

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended June 30, 1998
Commission File No. 000-22490

LANDAIR SERVICES, INC.
(Exact name of registrant as specified in its charter)

TENNESSEE 62-1120025
(State or other jurisdiction of (I.R.S. Employer Identification No.)
incorporation or organization)

430 AIRPORT ROAD 37745
GREENEVILLE, TENNESSEE (Zip Code)
(Address of principal executive offices)

Registrant's telephone number, including area code: (423) 636-7000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

The number of shares outstanding of the registrant's common stock, \$.01 par value, as of August 10, 1998 was 6,196,006.

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LANDAIR SERVICES, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

Landair Services, Inc.
Condensed Consolidated Balance Sheets

<TABLE>
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	June 30, 1998	December 31, 1997
	(Unaudited)	(Note)
	(In thousands, except share data)	
	<C>	<C>
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ASSETS		
Current assets:		
Cash and cash equivalents	\$ 900	\$ 895
Accounts receivable, less allowance of \$963 in 1998 and \$753 in 1997	17,602	17,671
Other current assets	1,869	1,752

Total current assets	20,371	20,318
Property and equipment	23,136	19,540
Less accumulated depreciation and amortization	4,972	3,755

	18,164	15,785
Other assets	3,401	3,290
Deferred income taxes	--	572
Assets of discontinued operations	98,356	97,208

Total assets	\$140,292	\$137,173
=====		

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$ 244	\$ 72
Accrued expenses	2,092	1,691
Current portion of long-term debt	1,989	625

Current portion of capital lease obligations	769	974
Due to Truckload subsidiaries	12,393	17,447

Total current liabilities	17,487	20,809
Long-term debt, less current portion	3,319	3,508
Capital lease obligations, less current portion	4,472	4,746
Deferred income taxes	608	--
Liabilities of discontinued operations	57,833	57,650
Shareholders' equity:		
Preferred stock	--	--
Common stock, \$.01 par value:		
Authorized shares - 20,000,000		
Issued and outstanding shares - 6,194,693 in 1998		
and 6,024,388 in 1997	62	60
Additional paid-in capital	28,218	26,804
Retained earnings	28,293	23,596

Total shareholders' equity	56,573	50,460

Total liabilities and shareholders' equity	\$140,292	\$137,173
	=====	=====

</TABLE>

Note: The balance sheet at December 31, 1997 has been derived from the audited financial statements at that date, but does not include all of the financial information and footnotes required by generally accepted accounting principles for complete financial statements.

See notes to condensed consolidated financial statements.

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Landair Services, Inc.

Condensed Consolidated Statements of Income
(Unaudited)

<TABLE>
<CAPTION>

	Three months ended		Six months ended	
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
	-----	-----	-----	-----
	(In thousands, except per share data)			
<S>	<C>	<C>	<C>	<C>
Operating revenue	\$ 30,739	\$ 24,845	\$ 59,589	\$ 46,456
Operating expenses:				
Purchased transportation:				
Provided by Truckload	1,036	1,423	2,354	2,575
Provided by others	12,383	9,318	23,439	18,007
Salaries, wages and employee benefits	7,076	5,598	14,172	10,740
Operating leases	1,528	1,372	3,068	2,721
Insurance and claims	780	762	1,660	1,432
Depreciation and amortization	1,030	648	1,984	1,206
Other operating expenses	3,197	2,534	6,418	4,819
	-----	-----	-----	-----
	27,030	21,655	53,095	41,500
	-----	-----	-----	-----
Income from operations	3,709	3,190	6,494	4,956
Other income (expense):				
Interest expense	(215)	(200)	(425)	(407)
Other, net	1	(55)	11	(58)
	-----	-----	-----	-----

	(214)	(255)	(414)	(465)
Income from continuing operations				
before income taxes	3,495	2,935	6,080	4,491
Income taxes	1,328	1,162	2,348	1,754
Income from continuing operations	2,167	1,773	3,732	2,737
Discontinued operations:				
Income (loss) from operations (less income taxes (benefit) of \$409, \$81, \$850 and \$(11), respectively)	669	171	1,345	(23)
Loss on spin-off (less income taxes of \$380, \$--, \$380 and \$--, respectively)	(380)	--	(380)	--
	289	171	965	(23)
Net income	\$ 2,456	\$ 1,944	\$ 4,697	\$ 2,714
Income per share:				
Basic				
Income from continuing operations	\$.35	\$.30	\$.61	\$.46
Income (loss) from discontinued operations	.05	.03	.16	--
Net income	\$.40	\$.33	\$.77	\$.46
Diluted				
Income from continuing operations	\$.34	\$.29	\$.58	\$.45
Income (loss) from discontinued operations	.04	.03	.15	--
Net income	\$.38	\$.32	\$.73	\$.45

</TABLE>

See notes to condensed consolidated financial statements.

Landair Services, Inc.

Condensed Consolidated Statements of Cash Flows
(Unaudited)

<TABLE>
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	Six months ended	
	June 30, 1998	June 30, 1997
	(In thousands)	
<S>	<C>	<C>
Cash provided by operations	\$ 1,598	\$ 1,832
Investing activities:		
Proceeds from disposal of property and equipment	15	--
Purchases of property and equipment	(3,609)	(2,268)
Other	(111)	(25)
	(3,705)	(2,293)
Financing activities:		
Proceeds from long-term debt	2,394	1,117
Payments of long-term debt	(1,219)	--
Payments of capital lease obligations	(479)	(798)
Common Stock issued under employee stock purchase plan	70	55

Proceeds from exercise of stock options	1,346	--
	-----	-----
	2,112	374
	-----	-----
Increase (decrease) in cash and cash equivalents	\$ 5	\$ (87)
	=====	=====

</TABLE>

See notes to condensed consolidated financial statements.

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Landair Services, Inc.

Notes to Condensed Consolidated Financial Statements
(Unaudited)
June 30, 1998

1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended June 30, 1998 are not necessarily indicative of the results that may be expected for the year ending December 31, 1998. For further information, refer to the consolidated financial statements and footnotes thereto included in the Landair Services, Inc. annual report on Form 10-K for the year ended December 31, 1997.

2. ACCOUNTING PRONOUNCEMENT

As of January 1, 1998, the Company adopted Statement No. 130, Reporting Comprehensive Income. Statement No. 130 establishes standards for the reporting and display of comprehensive income and its components; however, the adoption of this Statement had no impact on the Company's net income or shareholders' equity. The Company has no items of other comprehensive income to be reported under the provisions of Statement No. 130.

3. DISCONTINUED OPERATIONS

The accompanying condensed consolidated financial statements include Landair Services, Inc. and its subsidiaries. On July 9, 1998 (the "Measurement Date"), the Board of Directors of the Company authorized the separation of the Company into two publicly-held corporations, one owning and operating the deferred air freight operations and the other owning and operating the Truckload operations (the "Distribution"). The consummation of the Distribution is subject to the satisfaction of a number of conditions. Management anticipates the Distribution will be completed in September 1998.

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Landair Services, Inc.

3. DISCONTINUED OPERATIONS (CONTINUED)

The Distribution will be effected through the distribution to shareholders of the Company of all the outstanding shares of common stock of a new truckload holding company, Landair Corporation. Landair Corporation will be the legal entity that will own and operate the Truckload operations. Pursuant to the Distribution, the common stock of Landair Corporation will be distributed to the shareholders of the Company on a pro rata basis of one share of Landair Corporation common stock for every one share of the Company common stock held. Subsequent to the Distribution, the Company will be the legal entity that will own and operate the deferred air freight operations through its operating subsidiaries. Additionally, subject to shareholder approval, the name Landair Services, Inc. will be changed to Forward Air Corporation. As a result of the planned Distribution, the results of operations and cash flows of the Truckload operations have been reported as discontinued operations for all periods presented in the accompanying condensed consolidated financial statements.

As used in the accompanying condensed consolidated financial statements, the term "Forward Air" refers to the deferred air freight operations; the term "Truckload" refers to the truckload operations; and the term "the Company" refers to the entity which, prior to the Distribution, operates both the deferred air freight and truckload groups and which, after the Distribution, will operate the deferred air freight group.

Summarized financial information of the discontinued Truckload operations is presented in the following tables:

Net assets of the discontinued Truckload operations, as of June 30, 1998, are as follows (in thousands):

<TABLE>

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Current assets	\$ 30,261
Property and equipment, net	68,062
Other assets	33

Assets of discontinued operations	98,356

Current liabilities	(30,080)
Long-term debt and capital lease obligations	(14,807)
Deferred income taxes	(12,946)

Liabilities of discontinued operations	(57,833)

Net assets of discontinued Truckload operations	\$ 40,523
	=====

</TABLE>

Landair Services, Inc.

Notes to Condensed Consolidated Financial Statements

3. DISCONTINUED OPERATIONS (CONTINUED)

Income (loss) from discontinued Truckload operations for the three and six month periods ended June 30, 1998 and 1997 are as follows (in thousands):

<TABLE>

<CAPTION>

Three months ended	Six months ended
-----	-----

	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
<S>	<C>	<C>	<C>	<C>
Operating revenue	\$ 26,220	\$ 22,080	\$ 51,543	\$ 42,625
Operating expenses	24,705	21,265	48,450	41,655
Income from operations	1,515	815	3,093	970
Interest expense	(457)	(459)	(924)	(933)
Other, net	20	(104)	26	(71)
Income (loss) before income taxes	1,078	252	2,195	(34)
Income taxes (benefit)	409	81	850	(11)
Income (loss) from discontinued Truckload operations	\$ 669	\$ 171	\$ 1,345	\$ (23)

</TABLE>

The loss on spin-off of discontinued operations in the amount of \$380,000 recorded in the three and six month periods ended June 30, 1998, represents the cost of separating the two businesses which includes direct costs such as professional fees and other costs of establishing Landair Corporation as a separate public company net of the estimated income before income taxes of the Truckload operations through the planned spin-off date. It is expected that the spin-off will be completed in September 1998.

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Landair Services, Inc.

Notes to Consolidated Financial Statements (continued)

4. NET INCOME PER SHARE

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share data):

<TABLE>
<CAPTION>

	Three months ended		Six months ended	
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
<S>	<C>	<C>	<C>	<C>
Numerator:				
Numerator for basic and diluted income per share:				
Income from continuing operations		\$ 2,167	\$ 1,773	\$ 3,732
Income (loss) from discontinued operations		289	171	965
Net income	\$ 2,456	\$ 1,944	\$ 4,697	\$ 2,714
Denominator:				
Denominator for basic income per share-				
weighted-average shares		6,177	5,953	6,127
Effect of dilutive stock options		282	137	293
Denominator for diluted income per share-		6,459	6,090	6,420
adjusted weighted-average shares				6,072
Income per share - basic:				
Income from continuing operations		\$.35	\$.30	\$.61
Income (loss) from discontinued operations		.05	.03	.16

Net income	\$.40	\$.33	\$.77	\$.46
Income per share - diluted:				
Income from continuing operations		\$.34	\$.29	\$.58
Income (loss) from discontinued operations		.04	.03	.15
Net income	\$.38	\$.32	\$.73	\$.45
Securities that could potentially dilute basic income per share in the future that were not included in the computation of diluted income per share because to do so would have been antidilutive for the periods presented	--	461	--	461

</TABLE>

5. INCOME TAXES

For the three and six months ended June 30, 1998 and 1997, the effective income tax rate varied from the statutory federal income tax rate of 34% primarily as a result of the effect of state income taxes, net of the federal benefit, and permanent differences.

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Landair Services, Inc.

Notes to Condensed Consolidated Financial Statements (continued)
(Unaudited)

6. CONTINGENCIES

The Company is, from time to time, a party to litigation arising in the normal course of its business, most of which involve claims for personal injury and property damage incurred in connection with the transportation of freight. Management believes none of these actions, individually or in the aggregate, will have a material adverse effect on the financial condition or results of operations of the Company.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

On July 9, 1998, the Board of Directors of the Company authorized the separation of the Company into two publicly-held corporations, one owning and operating the deferred air freight operations and the other owning and operating the Truckload operations. The consummation of the Distribution is subject to the satisfaction of a number of conditions. Management anticipates the Distribution will be completed in September 1998.

The Distribution will be effected through the distribution to shareholders of the Company of all the outstanding shares of common stock of a new truckload holding company, Landair Corporation. Landair Corporation will be the legal entity that will own and operate the Truckload operations. Pursuant to the Distribution, the common stock of Landair Corporation will be distributed to the

shareholders of the Company on a pro rata basis of one share of Landair Corporation common stock for every one share of the Company common stock held. Subsequent to the Distribution, the Company will be the legal entity that will own and operate the deferred air freight operations through its operating subsidiaries. Additionally, subject to shareholder approval, the name Landair Services, Inc. will be changed to Forward Air Corporation. As a result of the planned Distribution, the results of operations and cash flows of the Truckload operations have been reported as discontinued operations for all periods presented in the accompanying condensed consolidated financial statements. The following does not include a discussion and analysis of the discontinued Truckload operations.

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The following table sets forth the percentage relationship of expense items to operating revenue from continuing operations for the periods indicated.

<TABLE>
<CAPTION>

	Three months ended		Six months ended		
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997	
	<C>	<C>	<C>	<C>	
Operating revenue	100.0%		100.0%	100.0%	100.0%
Operating expenses:					
Purchased transportation	43.7	43.7	43.3	43.3	44.3
Salaries, wages and employee benefits	23.0	22.5	23.8	23.1	
Depreciation and amortization	3.4	3.4	2.6	3.3	2.6
Insurance and claims	2.5	3.1	2.8	3.1	
Operating leases	5.0	5.5	5.1	5.9	
Other operating expenses	10.3	10.3	10.2	10.8	10.3
	87.9	87.2	89.1	89.3	
Income from operations	12.1	12.1	12.8	10.9	10.7
Other income (expense):					
Interest expense	(0.7)	(0.8)	(0.7)	(0.9)	
Other, net	--	(0.2)	--	(0.1)	
	(0.7)	(1.0)	(0.7)	(1.0)	
Income before income taxes	11.4	11.4	11.8	10.2	9.7
Income taxes	4.4	4.7	3.9	3.8	
Income from continuing operations	7.0	7.0	7.1	6.3	5.9
Discontinued operations:					
Income (loss) from operations	2.2	2.2	0.7	2.3	(0.1)
Loss on spin-off	(1.2)	--	(0.7)	--	
Net income	8.0%	7.8%	7.9%	5.8%	

</TABLE>

Results of Operations

Operating revenue increased 23.7% in the second quarter of 1998 to \$30.7 million, up \$5.9 million over the second quarter of 1997. For the first six months of 1998 operating revenue increased by \$13.1 million, or 28.2% to \$59.6 million from \$46.5 million for the same period of time in 1997. The operating revenue increases during the second quarter and first half of 1998 resulted primarily from increased volume from domestic and international air cargo customers, increased operating terminals and direct shuttles, and enhanced logistics services. The operating revenue increases in 1998 are also partially

attributed to the acquisition on October 27, 1997 of the air cargo operating assets of Adams Air Cargo, Inc.

Purchased transportation was 43.7% and 43.3% of operating revenue for the three months and six months ended June 30, 1998, respectively, compared to 43.3% and 44.3% for the same periods in 1997. The decrease in purchased transportation as a percentage of operating revenue for the first half of 1998 was primarily attributable to operating efficiencies resulting from

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increased volume of freight through the Forward Air network coupled with an increase in logistics services revenue which does not involve the transportation of freight.

Salaries, wages and employee benefits were 23.0% and 23.8% of operating revenue for the three months and six months ended June 30, 1998, respectively, compared to 22.5% and 23.1% for the same periods in 1997. The increase in salaries, wages and employee benefits as a percentage of operating revenue between periods was due primarily to additional cargo handling wages and supervisory salaries required to operate Company-operated terminals that were added since the preceding period. The increase was also partially attributed to an increase in labor associated with logistics services revenue as the Company continues to expand in this area.

Depreciation and amortization expense was 3.4% and 3.3% of operating revenue for the three months and six months ended June 30, 1998, respectively, compared to 2.6% for each of the same periods ended in 1997. The increase in depreciation and amortization expense as a percentage of operating revenue is attributed to the implementation of the Company's integrated freight order entry, tracking and billing information system during the second half of 1997 coupled with additional operating equipment required to operate Company-operated terminals that were added from the preceding period.

Insurance and claims were 2.5% and 2.8% of operating revenue for the three months and six months ended June 30, 1998, respectively, compared to 3.1% for each of the same periods in 1997. The decrease in insurance and claims as a percentage of operating revenue is due primarily to a decrease in the frequency and severity of accidents and lower premium costs.

Operating leases, the largest component of which is terminal rent, were 5.0% and 5.1% of operating revenue for the three months and six months ended June 30, 1998, respectively, compared to 5.5% and 5.9% for the same periods in 1997. The decrease in operating leases as a percentage of operating revenue between periods is attributed to greater operating revenue through the Forward Air network and the growth of logistics services revenue.

Other operating expenses were 10.3% and 10.8% of operating revenue for the three months and six months ended June 30, 1998, respectively, compared to 10.2% and 10.3% for the same periods in 1997. The increase in other operating expenses as a percentage of operating revenue between periods is primarily attributed to higher equipment maintenance and fuel costs associated with Company-operated transportation equipment acquired in the acquisition on October 27, 1997 of the air cargo operating assets of Adams Air Cargo, Inc. which were partially offset by a lower operating cost structure due to increased operating revenue and a reduction in commissions paid to agent terminals.

Interest expense was \$215,000 and \$425,000 for the three months and six months ended June 30, 1998, respectively, compared to \$200,000 and \$407,000 for the same periods in 1997.

The combined federal and state effective tax rate for the three months and six months ended June 30, 1998 was 38.0% and 38.6%, respectively, compared to a rate of 39.6% and 39.1% for the same periods in 1997.

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As a result of the foregoing factors, income from continuing operations for the three months and six months ended June 30, 1998 was \$2.2 million and \$3.7 million, respectively, compared to \$1.8 million and \$2.7 million for the same periods in 1997.

Liquidity and Sources of Capital

Cash flows from operations were \$1.6 million for the first six months of 1998 compared with \$1.8 million in the same period of 1997. The \$234,000 decrease in cash flows from operations was a result of increases in working capital accounts.

The Company's Truckload operations have historically contributed a significant portion of the Company's total revenue and operating income. Although the cash generated by the Truckload operations will no longer be available to the Company after the Distribution, the Distribution is not expected to adversely affect the Company's ability to conduct and expand its operations. Management believes available borrowing under existing lines of credit, future borrowing under installment notes for revenue equipment, and cash generated by operations will be sufficient to fund the Company's cash needs and anticipated capital expenditures over the near term.

In preparation for the Distribution, the Company is negotiating with its present lenders to obtain separate credit facilities for each of the Company and Landair Corporation. In addition, the Company expects to eliminate guarantees of indebtedness and cross-collateralization between the Company and Landair Corporation. The Company's proposed new credit facilities are to include a working capital line of credit and an equipment financing facility. These credit facilities are expected to permit the Company to borrow up to \$20 million under the working capital line of credit and \$15 million under the equipment financing facility. Interest rates for advances under the facilities will vary based on covenants related to total indebtedness, cash flows, results of operations and other ratios. The facilities will bear interest at LIBOR plus 1.0% to 2.5%, expire in August 2000, and will be secured by accounts receivable and certain revenue equipment. Availability under the proposed line of credit is expected to be reduced by the amount of outstanding letters of credit. Among other restrictions, the terms of the proposed line of credit are expected to require maintenance of certain levels of net worth and other financial ratios.

Forward-Looking Statements

The Company, or its executive officers and directors on behalf of the Company, may from time to time make written or oral "forward-looking statements." Written forward-looking statements may appear in documents filed with the Securities and Exchange Commission, in press releases and in reports to shareholders. Oral forward-looking statements may be made by the Company's executive officers and directors on behalf of the Company to the press, potential investors, securities analysts and others. The Private Securities Litigation Reform Act of 1995 contains a safe harbor for forward-looking statements. The Company relies on this safe harbor in making such disclosures. In connection with this safe harbor provision, the Company is hereby identifying important factors that could cause actual results to differ materially from those contained in any forward-looking statement made by or on behalf of the Company. Without

limitation, factors that might cause such a difference include economic factors such as recessions, inflation, higher interest rates and downturns in customer business cycles, the Company's inability to maintain its historical growth rate due to a decreased volume of freight moving through the Company's network, competition, surplus inventories, loss of a major customer, the Company's lack of prior operating history as an entity independent of the Truckload operations, the ability of the Company's information systems to handle increased volume of freight moving through its network, and the availability and compensation of

qualified independent owner-operators to serve the Company's transportation needs. The Company disclaims any intent or obligation to update these forward-looking statements.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is, from time to time, a party to litigation arising in the normal course of its business, most of which involve claims for personal injury and property damage incurred in connection with the transportation of freight. Management believes that none of these actions, individually or in the aggregate, will have a material adverse effect on the financial condition or results of operations of the Company.

ITEM 2. CHANGES IN SECURITIES

Not Applicable

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable

ITEM 5. OTHER INFORMATION

Not Applicable

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

The following exhibits are included herein:

- (a) Exhibits - The response to this portion of Item 6 is submitted as a separate section of this report.
- (b) Reports on Form 8-K - The Company did not file any reports on Form 8-K during the three months ended June 30, 1998.

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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 thereunto duly authorized.

Landair Services, Inc.

Date: August 12, 1998

By: /s/ Edward W. Cook

Edward W. Cook
Chief Financial Officer
and Senior Vice President

<TABLE> <S> <C>

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF LANDAIR SERVICES, INC. FOR THE SIX MONTHS ENDED JUNE 30, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<CIK> 0000912728

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<CURRENCY> U.S. DOLLARS

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF LANDAIR SERVICES, INC. FOR THE YEAR ENDED DECEMBER 31, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<MULTIPLIER> 1,000

<CURRENCY> U.S. DOLLARS

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<COMMON>	60
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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF LANDAIR SERVICES, INC. FOR THE THREE MONTHS ENDED MARCH 31, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<CIK> 0000912728

<NAME> LANDAIR SERVICES, INC.

<MULTIPLIER> 1,000

<CURRENCY> U.S. DOLLARS

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF LANDAIR SERVICES, INC. FOR THE SIX MONTHS ENDED JUNE 30, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<CIK> 0000912728

<NAME> LANDAIR SERVICES, INC.

<MULTIPLIER> 1,000

<CURRENCY> U.S. DOLLARS

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF LANDAIR SERVICES, INC. FOR THE YEAR ENDED DECEMBER 31, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<CIK> 0000912728

<NAME> LANDAIR SERVICES, INC.

<MULTIPLIER> 1,000

<CURRENCY> U.S. DOLLARS

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF LANDAIR SERVICES, INC. FOR THE THREE MONTHS ENDED MARCH 31, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<CIK> 0000912728

<NAME> LANDAIR SERVICES, INC.

<MULTIPLIER> 1,000

<CURRENCY> U.S. DOLLARS

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<TOTAL-COSTS>	26,065
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