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 March 31, 2005
Commission File No. 000-22490

FORWARD AIR CORPORATION
(Exact name of registrant as specified in its charter)

Tennessee	**62-1120025**
(State or other jurisdiction of incorporation or organization)	(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**

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

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

YES |X| NO

The number of shares outstanding of the registrant's common stock, $.01 par value, as of May 4, 2005 was 32,316,060.

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Forward Air Corporation

Part I. Financial Information

Item 1. Financial Statements (Unaudited)

Forward Air Corporation

Condensed Consolidated Balance Sheets

	March 31, 2005	December 31, 2004
	(Unaudited)	(Note 1)
	(In thousands, except share data)	
Assets		
Current assets:		
Cash	$ 5,012	$ 78
Short-term investments	111,850	111,600
Accounts receivable, less allowance of $901 in 2005 and $1,072 in 2004	35,685	38,334
Other current assets	7,143	9,410
Total current assets	159,690	159,422
Property and equipment	81,071	81,225
Less accumulated depreciation and amortization	45,583	43,939
Total 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:		
Accounts payable	$ 5,338	$ 10,026
Accrued expenses	12,760	15,592
Current portion of capital lease obligations	41	39
Total current liabilities	18,139	25,657
Capital lease obligations, less current portion	858	867
Deferred income taxes	6,925	7,026
Shareholders' equity:		
Preferred stock	—	—
Common stock, $.01 par value:		
Authorized shares - 50,000,000		
Issued and outstanding shares – 32,317,617 in 2005 and 32,397,747 in 2004	323	324
Additional paid-in capital	33,700	36,279
Accumulated other comprehensive income	1	4
Retained earnings	153,089	144,396
Total shareholders' equity	187,113	181,003
Total liabilities and shareholders' equity	$213,035	$214,553

The accompanying notes are an integral part of the financial statements.

Forward Air Corporation

Condensed Consolidated Statements of Income
(Unaudited)

	Three months ended	
	March 31, 2005	**March 31, 2004**
	(In thousands, except per share data)	
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 (expense):		
Interest expense	(14)	(14)
Other, net	532	177
Total other income	518	163
Income before income taxes	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
Dividends declared per share	$ 0.06	$ —

The accompanying notes are an integral part of the financial statements.

Forward Air Corporation

Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three months ended	
	March 31, 2005	March 31, 2004
	(In thousands)	
Operating activities:		
Net income	$ 8,693	$ 6,808
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,853	1,699
Other non-cash charges	274	—
Gain on sale of property and equipment	—	(7)
Provision for loss on receivables	186	183
Provision for revenue adjustments	(15)	—
Deferred income taxes	(264)	818
Changes in operating assets and liabilities:		
Accounts receivable	2,478	(1,194)
Inventories	(28)	9
Prepaid expenses and other current assets	380	520
Accounts payable and accrued expenses	(7,520)	640
Income taxes	2,078	20
Tax benefit of stock options exercised	235	59
Net cash provided by operating activities	8,350	9,555
Investing activities:		
Proceeds from disposal of property and equipment	—	9
Purchases of property and equipment	(55)	(2,958)
Proceeds from sales or maturities of available-for-sale securities	9,112	72,860
Purchases of available-for-sale securities	(9,362)	(83,488)
Other	(15)	(58)
Net cash used in investing activities	(320)	(13,635)
Financing activities:		
Payments of capital lease obligations	(7)	(8)
Proceeds from exercise of stock options	1,020	633
Repurchase of common stock	(4,109)	(363)
Net cash provided by (used in) financing activities	(3,096)	262
Net increase (decrease) in cash	4,934	(3,818)
Cash at beginning of period	78	16,362
Cash at end of period	$ 5,012	$ 12,544

The accompanying notes are an integral part of the financial statements.

Forward Air Corporation

Notes to Condensed Consolidated Financial Statements
(Unaudited)
March 31, 2005

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with United States 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 United States 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-month period ended March 31, 2005 are not necessarily indicative of the results that may be expected for the year ending December 31, 2005. For further information, refer to the consolidated financial statements and footnotes thereto included in the Forward Air Corporation Annual Report on Form 10-K for the year ended December 31, 2004.

The balance sheet at December 31, 2004 has been derived from the audited financial statements at that date, but does not include all of the financial information and footnotes required by United States generally accepted accounting principles for complete financial statements.

2. Investments

The Company had a total of $111.9 and $111.6 million in available-for-sale securities as of March 31, 2005 and December 31, 2004, respectively. In the 2004 quarterly reporting, the Company had considered its municipal bonds with the option to go to auction every 7-35 days ("auction rate securities") as cash and cash equivalents. Since the stated maturities on the auction rate securities were in excess of three months from the time of purchase, the auction rate securities meet the Company's policy for classification as available-for-sale securities. Securities are classified as available for sale when the Company does not intend to hold the securities to maturity nor regularly trade the securities. There was a reclassification of $7.6 million from net increase in cash and cash equivalents to net cash used in investing activities related to the purchases and sales of available-for-sale securities for the three months ended March 31, 2004 in the condensed consolidated statements of cash flows.

3. Comprehensive Income

Comprehensive income includes any changes in the equity of the Company from transactions and other events and circumstances from non-owner sources. Comprehensive income for the three months ended March 31, 2005 and 2004 was $8.7 million and $6.8 million, respectively, which includes $3,000 and $-0- in unrealized losses, respectively, on available-for-sale securities.

4. Employee Stock Options

The Company grants options for a fixed number of shares to employees with an exercise price equal to the fair value of the shares at the grant date. The Company accounts for employee stock option grants using the intrinsic value method in accordance with Accounting Principles Board ("APB") Opinion No. 25, *Accounting for Stock Issued to Employees*, and, accordingly, recognizes no compensation expense for the stock option grants. The Company follows the disclosure option of Statement of Financial Accounting Standards ("SFAS") No. 123, *Accounting for Stock Based Compensation*, as amended by SFAS No. 148, *Accounting for Stock-Based Compensation-Transition and Disclosure*, which requires that the information be disclosed as if the Company accounted for its stock options granted subsequent to December 31, 1994 under the fair value method.

4. Employee Stock Options (continued)

For purposes of pro forma disclosures, the estimated fair value of the stock options is amortized to expense over the options' vesting period. The Company's pro forma information follows (in thousands, except per share data):

	Three months ended	
	March 31, 2005	**March 31, 2004**
Net income, as reported	$ 8,693	$ 6,808
Pro forma compensation expense, net of tax	807	657
Pro forma net income	$ 7,886	$ 6,151
As reported net income per share:		
Basic	$ 0.27	$ 0.21
Diluted	$ 0.27	$ 0.21
Pro forma net income per share:		
Basic	$ 0.24	$ 0.19
Diluted	$ 0.24	$ 0.19

5. Net Income Per Share

On February 15, 2005, the Company's Board of Directors declared a three-for-two stock split of common stock to be effected in the form of a stock dividend to shareholders of record as of March 18, 2005. Common stock issued and additional paid-in capital have been restated to reflect the split for all periods presented. All common share and per share data included in the condensed consolidated financial statements and notes thereto have been restated to give effect to the stock split.

On February 15, 2005, the Company's Board of Directors declared a cash dividend of $0.06 per share on the 32.3 million shares of common stock then outstanding to shareholders of record on April 4, 2005. The Company expects to continue to pay regular quarterly cash dividends, though each subsequent quarterly dividend is subject to review and approval by the Board of Directors.

5. Net Income Per Share (continued)

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

	Three months ended	
	March 31, 2005	March 31, 2004
Numerator:		
Numerator for basic and diluted income per share - net income	$ 8,693	$ 6,808
Denominator:		
Denominator for basic income per share - weighted-average shares	32,293	32,265
Effect of dilutive stock options	436	557
Denominator for diluted income per share - adjusted weighted-average shares	32,729	32,822
Basic income per share	$ 0.27	$ 0.21
Diluted income per share	$ 0.27	$ 0.21

6. Income Taxes

For the three months ended March 31, 2005 and March 31, 2004, the effective income tax rates varied from the statutory federal income tax rate of 35.0% primarily as a result of the effect of state income taxes, net of the federal benefit, and permanent differences between book and tax net income.

7. Commitments and Contingencies

The primary claims in the Company's business are workers' compensation, property damage, vehicle liability and medical benefits. Most of the Company's insurance coverage provides for self-insurance levels with primary and excess coverage which management believes is sufficient to adequately protect the Company from catastrophic claims. In the opinion of management, adequate provision has been made for all incurred claims up to the self-insured limits, including provision for estimated claims incurred but not reported.

The Company estimates its self-insurance loss exposure by evaluating the merits and circumstances surrounding individual known claims, and by performing hindsight analysis to determine an estimate of probable losses on claims incurred but not reported. Such losses could be realized immediately as the events underlying the claims have already occurred as of the balance sheet dates.

Because of the uncertainty of the ultimate resolution of outstanding claims, as well as uncertainty regarding claims incurred but not reported, it is possible that management's provision for these losses could change materially in the near term. However, no estimate can currently be made of the range of additional loss that is at least reasonably possible.

8. Impact of Recently Issued Accounting Standards

On December 16, 2004, the FASB issued SFAS No. 123 (Revised 2004), *Share-Based Payment,* which is a revision of SFAS No. 123, *Accounting for Stock-Based Compensation.* SFAS No. 123R supersedes Accounting Principles Board ("APB") Opinion No. 25, *Accounting for Stock Issued to Employees,* and amends SFAS No. 95, *Statement of Cash Flows.* Generally, the approach in SFAS No. 123R is similar to the approach described in SFAS No. 123. However, SFAS No. 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. Pro forma disclosure is no longer an option.

Originally, SFAS No. 123R was to be adopted no later than July 1, 2005, although early adoption was allowable. However, on April 14, 2005, the Securities and Exchange Commission ("SEC") announced that the effective date of SFAS No. 123R will be suspended until January 1, 2006, for calendar year companies. At this time, the Company plans to adopt SFAS No. 123R using the modified-retrospective method.

As permitted by SFAS No. 123, the Company currently accounts for share-based payments to employees using APB Opinion No. 25's intrinsic value method and, as such, generally recognizes no compensation cost for employee stock options. Accordingly, the adoption of SFAS No. 123R's fair value method will have significant impact on our results of operations, although it will have no impact on our overall financial position. The impact of adoption of SFAS No. 123R cannot be predicted at this time because it will depend on levels of share-based payments granted in the future. However, had we adopted SFAS No. 123R in prior periods, the impact of that standard would have approximated the impact of SFAS No. 123 as described in the disclosure of pro forma net income and earnings per share in Note 4 to our condensed consolidated financial statements. SFAS No. 123R also requires the benefits of tax deductions in excess of recognized compensation cost to be reported as a financing cash flow, rather than as an operating cash flow as required under current literature. This requirement will reduce net operating cash flows and increase net financing cash flows in the periods after adoption. While the Company cannot estimate what those amounts will be in the future, the amount of operating cash flows recognized in prior periods for such tax deductions is disclosed in Note 4 to our condensed consolidated financial statements.

In January 2003, the FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities*. This interpretation of Accounting Research Bulletin No. 51, *Consolidated Financial Statements*, sets forth criteria under which a company must consolidate certain variable interest entities. Interpretation No. 46 places increased emphasis on controlling financial interests when determining if a company should consolidate a variable interest entity. The Company adopted the provisions of Interpretation No. 46 during the first quarter of fiscal 2004 as a result of the FASB deferring the effective date of FASB Interpretation No. 46 for variable interests held by public companies. The adoption of Interpretation No. 46 had no impact on the Company's financial position or results of operations.

9. Reclassificiations

Certain reclassifications have been made to prior year financial statements to conform to the 2005 presentation. These reclassifications had no effect on net income as previously reported.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

We provide scheduled ground transportation of cargo on a time-definite basis. As a result of our established transportation schedule and network of terminals, our operating cost structure includes significant fixed costs. Our ability to improve our operating margins will depend on, among other things, our ability to increase the volume of freight moving through our network. Additional information regarding our business is described in our 2004 Annual Report on Form 10-K.

Critical Accounting Policies

A summary of significant accounting policies is disclosed in Note 1 to the Consolidated Financial Statements included in our 2004 Annual Report on Form 10-K. Our critical accounting policies are further described under the caption "Discussion of Critical Accounting Policies" in Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2004 Annual Report on Form 10-K. There have been no changes in the nature of our critical accounting policies or the application of those policies since December 31, 2004.

Risk Factors

A summary of factors which could affect results and cause results to differ materially from those expressed in any forward-looking statements made by us, or on our behalf, are further described under the caption "Risk Factors" in the Business portion of our 2004 Annual Report on Form 10-K. There have been no changes in the nature of these factors since December 31, 2004.

Results of Operations

The following table shows the percentage relationship of expense items to operating revenue for the periods indicated. In the accompanying discussion, all percentage figures are as a percent of operating revenue with the exception of revenue growth rates.

	Three months ended	
	March 31, 2005	**March 31, 2004**
Operating revenue	100.0%	100.0%
Operating expenses:		
Purchased transportation	41.0	42.0
Salaries, wages and employee benefits	22.2	22.8
Operating leases	4.8	5.1
Depreciation and amortization	2.7	2.6
Insurance and claims	1.7	2.2
Other operating expenses	8.4	8.6
Total operating expenses	80.8	83.3
Income from operations	19.2	16.7
Total other income	0.8	0.2
Income before income taxes	20.0	16.9
Income taxes	7.5	6.3
Net income	12.5%	10.6%

Three Months Ended March 31, 2005 compared to Three Months Ended March 31, 2004

Operating revenue increased by $5.2 million, or 8.1%, to $69.5 million in the first quarter of 2005 from $64.3 million in the same period of 2004. This increase resulted from an increase in traditional linehaul revenue of $4.4 million to $58.8 million, an increase in logistics revenue of $0.8 million to $5.9 million and an increase in other accessorial revenue of less than $0.1 million to $4.8 million. Traditional linehaul revenue was impacted by an increase in average weekly tonnage of 2.5% and a 5.3% increase in average revenue per pound, including the impact of fuel surcharge, versus the first quarter of 2004.

Purchased transportation represented 41.0% of operating revenue in the first quarter of 2005 compared to 42.0% in the same period of 2004. The decrease in purchased transportation as a percent of operating revenue was primarily the result of an increase in operating revenue. This proportionate increase in revenue was due to a rate increase, along with better load factors. Additionally, a shift toward less costly owner-operators from brokers this quarter reduced cost per mile. For the first quarter of 2005, traditional linehaul and logistics purchased transportation costs represented 39.7% and 68.7%, respectively, of operating revenue versus 41.3% and 67.4%, respectively, during the same period in 2004.

Salaries, wages and employee benefits were 22.2% of operating revenue in the first quarter of 2005 compared to 22.8% for the same period of 2004. The decrease in salaries, wages and employee benefits as a percentage of operating revenue was attributed to a 0.5% decrease in salaries and wages, including incentives and a 0.2% decrease in health care costs. These decreases were offset, in part, by a 0.1% increase in workers' compensation expenses.

Operating leases, the largest component of which is facility rent, were 4.8% of operating revenue in the first quarter of 2005 compared to 5.1% in the same period of 2004. The decrease in operating leases as a percentage of operating revenue between periods was primarily attributable to an increase in operating revenue as the actual dollar amount for operating leases increased during the period.

Depreciation and amortization expense as a percentage of operating revenue was 2.7% in the first quarter of 2005, compared to 2.6% in the same period of 2004. The increase in depreciation and amortization expense as a percentage of operating revenue was primarily attributable to an increase in depreciation expense associated with new equipment we purchased during 2004.

Insurance and claims were 1.7% of operating revenue in the first quarter of 2005, compared to 2.2% in the same period of 2004. The decrease in insurance and claims as a percentage of operating revenue resulted from an increase in operating revenue. Amounts paid for insurance decreased by 0.4% of operating revenue while claims expense decreased by 0.1%.

Other operating expenses were 8.4% of operating revenue in the first quarter of 2005 compared to 8.6% in the same period of 2004. The decrease in other operating expenses as a percentage of operating revenue was attributable to an increase in operating revenue. Miscellaneous corporate expenses decreased as a percent of operating revenue by 0.5% as the Company had better bad debt experience in the first quarter of 2005 and did not have professional fees associated with a board member search completed in the first quarter of 2004. Additionally, communications and utilities expenses decreased by 0.1%. Taxes and license fees and miscellaneous operating expenses, however, increased by 0.2% and 0.2% of operating revenue, respectively.

Income from operations increased by $2.7 million, or 25.2%, to $13.4 million for the first quarter of 2005 compared with $10.7 million for the same period in 2004. The increase in income from operations was primarily a result of the increase in operating revenue which was offset by an increase in operating costs associated with operating the network.

Interest expense was $14,000, or less than 0.1% of operating revenue, in the first quarter of 2005, compared with $14,000, or less than 0.1% of operating revenue, for the same period in 2004.

Other income, net was $532,000, or 0.8% of operating revenue, in the first quarter of 2005, compared to $177,000, or 0.3%, for the same period in 2004. The increase in other income, net resulted from higher yields on higher balances in both cash and cash equivalents and available-for-sale securities during the first quarter of 2005.

The combined federal and state effective tax rate for the first quarter of 2005 was 37.5% compared to a rate of 37.5% for the same period in 2004.

As a result of the foregoing factors, net income increased by $1.9 million, or 27.9%, to $8.7 million for the first quarter of 2005, compared to $6.8 million for the same period in 2004.

Liquidity and Capital Resources

We have historically financed our working capital needs, including capital purchases, with cash flows from operations and borrowings under our bank lines of credit. Net cash provided by operating activities totaled approximately $8.4 million for the three months ended March 31, 2005, compared with approximately $9.6 million in the same period of 2004.

Net cash used in investing activities was approximately $0.3 million for the three months ended March 31, 2005 compared with approximately $13.6 million used in investing activities in the same period of 2004. Investing activities consisted primarily of the purchase and sale or maturities of available-for-sale securities and the purchase of operating equipment and management information systems during the three months ended March 31, 2005.

Net cash used in financing activities totaled approximately $3.1 million for the three months ended March 31, 2005 compared with approximately $0.3 million provided by financing activities for the same period of 2004. Financing activities included the repurchase of our common stock, the repayment of capital leases, proceeds received from the exercise of stock options and common stock issued under the employee stock purchase plan. In 2005, we used approximately $4.1 million to repurchase our common stock while we received approximately $1.0 million from the exercise of stock options.

Our credit facility consists of a working capital line of credit. As long as we comply with the financial covenants and ratios, the credit facility permits us to borrow up to $20.0 million less the amount of any outstanding letters of credit. Interest rates for advances under the facility vary based on how our performance measures against covenants related to total indebtedness, cash flows, results of operations and other ratios. The facility bears interest at LIBOR plus 1.0% to 1.9%, and is unsecured. The facility’s expiration was extended until April 2006 by letter agreement entered into in 2005. At March 31, 2005, we had $-0- outstanding under the line of credit facility and had utilized approximately $4.9 million of availability for outstanding letters of credit. We were in compliance with the financial covenants and ratios under the credit facility at March 31, 2005.

On July 25, 2002, we announced that our Board of Directors approved a stock repurchase program for up to 3,000,000 shares of our common stock. We expect to fund the repurchases of our common stock from cash, available-for-sale securities and cash generated from operating activities. We repurchased 142,650 of our shares during the first quarter of 2005. Since inception, the Company has repurchased 1,536,750 shares of our common stock for $27.6 million for an average purchase price of $17.94 per share.

On February 15, 2005, our Board of Directors declared a three-for-two stock split of our common stock to be effected in the form of a stock dividend to shareholders of record as of March 18, 2005. common stock issued and additional paid-in capital have been restated to reflect the split for all periods presented. All common share and per share data included in the condensed consolidated financial statements and notes thereto have been restated to give effect to the stock split.

Prior to February 15, 2005, we had never declared a cash dividend, our policy being to reinvest earnings into our business while retaining adequate cash reserves to fund potential acquisitions. On February 15, 2005, our Board of Directors declared a cash dividend of $0.06 per share of our common stock on a three-for-two stock split-adjusted basis. We expect to continue to pay regular quarterly cash dividends, though each subsequent quarterly dividend is subject to review and approval by our Board of Directors.

Management believes that our available cash, investments, expected cash generated from future operations and borrowings under available credit facilities will be sufficient to satisfy our anticipated cash needs for at least the next twelve months.

Forward-Looking Statements

This report 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 (the "Exchange Act"). 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.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our exposure to market risk related to our remaining outstanding debt and available-for-sale securities is not significant and has not changed materially since December 31, 2004.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain controls and procedures designed to ensure that we are able to collect the information required to be disclosed in the reports we file with the SEC, and to process, summarize and disclose this information within the time periods specified in the rules of the SEC. Based on an evaluation of our disclosure controls and procedures as of the end of the period covered by this report conducted by management, with the participation of the Chief Executive Officer and Chief Financial Officer, the Chief Executive Officer and Chief Financial Officer believe that these controls and procedures are effective to ensure that we are able to collect, process and disclose the information we are required to disclose in the reports we file with the SEC within the required time periods.

Changes in Internal Controls

There were no changes in our internal control over financial reporting during the first quarter of 2005 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

From time to time, we are a party to ordinary, routine litigation incidental to and arising in the normal course of our business, most of which involve claims for personal injury, property damage related to the transportation and handling of freight, or workers' compensation. We do not believe that any of these pending actions, individually or in the aggregate, will have a material adverse effect on our business, financial condition or results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information with respect to purchases we made of shares of our common stock during each month in the quarter ended March 31, 2005:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Number of Shares that May Yet Be Purchased Under the Program (1)
January 1-31, 2005	142,650	$28.79	1,536,750	1,463,250
February 1-28, 2005	—	$ —	—	—
March 1-31, 2005	—	$ —	—	—
Total	142,650	$28.79	1,536,750	1,463,250

(1) On July 25, 2002, we announced that our Board of Directors approved a stock repurchase program for up to 3,000,000 shares of our common stock.

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

In accordance with SEC Release No. 33-8212, Exhibits 32.1 and 32.2 are to be treated as "accompanying" this report rather than "filed" as part of the report.

3.1 Restated Charter of the registrant (incorporated herein by reference to Exhibit 3 to the registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 28, 1999)

3.2 Amended and Restated Bylaws of the registrant (incorporated herein by reference to Exhibit 3.2 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004, filed with the Securities and Exchange Commission on November 2, 2004)

4.1 Form of Landair Services, Inc. Common Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the registrant's Registration Statement on Form S-1, filed with the Securities and Exchange Commission on September 27, 1993)

4.2 Form of Forward Air Corporation Common Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1998, filed with the Securities and Exchange Commission on November 16, 1998)

4.3	Rights Agreement, dated May 18, 1999, between the registrant and SunTrust Bank, Atlanta, N.A., including the Form of Rights Certificate (Exhibit A) and the Form of Summary of Rights (Exhibit B) (incorporated herein by reference to Exhibit 4 to the registrant's Current Report on Form 8-K filed with the Commission on May 28, 1999)
31.1	Certification Pursuant to 15 U.S.C. Section 10A, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, executed by Bruce A. Campbell, President and Chief Executive Officer of Forward Air Corporation
31.2	Certification Pursuant to 15 U.S.C. Section 10A, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, executed by Andrew C. Clarke, Chief Financial Officer, Senior Vice President and Treasurer of Forward Air Corporation
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by Bruce A. Campbell, President and Chief Executive Officer of Forward Air Corporation
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by Andrew C. Clarke, Chief Financial Officer, Senior Vice President and Treasurer of Forward Air Corporation

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.

Forward Air Corporation

Date: May 6, 2005

By: /s/ Andrew C. Clarke
Andrew C. Clarke
Chief Financial Officer, Senior Vice President and Treasurer

EXHIBIT INDEX

No.	Exhibit
3.1	Restated Charter of the registrant (incorporated herein by reference to Exhibit 3 to the registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 28, 1999)
3.2	Amended and Restated Bylaws of the registrant (incorporated herein by reference to Exhibit 3.2 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004, filed with the Securities and Exchange Commission on November 2, 2004)
4.1	Form of Landair Services, Inc. Common Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the registrant's Registration Statement on Form S-1, filed with the Securities and Exchange Commission on September 27, 1993)
4.2	Form of Forward Air Corporation Common Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1998, filed with the Securities and Exchange Commission on November 16, 1998)
4.3	Rights Agreement, dated May 18, 1999, between the registrant and SunTrust Bank, Atlanta, N.A., including the Form of Rights Certificate (Exhibit A) and the Form of Summary of Rights (Exhibit B) (incorporated herein by reference to Exhibit 4 to the registrant's Current Report on Form 8-K filed with the Commission on May 28, 1999)
31.1	Certification Pursuant to 15 U.S.C. Section 10A, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, executed by Bruce A. Campbell, President and Chief Executive Officer of Forward Air Corporation
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Exhibit 31.1

CERTIFICATION PURSUANT TO
15 U.S.C. SECTION 10A,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Bruce A. Campbell, certify that:

1. I have reviewed this report on Form 10-Q of Forward Air Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

By: /s/ Bruce A. Campbell
Bruce A. Campbell
President and Chief Executive Officer

A signed original of this written statement required by Section 302 has been provided to Forward Air Corporation and will be retained by Forward Air Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 31.2

CERTIFICATION PURSUANT TO
15 U.S.C. SECTION 10A,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Andrew C. Clarke, certify that:

1. I have reviewed this report on Form 10-Q of Forward Air Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 6, 2005

By: /s/ Andrew C. Clarke
Andrew C. Clarke
Chief Financial Officer, Senior Vice President and
Treasurer

A signed original of this written statement required by Section 302 has been provided to Forward Air Corporation and will be retained by Forward Air Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Forward Air Corporation (the “Company”) on Form 10-Q for the period ended March 31, 2005 as filed with the Securities and Exchange Commission on May 6, 2005 (the “Report”), I, Bruce A. Campbell, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Bruce A. Campbell
Bruce A. Campbell
President and Chief Executive Officer
May 6, 2005

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Forward Air Corporation (the “Company”) on Form 10-Q for the period ended March 31, 2005 as filed with the Securities and Exchange Commission on May 6, 2005 (the “Report”), I, Andrew C. Clarke, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Andrew C. Clarke
Andrew C. Clarke
Chief Financial Officer, Senior Vice President
and Treasurer
May 6, 2005