior-year period. Income per diluted share from operations for the first six months of 2011 was \$0.67 compared with \$0.39 in the prior-year period.

Bruce A. Campbell, Chairman, President, and CEO, commenting on the second quarter said, "We are pleased to announce that the hard work and dedication of our employees and independent contractors has once again produced outstanding quarterly results. In our core airport-to-airport business, our yield remained strong, which was driven in part by our June 6, 2011 general rate increase along with continued pricing discipline. Our tonnage volumes, while positive each month of the quarter, saw some periodic softness. This softness, which we view as a function of the macroeconomic environment, appears to be persisting somewhat into the third quarter."

Commenting further, Mr. Campbell said, "Our Forward Air Solutions team continues to make steady progress by nearly cutting in half the \$0.02 earnings per share deficit from a year ago. With a solid cost model and the full benefit of new business wins we fully expect Solutions to be a positive contributor to earnings in the third quarter."

Also commenting on the quarter, Rodney L. Bell, Senior Vice President and CFO said, "On the strength of an impressive \$17.3 million in cash provided by operating activities we were able to increase our cash balance by \$10.4 million in the quarter. We ended the quarter with \$96.1 million in cash, \$50 million outstanding on our line of credit and \$38.2 million of availability on our credit facility."

Commenting on the Company's guidance for the second quarter, Mr. Bell said, "We anticipate that our third quarter 2011 revenues will increase in the range of 6% to 10% over the comparable 2010 period, and we expect income per diluted share to be between \$0.38 and \$0.42 per share. This compares to \$0.31 per share in the third quarter of 2010."

Review of Financial Results

Forward Air will hold a conference call to discuss second quarter 2011 results on Thursday, July 21, 2011 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, pass code 15649968. 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 Corporation

Forward Air Corporation operates two business segments, Forward Air, Inc. and Forward Air Solutions, Inc.

Forward Air, Inc. is a high-service-level contractor to the air cargo industry providing time-definite ground transportation services through a network of terminals located on or near major airports in 84 cities in the United States and Canada. It 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 Solutions, Inc. is a provider of pool distribution services. Pool distribution involves the consolidation and shipment of several smaller less-than-truckload shipments to a common area or region. Once at the regional destination, the loads are deconsolidated, then grouped with other shipments with common delivery points, and delivered in a very precise, time-sensitive manner. Our pool distribution network consists of terminals and service locations in 19 cities within the Mid-Atlantic, Southeast, Midwest and Southwestern United States.

Forward Air Corporation
Condensed Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

| | Three months ended | | Six months ended | |
|---|---------------------------|-----------------|-------------------------|-----------------|
| | June 30, | June 30, | June 30, | June 30, |
| | 2011 | 2010 | 2011 | 2010 |
| Operating revenue: | | | | |
| Forward Air | | | | |
| Airport-to-airport | \$ 91,493 | \$ 81,741 | \$ 173,640 | \$ 152,628 |
| Logistics | 18,005 | 17,160 | 34,500 | 31,015 |
| Other | 6,871 | 6,389 | 13,274 | 12,264 |
| Forward Air Solutions | | | | |
| Pool distribution | 15,823 | 16,842 | 30,980 | 33,201 |
| Total operating revenue | 132,192 | 122,132 | 252,394 | 229,108 |
| Operating expenses: | | | | |
| Purchased transportation | | | | |
| Forward Air | | | | |
| Airport-to-airport | 35,675 | 32,501 | 68,269 | 61,300 |
| Logistics | 13,373 | 13,071 | 26,173 | 23,839 |
| Other | 1,659 | 1,616 | 3,132 | 3,108 |
| Forward Air Solutions | | | | |
| Pool distribution | 3,502 | 3,503 | 6,958 | 6,945 |
| Total purchased transportation | 54,209 | 50,691 | 104,532 | 95,192 |
| Salaries, wages and employee benefits | 31,439 | 33,167 | 61,934 | 63,837 |
| Operating leases | 6,705 | 6,252 | 13,411 | 12,880 |
| Depreciation and amortization | 5,222 | 5,107 | 10,304 | 10,055 |
| Insurance and claims | 1,845 | 2,106 | 4,020 | 4,437 |
| Fuel expense | 2,564 | 2,044 | 4,952 | 4,102 |
| Other operating expenses | 10,332 | 9,263 | 20,079 | 19,048 |
| Total operating expenses | 112,316 | 108,630 | 219,232 | 209,551 |
| Income from operations | 19,876 | 13,502 | 33,162 | 19,557 |
| Other income (expense): | | | | |
| Interest expense | (141) | (181) | (336) | (366) |
| Other, net | 31 | (19) | 47 | 11 |
| Total other expense | (110) | (200) | (289) | (355) |
| Income before income taxes | 19,766 | 13,302 | 32,873 | 19,202 |
| Income taxes | 7,797 | 5,390 | 13,035 | 7,871 |
| Net income | \$ 11,969 | \$ 7,912 | \$ 19,838 | \$ 11,331 |
| Net income per share: | | | | |
| Basic | \$ 0.41 | \$ 0.27 | \$ 0.68 | \$ 0.39 |
| Diluted | \$ 0.40 | \$ 0.27 | \$ 0.67 | \$ 0.39 |
| Weighted average shares outstanding: | | | | |
| Basic | 29,337 | 28,973 | 29,236 | 28,962 |
| Diluted | 29,851 | 29,119 | 29,618 | 29,093 |
| Dividends per share: | \$ 0.07 | \$ 0.07 | \$ 0.14 | \$ 0.14 |

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

| | June 30, 2011 | December 31, 2010 (a) |
|--|--------------------------|----------------------------------|
| Assets | | |
| Current assets: | | |
| Cash | \$ 96,119 | \$ 74,504 |
| Accounts receivable, net | 69,779 | 62,763 |
| Other current assets | 10,053 | 8,696 |
| Total current assets | <u>175,951</u> | <u>145,963</u> |
| Property and equipment | 221,715 | 213,704 |
| Less accumulated depreciation and amortization | 88,517 | 87,272 |
| Total property and equipment, net | <u>133,198</u> | <u>126,432</u> |
| Goodwill and other acquired intangibles: | | |
| Goodwill | 43,332 | 43,332 |
| Other acquired intangibles, net | 28,963 | 31,259 |
| Total goodwill and other acquired intangibles | <u>72,295</u> | <u>74,591</u> |
| Other assets | 1,535 | 1,810 |
| Total assets | <u><u>\$ 382,979</u></u> | <u><u>\$ 348,796</u></u> |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 15,354 | \$ 10,687 |
| Accrued expenses | 17,933 | 16,280 |
| Current portion of debt and capital lease obligations | 583 | 638 |
| Total current liabilities | <u>33,870</u> | <u>27,605</u> |
| Debt and capital lease obligations, less current portion | 50,611 | 50,883 |
| Other long-term liabilities | 7,782 | 8,106 |
| Deferred income taxes | 7,980 | 6,116 |
| Shareholders' equity: | | |
| Common stock | 294 | 290 |
| Additional paid-in capital | 35,231 | 24,300 |
| Retained earnings | 247,211 | 231,496 |
| Total shareholders' equity | <u>282,736</u> | <u>256,086</u> |
| Total liabilities and shareholders' equity | <u><u>\$ 382,979</u></u> | <u><u>\$ 348,796</u></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)

| | Three months ended | |
|--|---------------------------|-----------------|
| | June 30, | June 30, |
| | 2011 | 2010 |
| Operating activities: | | |
| Net income | \$ 11,969 | \$ 7,912 |
| Adjustments to reconcile net income to net cash provided by operating activities | | |
| Depreciation and amortization | 5,222 | 5,107 |
| Share-based compensation | 1,512 | 1,618 |
| Gain on disposal of property and equipment | (21) | (8) |
| Provision for loss on receivables | 22 | 134 |
| Provision for revenue adjustments | 449 | 414 |
| Deferred income taxes | 1,919 | (791) |
| Tax benefit for stock options exercised | (131) | (5) |
| Changes in operating assets and liabilities | | |
| Accounts receivable | (1,863) | (5,664) |
| Prepaid expenses and other current assets | (864) | (2,400) |
| Accounts payable and accrued expenses | (874) | 2,402 |
| Net cash provided by operating activities | 17,340 | 8,719 |
| Investing activities: | | |
| Proceeds from disposal of property and equipment | 388 | 22 |
| Purchases of property and equipment | (8,112) | (3,313) |
| Other | (7) | (69) |
| Net cash used in investing activities | (7,731) | (3,360) |
| Financing activities: | | |
| Payments of debt and capital lease obligations | (157) | (229) |
| Proceeds from exercise of stock options | 2,793 | 106 |
| Payments of cash dividends | (2,066) | (2,028) |
| Common stock issued under employee stock purchase plan | 128 | 91 |
| Tax benefit for stock options exercised | 131 | 5 |
| Net cash provided by (used in) financing activities | 829 | (2,055) |
| Net increase in cash | 10,438 | 3,304 |
| Cash at beginning of period | 85,681 | 44,612 |
| Cash at end of period | \$ 96,119 | \$ 47,916 |

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

| | Six Months Ended | |
|--|--------------------------|--------------------------|
| | June 30, 2011 | June 30, 2010 |
| Operating activities: | | |
| Net income | \$ 19,838 | \$ 11,331 |
| Adjustments to reconcile net income to net cash provided by operating activities | | |
| Depreciation and amortization | 10,304 | 10,055 |
| Share-based compensation | 2,955 | 3,381 |
| Gain on disposal of property and equipment | -- | (7) |
| Provision for (recovery) loss on receivables | (28) | 224 |
| Provision for revenue adjustments | 933 | 837 |
| Deferred income taxes | 1,939 | (1,664) |
| Tax benefit for stock options exercised | (219) | (9) |
| Changes in operating assets and liabilities | | |
| Accounts receivable | (7,921) | (8,882) |
| Prepaid expenses and other current assets | (1,745) | (614) |
| Accounts payable and accrued expenses | 6,503 | 4,259 |
| Net cash provided by operating activities | <u>32,559</u> | <u>18,911</u> |
| Investing activities: | | |
| Proceeds from disposal of property and equipment | 667 | 42 |
| Purchases of property and equipment | (15,441) | (8,739) |
| Other | 301 | (30) |
| Net cash used in investing activities | <u>(14,473)</u> | <u>(8,727)</u> |
| Financing activities: | | |
| Payments of debt and capital lease obligations | (328) | (490) |
| Proceeds from exercise of stock options | 7,631 | 144 |
| Payments of cash dividends | (4,121) | (4,057) |
| Common stock issued under employee stock purchase plan | 128 | 91 |
| Tax benefit for stock options exercised | 219 | 9 |
| Net cash provided by (used in) financing activities | <u>3,529</u> | <u>(4,303)</u> |
| Net increase in cash | <u>21,615</u> | <u>5,881</u> |
| Cash at beginning of period | <u>74,504</u> | <u>42,035</u> |
| Cash at end of period | <u>\$ 96,119</u> | <u>\$ 47,916</u> |

Forward Air Corporation
Segment Information
(In millions)
(Unaudited)

| | Three months ended | | | | | |
|--|--------------------|-----------------------|------------------|-----------------------|---------------|-------------------|
| | June 30, 2011 | Percent of Revenue | June 30, 2010 | Percent of Revenue | Change | Percent Change |
| Operating revenue | | | | | | |
| Forward Air | \$ 116.5 | 88.1% | \$ 105.6 | 86.5% | \$ 10.9 | 10.3% |
| FASI | 15.9 | 12.0 | 16.9 | 13.8 | (1.0) | (5.9) |
| Intercompany Eliminations | (0.2) | (0.1) | (0.4) | (0.3) | 0.2 | (50.0) |
| Total | <u>132.2</u> | <u>100.0</u> | <u>122.1</u> | <u>100.0</u> | <u>10.1</u> | <u>8.3</u> |
| Purchased transportation | | | | | | |
| Forward Air | 50.8 | 43.6 | 47.3 | 44.8 | 3.5 | 7.4 |
| FASI | 3.6 | 22.7 | 3.8 | 22.5 | (0.2) | (5.3) |
| Intercompany Eliminations | (0.2) | 100.0 | (0.4) | 100.0 | 0.2 | (50.0) |
| Total | <u>54.2</u> | <u>41.0</u> | <u>50.7</u> | <u>41.5</u> | <u>3.5</u> | <u>6.9</u> |
| Salaries, wages and employee benefits | | | | | | |
| Forward Air | 24.7 | 21.2 | 25.4 | 24.0 | (0.7) | (2.8) |
| FASI | 6.7 | 42.1 | 7.7 | 45.5 | (1.0) | (13.0) |
| Total | <u>31.4</u> | <u>23.7</u> | <u>33.1</u> | <u>27.1</u> | <u>(1.7)</u> | <u>(5.1)</u> |
| Operating leases | | | | | | |
| Forward Air | 5.0 | 4.3 | 4.4 | 4.2 | 0.6 | 13.6 |
| FASI | 1.7 | 10.7 | 1.9 | 11.2 | (0.2) | (10.5) |
| Total | <u>6.7</u> | <u>5.1</u> | <u>6.3</u> | <u>5.2</u> | <u>0.4</u> | <u>6.3</u> |
| Depreciation and amortization | | | | | | |
| Forward Air | 4.1 | 3.5 | 4.1 | 3.9 | - | - |
| FASI | 1.1 | 6.9 | 1.0 | 5.9 | 0.1 | 10.0 |
| Total | <u>5.2</u> | <u>3.9</u> | <u>5.1</u> | <u>4.2</u> | <u>0.1</u> | <u>2.0</u> |
| Insurance and claims | | | | | | |
| Forward Air | 1.5 | 1.3 | 1.6 | 1.5 | (0.1) | (6.3) |
| FASI | 0.4 | 2.5 | 0.5 | 3.0 | (0.1) | (20.0) |
| Total | <u>1.9</u> | <u>1.4</u> | <u>2.1</u> | <u>1.7</u> | <u>(0.2)</u> | <u>(9.5)</u> |
| Fuel expense | | | | | | |
| Forward Air | 1.2 | 1.0 | 0.9 | 0.9 | 0.3 | 33.3 |
| FASI | 1.4 | 8.8 | 1.1 | 6.5 | 0.3 | 27.3 |
| Total | <u>2.6</u> | <u>2.0</u> | <u>2.0</u> | <u>1.6</u> | <u>0.6</u> | <u>30.0</u> |
| Other operating expenses | | | | | | |
| Forward Air | 8.8 | 7.6 | 7.7 | 7.3 | 1.1 | 14.3 |
| FASI | 1.5 | 9.4 | 1.6 | 9.5 | (0.1) | (6.3) |
| Total | <u>10.3</u> | <u>7.8</u> | <u>9.3</u> | <u>7.6</u> | <u>1.0</u> | <u>10.8</u> |
| Income (loss) from operations | | | | | | |
| Forward Air | 20.4 | 17.5 | 14.2 | 13.4 | 6.2 | 43.7 |
| FASI | (0.5) | (3.1) | (0.7) | (4.1) | 0.2 | (28.6) |
| Total | <u>\$ 19.9</u> | <u>15.1%</u> | <u>\$ 13.5</u> | <u>11.1%</u> | <u>\$ 6.4</u> | <u>47.4%</u> |

Forward Air Corporation
Segment Information
(In millions)
(Unaudited)

| | Six months ended | | | | | |
|--|------------------|-----------------------|------------------|-----------------------|----------------|-------------------|
| | June 30, 2011 | Percent of Revenue | June 30, 2010 | Percent of Revenue | Change | Percent Change |
| Operating revenue | | | | | | |
| Forward Air | \$ 221.7 | 87.8% | \$ 196.5 | 85.8% | \$ 25.2 | 12.8% |
| FASI | 31.1 | 12.3 | 33.3 | 14.5 | (2.2) | (6.6) |
| Intercompany Eliminations | (0.4) | (0.1) | (0.7) | (0.3) | 0.3 | (42.9) |
| Total | <u>252.4</u> | <u>100.0</u> | <u>229.1</u> | <u>100.0</u> | <u>23.3</u> | <u>10.2</u> |
| Purchased transportation | | | | | | |
| Forward Air | 97.7 | 44.1 | 88.3 | 44.9 | 9.4 | 10.6 |
| FASI | 7.2 | 23.1 | 7.5 | 22.5 | (0.3) | (4.0) |
| Intercompany Eliminations | (0.4) | 100.0 | (0.6) | 85.7 | 0.2 | (33.3) |
| Total | <u>104.5</u> | <u>41.4</u> | <u>95.2</u> | <u>41.6</u> | <u>9.3</u> | <u>9.8</u> |
| Salaries, wages and employee benefits | | | | | | |
| Forward Air | 48.7 | 22.0 | 48.7 | 24.8 | - | - |
| FASI | 13.3 | 42.8 | 15.1 | 45.4 | (1.8) | (11.9) |
| Total | <u>62.0</u> | <u>24.6</u> | <u>63.8</u> | <u>27.8</u> | <u>(1.8)</u> | <u>(2.8)</u> |
| Operating leases | | | | | | |
| Forward Air | 9.8 | 4.4 | 8.8 | 4.5 | 1.0 | 11.4 |
| FASI | 3.6 | 11.6 | 4.1 | 12.3 | (0.5) | (12.2) |
| Total | <u>13.4</u> | <u>5.3</u> | <u>12.9</u> | <u>5.6</u> | <u>0.5</u> | <u>3.9</u> |
| Depreciation and amortization | | | | | | |
| Forward Air | 8.2 | 3.7 | 8.2 | 4.2 | - | - |
| FASI | 2.1 | 6.7 | 1.9 | 5.7 | 0.2 | 10.5 |
| Total | <u>10.3</u> | <u>4.1</u> | <u>10.1</u> | <u>4.4</u> | <u>0.2</u> | <u>2.0</u> |
| Insurance and claims | | | | | | |
| Forward Air | 3.1 | 1.4 | 3.5 | 1.8 | (0.4) | (11.4) |
| FASI | 0.9 | 2.9 | 0.9 | 2.7 | - | - |
| Total | <u>4.0</u> | <u>1.6</u> | <u>4.4</u> | <u>1.9</u> | <u>(0.4)</u> | <u>(9.1)</u> |
| Fuel expense | | | | | | |
| Forward Air | 2.3 | 1.0 | 1.8 | 0.9 | 0.5 | 27.8 |
| FASI | 2.6 | 8.4 | 2.3 | 6.9 | 0.3 | 13.0 |
| Total | <u>4.9</u> | <u>1.9</u> | <u>4.1</u> | <u>1.8</u> | <u>0.8</u> | <u>19.5</u> |
| Other operating expenses | | | | | | |
| Forward Air | 17.2 | 7.8 | 15.8 | 8.0 | 1.4 | 8.9 |
| FASI | 2.9 | 9.3 | 3.3 | 9.9 | (0.4) | (12.1) |
| Intercompany Eliminations | - | - | (0.1) | 14.3 | 0.1 | (100.0) |
| Total | <u>20.1</u> | <u>8.0</u> | <u>19.0</u> | <u>8.3</u> | <u>1.1</u> | <u>5.8</u> |
| Income (loss) from operations | | | | | | |
| Forward Air | 34.7 | 15.6 | 21.4 | 10.9 | 13.3 | 62.1 |
| FASI | (1.5) | (4.8) | (1.8) | (5.4) | 0.3 | (16.7) |
| Total | <u>\$ 33.2</u> | <u>13.1%</u> | <u>\$ 19.6</u> | <u>8.6%</u> | <u>\$ 13.6</u> | <u>69.4%</u> |

Forward Air Corporation
Forward Air Inc. Operating Statistics

| | Three months ended | | |
|---------------------------------------|--------------------|------------------|-------------------|
| | June 30, 2011 | June 30, 2010 | Percent Change |
| Operating ratio | 82.5% | 86.6% | (4.7)% |
| Business days | 64.0 | 64.0 | - |
| Business weeks | 12.8 | 12.8 | - |
| Airport-to-airport: | | | |
| Tonnage | | | |
| Total pounds ¹ | 438,208 | 423,965 | 3.4 |
| Average weekly pounds ¹ | 34,235 | 33,122 | 3.4 |
| Linehaul shipments | | | |
| Total linehaul | 596,592 | 575,466 | 3.7 |
| Average weekly | 46,609 | 44,958 | 3.7 |
| Forward Air Complete shipments | 89,710 | 78,496 | 14.3 |
| As a percentage of linehaul shipments | 15.0% | 13.6% | 10.3 |
| Average linehaul shipment size | 735 | 737 | (0.3) |
| Revenue per pound ² | | | |
| Linehaul yield | \$ 16.74 | \$ 16.26 | 2.5 |
| Fuel surcharge impact | 1.94 | 1.24 | 3.6 |
| Forward Air Complete impact | 2.22 | 1.80 | 2.2 |
| Total airport-to-airport yield | <u>\$ 20.90</u> | <u>\$ 19.30</u> | <u>8.3</u> |
| Logistics: | | | |
| Miles | | | |
| Owner operator ¹ | 7,567 | 7,006 | 8.0 |
| Third party ¹ | 3,113 | 3,377 | (7.8) |
| Total Miles | <u>10,680</u> | <u>10,383</u> | <u>2.9</u> |
| Revenue per mile | \$ 1.69 | \$ 1.67 | 1.2 |
| Cost per mile | \$ 1.25 | \$ 1.26 | (0.8)% |

¹ - In thousands

² - In cents per pound; percentage change is expressed as a percent of total yield.

Forward Air Corporation
Forward Air Inc. Operating Statistics

| | Six months ended | | |
|---------------------------------------|------------------|------------------|-------------------|
| | June 30, 2011 | June 30, 2010 | Percent Change |
| Operating ratio | 84.4% | 89.1% | (5.3)% |
| Business days | 128.0 | 127.0 | 0.8 |
| Business weeks | 25.6 | 25.4 | 0.8 |
| Airport-to-airport: | | | |
| Tonnage | | | |
| Total pounds ¹ | 838,766 | 802,590 | 4.5 |
| Average weekly pounds ¹ | 32,764 | 31,598 | 3.7 |
| Linehaul shipments | | | |
| Total linehaul | 1,169,048 | 1,121,809 | 4.2 |
| Average weekly | 45,666 | 44,166 | 3.4 |
| Forward Air Complete shipments | 172,716 | 147,602 | 17.0 |
| As a percentage of linehaul shipments | 14.8% | 13.2% | 12.1 |
| Average linehaul shipment size | 717 | 715 | 0.3 |
| Revenue per pound ² | | | |
| Linehaul yield | \$ 16.72 | \$ 16.10 | 3.2 |
| Fuel surcharge impact | 1.81 | 1.17 | 3.4 |
| Forward Air Complete impact | 2.20 | 1.77 | 2.3 |
| Total airport-to-airport yield | <u>\$ 20.73</u> | <u>\$ 19.04</u> | <u>8.9</u> |
| Logistics: | | | |
| Miles | | | |
| Owner operator ¹ | 14,547 | 12,943 | 12.4 |
| Third party ¹ | 6,372 | 6,114 | 4.2 |
| Total Miles | <u>20,919</u> | <u>19,057</u> | <u>9.8</u> |
| Revenue per mile | \$ 1.65 | \$ 1.64 | 0.6 |
| Cost per mile | \$ 1.25 | \$ 1.25 | -% |

¹ - In thousands

² - In cents per pound; percentage change is expressed as a percent of total yield.

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
Rodney L. Bell, 423-636-7000
rbell@forwardair.com