

Forward Air Corporation Reports Third Quarter 2021 Results

Achieves highest ever monthly net income for the month of September

Reports record quarterly income from operations and net income per diluted share

Guides record full year 2021 revenue and net income per diluted share

GREENEVILLE, Tenn.--(BUSINESS WIRE)-- Forward Air Corporation (NASDAQ:FWRD) (the "Company", "we", "our", or "us") today reported financial results for the three and nine months ended September 30, 2021 as presented in the tables below on a continuing operations basis (Pool Distribution was previously reported as a discontinued operation).

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20211027006187/en/



Forward Air Corporation Reports Third Quarter 2021 Results (Photo: Business Wire)

Tom Schmitt, Chairman, President and CEO, commenting on third quarter results from continuing operations said, "During the months of July and August, we completed a process of cleansing our inefficient freight and replacing with higher quality freight. Our surgical collaboration with customers on selecting, handling, and pricing freight led to the highest ever monthly net income for the month of

September with our less-than-truckload line of business reporting record levels in weight per shipment and revenue per shipment. Business momentum combined with the completion of our cleanse process culminated in record quarterly reported income from operations of \$42.5 million and adjusted income from operations of \$43.4 million. Our record reported net income per diluted share of \$1.12 and adjusted net income per diluted share of \$1.14 exceeded the

high end of our \$1.03 to \$1.07 guidance range. Our third quarter revenue growth of 26% was slightly below the low end of our guidance range of 28% to 32%."

Mr. Schmitt continued, "I am very encouraged by the results in the month of September, in particular the strong operating margin expansion in the Expedited Freight segment. We expect volumes in the fourth quarter 2021 to exceed volumes for the same period of 2020. Through October, our volumes were strong year-over-year. Our guidance reflects a record full year 2021 revenue and net income per diluted share. We fully expect our momentum to continue into 2022 and 2023. As we continue to execute upon our strategic priorities, our full year 2023 targets include revenue of \$2.0 billion to \$2.6 billion and net income per diluted share of \$6.30 to \$6.70."

In closing, Mr. Schmitt said, "In the third quarter, we achieved the highest income from operations and net income per diluted share for a quarter in the history of the Company. I would like to thank all of our teammates and independent contractors for their hard work in helping to achieve this important milestone."

Regarding the Company's fourth quarter 2021 continuing operations guidance, Rebecca J. Garbrick, CFO, said, "We expect our year-over-year revenue growth will be 23% to 27% and net income per diluted share to be between \$1.25 to \$1.29, compared to reported net income per diluted share of \$0.55 and adjusted net income per diluted share of \$0.62 in the fourth quarter of 2020. Our full year 2021 net income per diluted share is expected to be between \$4.08 to \$4.12 and adjusted net income per diluted share to be between \$4.30 to \$4.34, compared to reported net income per diluted share of \$1.89 and adjusted net income per diluted share of \$1.89 in 2020."

Continuing Operations	Three Months Ended									
(in thousands, except per share data)	Septen	nber 30, 2021	Sep	otember 30, 2020	Change	Percent Change				
Operating revenue	\$	419,625	\$	331,997	\$87,628	26.4%				
Income from operations	\$	42,476	\$	23,510	\$18,966	80.7%				
Operating margin		10.1%		7.1%		300 bps				
Net income	\$	30,503	\$	16,992	\$13,511	79.5%				
Net income per diluted share	\$	1.12	\$	0.61	\$ 0.51	83.6%				
Cash provided by operating activities	\$	42,581	\$	20,564	\$22,017	107.1%				
Non-GAAP Financial Measures: 1										
Adjusted income from operations	\$	43,445	\$	25,810	\$17,635	68.3%				
Adjusted net income	\$	31,215	\$	18,752	\$12,463	66.5%				
Adjusted net income per diluted share	\$	1.14	\$	0.67	\$ 0.47	70.1%				
EBITDA	\$	51,892	\$	32,682	\$19,210	58.8%				
Free cash flow	\$	29,166	\$	18,766	\$10,400	55.4%				

¹ Reconciliation of these non-GAAP financial measures are provided below the financial tables.

Continuing Operations	Nine Months Ended							
(in thousands, except per share data)	Sept	ember 30, 2021	Se	eptember 30, 2020	(Change	Percent Change	
Operating revenue	\$	1,202,498	\$	919,232	\$2	283,266	30.8%	
Income from operations	\$	107,324	\$	53,198	\$	54,126	101.7%	
Operating margin		8.9%		5.8%			310 bps	
Net income	\$	77,894	\$	37,634	\$	40,260	107.0%	
Net income per diluted share	\$	2.83	\$	1.35	\$	1.48	109.6%	
Cash provided by operating activities	\$	82,242	\$	80,493	\$	1,749	2.2%	
Non-GAAP Financial Measures: 1								
Adjusted income from operations	\$	115,248	\$	54,343	\$	60,905	112.1%	
Adjusted net income	\$	83,837	\$	38,498	\$	45,339	117.8%	
Adjusted net income per diluted share	\$	3.05	\$	1.38	\$	1.67	121.0%	
EBITDA	\$	135,391	\$	81,117	\$	54,274	66.9%	
Free cash flow	\$	61,566	\$	65,469	\$	(3,903)	(6.0)%	

¹ Reconciliation of these non-GAAP financial measures are provided below the financial tables.

On October 26, 2021, our Board of Directors declared a quarterly cash dividend of \$0.21 per share of common stock. The dividend is payable to shareholders of record at the close of business on November 24, 2021 and is expected to be paid on December 9, 2021. This quarterly dividend is made pursuant to a cash dividend policy approved by the Board of Directors, which anticipates a total annual dividend of \$0.84 for the full year 2021, payable in quarterly increments of \$0.21 per share of common stock. The actual declaration of future cash dividends, and the establishment of record and payment dates, is subject to final determination by the Board of Directors each quarter after its review of the Company's financial performance and position.

The Board approved a strategy to divest the Pool Distribution business ("Pool") on April 23, 2020, and the sale of Pool was completed on February 12, 2021. Accordingly, the results of operations and cash flows for Pool have been presented as a discontinued operation and have been excluded from continuing operations in this release for all periods presented. In addition, Pool assets and liabilities were reflected as "held for sale" on the Condensed Consolidated Balance Sheets in this press release for the prior period.

Review of Financial Results

Forward Air will hold a conference call to discuss third quarter 2021 results on Thursday, October 28, 2021 at 9:00 a.m. EDT. The Company's conference call will be available online on the Investor Relations portion of the Company's website at www.forwardaircorp.com, or by dialing (877) 226-8189, Access Code: 2220892.

A replay of the conference call will be available on the Investor Relations portion of the Company's website at www.forwardaircorp.com, which we use as a primary mechanism to communicate with our investors. Investors are urged to monitor the Investors Relations portion of the Company's website to easily find or navigate to current and pertinent information about us.

About Forward Air Corporation

Forward Air is a leading asset-light freight and logistics company that provides services across the United States and Canada. We provide expedited less-than-truckload ("LTL") services, including local pick-up and delivery, shipment consolidation/deconsolidation,

warehousing, and customs brokerage by utilizing a comprehensive national network of terminals. In addition, we offer final mile services, including delivery of heavy-bulky freight, truckload brokerage services, including dedicated fleet services; and intermodal, first-and last-mile, high-value drayage services, both to and from seaports and railheads, dedicated contract and Container Freight Station warehouse and handling services. For more information, visit our website at www.forwardaircorp.com.

Forward Air Corporation Condensed Consolidated Statements of Comprehensive Income (Unaudited, in thousands, except per share data)

		Three Mor	nths	Ended		Nine Mon	ths Ended		
	Se	otember 30, 2021	Se	ptember 30, 2020	Se	September 30, 2021		ptember 30, 2020	
Operating revenue:	_				_		_		
Expedited Freight	\$	341,557	\$	283,514	\$	997,478	\$	772,801	
Intermodal		78,173		48,948		205,820		147,836	
Eliminations and other operations	_	(105)		(465)		(800)		(1,405)	
Operating revenues		419,625		331,997		1,202,498		919,232	
Operating expenses:									
Purchased transportation		205,474		173,054		605,299		465,721	
Salaries, wages and employee benefits		84,410		66,927		243,948		200,258	
Operating leases		20,536		17,327		60,073		52,598	
Depreciation and amortization		9,416		9,172		28,067		27,919	
Insurance and claims		9,984		8,671		30,616		26,437	
Fuel expense		4,457		2,715		12,218		9,247	
Other operating expenses		42,872		30,621		114,953		83,854	
Total operating expenses		377,149		308,487		1,095,174		866,034	
Income (loss) from continuing operations:									
Expedited Freight		34,636		23,461		93,854		50,394	
Intermodal		8,712		4,837		21,607		12,963	
Other Operations		(872)		(4,788)		(8,137)		(10,159)	
Income from continuing operations		42,476		23,510		107,324		53,198	
Other expense:									
Interest expense		(973)		(1,304)		(3,461)		(3,355)	
Total other expense		(973)		(1,304)		(3,461)		(3,355)	
Income before income taxes	_	41,503		22,206		103,863		49,843	
Income tax (benefit) expense		11,000		5,214		25,969		12,209	
Net income from continuing operations	_	30,503		16,992	_	77,894		37,634	
Loss from discontinued operation, net of tax		(6,967)		(345)		(12,500)		(9,458)	
Net income and comprehensive income	\$	23,536	\$	16,647	\$	65,394	\$	28,176	
Net income per share:									
Basic net income (loss) per share									
Continuing operations	\$	1.12	\$	0.61	\$	2.84	\$	1.35	
Discontinued operation		(0.26)		(0.01)		(0.46)		(0.34)	
Net income per basic share ¹	\$	0.86	\$	0.60	\$	2.39	\$	1.01	
Diluted net income (loss) per share									
Continuing operations	\$	1.12	\$	0.61	\$	2.83	\$	1.35	
Discontinued operation	Ψ	(0.26)	Ψ	(0.01)	Ψ	(0.46)	Ψ	(0.34)	
·	\$. ,	\$, ,	\$	2.37	\$	1.01	
Net income per diluted share		0.86	_	0.60	-		_		
Dividends per share	\$	0.21	\$	0.18	\$	0.63	\$	0.54	

¹ Rounding may impact summation of amounts.

Expedited Freight Segment Information (In thousands) (Unaudited)

Three Months Ended

	Sep	tember 30, 2021	Percent of Revenue	5	September 30, 2020	Percent of Revenue Change		Percent Change
Operating revenue:					_			
Network ¹	\$	207,656	60.8%	\$	169,300	59.7%	\$ 38,356	22.7%
Truckload		53,651	15.7		49,836	17.6	3,815	7.7
Final Mile		71,355	20.9		56,994	20.1	14,361	25.2
Other		8,895	2.6		7,384	2.6	1,511	20.5
Total operating revenue		341,557	100.0		283,514	100.0	58,043	20.5
Operating expenses:								
Purchased transportation		182,596	53.5		156,078	55.1	26,518	17.0
Salaries, wages and employee benefits		65,898	19.3		54,091	19.1	11,807	21.8
Operating leases		14,687	4.3		13,438	4.7	1,249	9.3
Depreciation and amortization		6,784	2.0		6,757	2.4	27	0.4
Insurance and claims		8,074	2.4		5,765	2.0	2,309	40.1
Fuel expense		2,225	0.7		1,544	0.5	681	44.1
Other operating expenses		26,657	7.8		22,380	7.9	4,277	19.1
Total operating expenses		306,921	89.9		260,053	91.7	46,868	18.0
Income from operations	\$	34,636	10.1%	\$	23,461	8.3%	\$ 11,175	47.6%

¹Network revenue is comprised of all revenue, including linehaul, pickup and/or delivery, and fuel surcharge revenue, excluding accessorial, Truckload and Final Mile revenue.

Expedited Freight Operating Statistics

	Three Months Ended					
	September 30, Septem 2021 20		September 30, 2020	Percent Change		
Business days		64	64	— %		
Tonnage ^{1,2}						
Total pounds		687,816	636,194	8.1		
Pounds per day		10,747	9,941	8.1		
Shipments ^{1,2}						
Total shipments		845	1,018	(17.0)		
Shipments per day		13.2	15.9	(17.0)		
Weight per shipment		814	625	30.2		
Revenue per hundredweight ³	\$	29.01	\$ 26.84	8.1		
Revenue per hundredweight, ex fuel ³	\$	24.73	\$ 23.41	5.6		
Trevenue per nunureuweight, ex luei	Ψ	24.73	ψ 25.41	3.0		
Revenue per shipment ³	\$	240.27	\$ 166.09	44.7		
Revenue per shipment, ex fuel ³	\$	205.42	\$ 144.66	42.0		
Network revenue from door-to-door shipments as a percentage of network revenue 3,4		46.7%	51.3%	(9.0)		
		.0 70	01.070	(5.0)		

¹ In thousands

 $^{^{\}rm 2}$ Excludes accessorial, Truckload and Final Mile products

³ Includes intercompany revenue between the Network and Truckload revenue streams

 $^{^{\}rm 4}$ Door-to-door shipments include all shipments with a pickup and/or delivery

Intermodal Segment Information (In thousands) (Unaudited)

Three	Months	Ended

	S	eptember 30, 2021	Percent of Revenue	S	eptember 30, 2020	Percent of Revenue	Change	Percent Change
Operating revenue	\$	78,173	100.0%	\$	48,948	100.0%	\$29,225	59.7%
Operating expenses:								
Purchased transportation		22,984	29.4		17,270	35.3	5,714	33.1
Salaries, wages and employee benefits		17,596	22.5		11,637	23.8	5,959	51.2
Operating leases		5,856	7.5		3,932	8.0	1,924	48.9
Depreciation and amortization		2,616	3.3		2,356	4.8	260	11.0
Insurance and claims		2,708	3.5		2,058	4.2	650	31.6
Fuel expense		2,231	2.9		1,171	2.4	1,060	90.5
Other operating expenses		15,470	19.8		5,687	11.6	9,783	172.0
Total operating expenses		69,461	88.9		44,111	90.1	25,350	57.5
Income from operations	\$	8,712	11.1%	\$	4,837	9.9%	\$ 3,875	80.1%

Intermodal Operating Statistics

Three	Months	: Fndec

	September 30, 2021	Sep	tember 30, 2020	Percent Change
Drayage shipments	91,774		74,506	23.2%
Drayage revenue per shipment	\$ 723	\$	562	28.6%
Number of locations	29		24	20.8%

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

(Unaudited)				
	Sep	eptember 30, 2021		cember 31, 2020
Assets				
Current assets:				
Cash and cash equivalents	\$	51,930	\$	40,254
Accounts receivable, net		205,165		156,490
Other receivables		14,218		_
Other current assets		17,948		28,150
Current assets held for sale		_	100	21,002
Total current assets		289,261		245,896
Property and equipment		396,094		380,519
Less accumulated depreciation and amortization		199,875		190,652
Total property and equipment, net		196,219		189,867
Operating lease right-of-use assets		142,623		123,338
Goodwill		254,776		244,982
Other acquired intangibles, net of accumulated amortizatio	n	142,196		145,032
Other assets		45,433		45,181
Noncurrent assets held for sale		_		53,097
Total assets	\$	1,070,508	\$	1,047,393
Liabilities and Chambaldons' Facility				
Liabilities and Shareholders' Equity Current liabilities:				
	\$	42,885	\$	38,371
Accounts payable Accrued expenses	Φ	67,732	φ	51,264
Other current liabilities		01,132		10,580
Current portion of debt and finance lease obligations		1,841		1,801
Current portion of operating lease liabilities		46,008		43,680
Current liabilities held for sale		40,000		25,924
Total current liabilities	_	158,466		171,620
Total current habilities		150,400		17 1,020
Debt and finance lease obligations, less current portion		161,312		117,408
Operating lease liabilities, less current portion		97,181		80,346
Other long-term liabilities		57,354		54,129
Deferred income taxes		40,659		41,986
Noncurrent liabilities held for sale		_		34,575
Shareholders' equity:				
Common stock		270		273
Additional paid-in capital		255,071		242,916
Retained earnings		300,195		304,140
Total shareholders' equity		555,536		547,329
Total liabilities and shareholders' equity	\$	1,070,508	\$	1,047,393

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

Operating activities: Separation of the process of the p	(Onaudited)		Three Mor		nths Ended	
Not income from continuing operations \$ 30,503 \$ 16,992 Adjustments to recorcite net income of continuing operations to net cash provided by operating activities of continuing operations \$ 9,416 \$ 9,172 Depreciation and amortization 9,416 \$ 9,172 \$ 2,345 Change in fair value of earm-out liability \$ 2,601 \$ 2,345 Provision for revenue adjustments 1,979 1,185 Deferred income tax benefit (812) (351) Other Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: \$ 22,341 Other receivables 1,655 (23,415) Other receivables 1,655 (23,415) Other current and noncurrent assets 1,438 1,283 Accounts payable and accrused expenses 3,889 12,843 Net cash provided by operating activities of continuing operations 1,025 427 Purchases of property and equipment 1,025 427 Purchases of property and equipment 1,025 427 Purchases of a business, net of cash acquired 1,025 427 Purchases of a business, net of cash acquired <th></th> <th>Sej</th> <th>otember 30,</th> <th></th> <th>otember 30,</th>		Sej	otember 30,		otember 30,	
Adjustments to reconcile net income of continuing operations to net cash provided by operating activities of continuing operations Depreciation and amortization 9,416 9,172 Change in fair value of earn-out liability — 493 Share-based compensation expense 2,601 2,345 Provision for revenue adjustments 1,979 1,185 Deferred income tax benefit (812) (351) Other 2,77 1,77 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: Accounts receivable 1,655 (23,415) Other ceceivable (72,7) — Other current and noncurrent assets 1,438 1,283 Accounts payable and accrued expenses (1,438 1,283 Accounts payable and accrued expenses (3,889) 12,843 Net cash provided by operating activities of continuing operations 4,2581 2,564 Investing activities: Proceeds from sale of property and equipment 1,025 427 Purchases of property and equipment (1,4,400) (2,225) Purchases of a business, net of cash acquired (2,225) Purchases of a pusiness, net of cash acquired (2,225) Purchases of property and equipment (1,4,400) (2,225) Purchases of	Operating activities:					
operating activities of continuing operations 9,416 9,72 Depreciation and amortization 9,416 2,433 Share-based compensation expense 2,601 2,345 Provision for revenue adjustments 1,979 1,185 Deferred income tax benefit (812) (351) Other 217 17 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 217 17 Accounts receivable 1,655 (23,415) (23,415) Other current and noncurrent assets 1,1,852 (23,415) Accounts payable and accrued expenses (3,689) 12,843 Net cash provided by operating activities of continuing operations 42,581 20,564 Investing activities: 1,025 427 Proceads from sale of property and equipment (10,25 427 Purchases of a business, net of cash acquired 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of property and equipment of continuing operations (13,415) (17,98) Financing activities:		\$	30,503	\$	16,992	
Change in fair value of earn-out liability 493 Share-based compensation expense 2,801 2,345 Provision for revenue adjustments 1,979 1,185 Deferred income tax benefit (812) (3511) Other 217 17 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses:						
Share-based compensation expense 2,601 2,345 Provision for revenue adjustments 1,979 1,185 Deferred income tax benefit (812) (351) Other 217 177 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 217 177 Accounts receivable 1,655 (23,415) Other receivables (727) — Other current and noncurrent assets 1,438 1,283 Accounts payable and accrued expenses (3689) 12,843 Net cash provided by operating activities of continuing operations 42,581 20,564 Investing activities: 1 1,025 427 Purchases of property and equipment 1,025 427 Purchases of a business, net of cash acquired — — Purchases of a business, net of cash acquired — — Purchases of a business, net of cash acquired — — Purchases of property and equipment (14,440) (2,225) Purchase of property and equipment of cash acquired — —	Depreciation and amortization		9,416		9,172	
Provision for revenue adjustments	Change in fair value of earn-out liability		_		493	
Deferred income tax benefit	Share-based compensation expense		2,601		2,345	
Other 217 17 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 3 4 Accounts receivable obusinesses: 1.655 (23.415) 2 Other current and noncurrent assets 1.438 1.283 Accounts payable and accrued expenses 3.6899 12.843 Accounts payable and accrued expenses 3.6899 12.843 Net cash provided by operating activities of continuing operations 42.581 20.564 Investing activities: 2 427 Proceeds from sale of property and equipment 1.025 427 Purchases of property and equipment (14.440) (2.225) Purchases of property and equipment	Provision for revenue adjustments		1,979		1,185	
Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: accounts receivable 1,655 (23,415) Other receivables (727) — Other current and noncurrent assets 1,438 1,283 Accounts payable and accrued expenses 3,6899 12,843 Net cash provided by operating activities of continuing operations 42,581 20,564 Investing activities: Proceeds from sale of property and equipment 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of a business, net of cash acquired — — Purchases of a business, net of cash acquired — — Purchases of a business, net of cash acquired — — Purchases of business, net of cash acquired — — Purchases of the cash used in investing activities of continuing operations (492) 147 Payments of finance lease obligations (492) 147 Payments of finance lease obligations (492) 147 Payments of finance lease obligations of the cash of continuing operations (6,519)	Deferred income tax benefit		(812)		(351)	
businesses: Accounts receivable 1,655 (23,415) Other receivables (727) — Other current and noncurrent assets (3,689) 12,843 Accounts payable and accrued expenses (3,689) 12,843 Net cash provided by operating activities of continuing operations 42,581 20,564 Investing activities: The company of the continuing operations 42,581 20,564 Investing activities of property and equipment (10,25 427 427 Purchases of property and equipment (14,440) (2,225) 427 Purchases of a business, net of cash acquired — — 26 Purchases of a business, net of cash acquired — (2,600) 42,72 Purchases of a business, and retirement of continuing accivities of continui	Other		217		17	
Other receivables (727) — Other current and noncurrent assets 1,438 1,283 Accounts payable and accrued expenses (3,689) 12,843 Net cash provided by operating activities of continuing operations 42,581 20,564 Investing activities: Proceeds from sale of property and equipment 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of a business, net of cash acquired — — Net cash used in investing activities of continuing operations (13,415) (17,98) Financing activities: Repayments of finance lease obligations 492 147 Payment of debt issuance costs (119) — Repayment of debt issuance costs (119) — Payment of earn-out liability (6,519) — Proceeds from issuance of common stock upon stock option exercises — 1,901 Payment of dividends to shareholders (5,705) (5,003) Repurchases and retirement of common stock upon stock purchase plan — — Proceeds from common stock						
Other current and noncurrent assets 1,438 1,283 Accounts payable and accrued expenses (3,689) 12,843 Net cash provided by operating activities of continuing operations 42,581 20,564 Investing activities: Investing activities of property and equipment 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of a business, net of cash acquired — — Net cash used in investing activities of continuing operations (13,415) (1,798) Financing activities: — — — Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of earn-out liability — (20,000) Payment of earn-out liability — (5,761) — Poceaeds from issuance of common stock upon stock option exercises — 1,901 Payment of dividends to shareholders — 1,901 Payments of dividends to shareholders — (5,705) (5,003) Repurchases and retirement of common stock proceeds from common	Accounts receivable		1,655		(23,415)	
Accounts payable and accrued expenses (3,689) 12,843 Net cash provided by operating activities of continuing operations 42,581 20,564 Investing activities: Proceeds from sale of property and equipment 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of a business, net of cash acquired — — Net cash used in investing activities of continuing operations (13,415) (1,798) Financing activities: *** *** Repayments of finance lease obligations (492) 147 Payment of remaining activities of cash acquired — (20,000) Payment or revolving credit facility — (20,000) Payment of dearn-out liability (6,519) — Payment of earn-out liability (6,519) — Payments of dividends to shareholders (5,705) (5,003) Repurchases and retirement of common stock upon stock option exercises — 1,901 Poweds from common stock issued under employee stock purchase plan — — Proceeds from common stock issued under employee stock purchase plan — </td <td></td> <td></td> <td>, ,</td> <td></td> <td>_</td>			, ,		_	
Net cash provided by operating activities of continuing operations Net cash provided by operating activities of continuing operations 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of a business, net of cash acquired — — — Net cash used in investing activities of continuing operations (13,415) (1,798) Financing activities: Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of earn-out liability — (20,000) Payment of earn-out liability (6,519) — Proceeds from issuance costs (119) — Payments of dividends to shareholders (5,705) (5,003) Repurchases and retirement of common stock upon stock option exercises (14,997) (29,989) Proceeds from common stock issued under employee stock purchase plan — — — Payment of minimum tax withholdings on share-based awards (248) (188) Contributions from (distributions to) subsidiary held for sale — (3,590) Net cash used in financing activities from continuing operations (28,080) (56,692) Net cash used in operating activities of discontinued operation — (172) Net cash used in operating activities of discontinued operation — (3,418) Net cash used in operating activities of discontinued operation — (3,590) Net cash used in investing activities of discontinued operation — (3,590) Net cash used in investing activities of discontinued operation — (3,590) Net cash used in operating activities of discontinued operation — (3,590) Net cash used in operating activities of discontinued operation — (3,590) Net increase (decrease) in cash and cash equivalents 5,084 80,916 Cash at beginning of period of continuing operations 50,844 80,916 Cash at beginning of period of continuing operations — (4,792) Net increase (decrease) in cash and cash equivalents 5,084 80,916 Cash at eleginning of period of continuing operations — (4,792)	Other current and noncurrent assets		•			
Investing activities: Increases of property and equipment 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of a business, net of cash acquired — — Net cash used in investing activities of continuing operations (13,415) (1,798) Financing activities: Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of debt issuance costs (119) — Payment of earn-out liability (6,519) — Proceeds from issuance of common stock upon stock option exercises — 1,901 Payments of dividends to shareholders (5,705) (5,003) Repurchases and retirement of common stock (14,997) (29,989) Proceeds from common stock issued under employee stock purchase plan — — Payments of minimum tax withholdings on share-based awards (248) (158) Contributions from (distributions to) subsidiary held for sale — (3,590) Net cash used in financing activities from continuing operations (28,080) (56,692) <td>Accounts payable and accrued expenses</td> <td></td> <td>(3,689)</td> <td></td> <td>12,843</td>	Accounts payable and accrued expenses		(3,689)		12,843	
Proceeds from sale of property and equipment 1,025 427 Purchases of property and equipment (14,440) (2,225) Purchases of a business, net of cash acquired — — Net cash used in investing activities of continuing operations (13,415) (1,798) Financing activities: Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of earn-out liability — (20,000) Payment of earn-out liability — (5,705) (5,600) Proceeds from issuance costs — 1,901 — Proceeds from issuance of common stock upon stock option exercises — 1,901 Proceeds from issuance of common stock upon stock option exercises — 1,901 Proceeds from susance of common stock upon stock option exercises — 1,901 Peyments of dividends to shareholders (5,705) (5,003) Reputchases and retirement of common stock (14,997) (29,989) Proceeds from common stock issued under employee stock purchase plan — — <td< td=""><td>Net cash provided by operating activities of continuing operations</td><td></td><td>42,581</td><td></td><td>20,564</td></td<>	Net cash provided by operating activities of continuing operations		42,581		20,564	
Purchases of property and equipment (1,440) (2,225) Purchases of a business, net of cash acquired — — Net cash used in investing activities of continuing operations (13,415) (1,798) Financing activities: Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of debt issuance costs (1119) — Payment of earn-out liability (6,519) — Proceeds from issuance of common stock upon stock option exercises — 1,901 Payments of dividends to shareholders (5,705) (5,003) Repurchases and retirement of common stock (14,997) (29,989) Proceeds from common stock issued under employee stock purchase plan — — Proceeds from common stock issued under employee stock purchase plan — — Payment of minimum tax withholdings on share-based awards (248) (158) Contributions from (distributions to) subsidiary held for sale — — Net cash used in innering activities of or continuing operations (28,080) (56,692) <tr< td=""><td></td><td></td><td></td><td></td><td></td></tr<>						
Purchases of a business, net of cash acquired — — Net cash used in investing activities of continuing operations (13,415) (1,798) Financing activities: — — (20,000) Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of debt issuance costs (119) — Payment of earn-out liability (6,519) — Proceeds from issuance of common stock upon stock option exercises — 1,901 Payments of dividends to shareholders (5,705) (5,003) Repurchases and retirement of common stock (14,997) (29,989) Proceeds from common stock issued under employee stock purchase plan — — Payment of minimum tax withholdings on share-based awards (248) (158) Contributions from (distributions to) subsidiary held for sale — (3,590) Net cash used in financing activities from continuing operations (28,080) (56,682) Net increase (decrease) in cash of continued operation — (3,418) Net cash used in investing activities of discontinued opera			•			
Financing activities (13,415) (1,798) Financing activities: (492) 147 Repayments of finance lease obligations (492) 147 Payment on revolving credit facility — (20,000) Payment of debt issuance costs (119) — Porceeds from issuance of common stock upon stock option exercises — 1,901 Payment of dividends to shareholders (5,705) (5,003) Repurchases and retirement of common stock (14,997) (29,989) Proceeds from common stock issued under employee stock purchase plan — — — Payment of minimum tax withholdings on share-based awards (248) (158) Contributions from (distributions to) subsidiary held for sale — (28,080) (56,692) Net ash used in financing activities from continuing operations (28,080) (56,692) Net increase (decrease) in cash of continuing operation — (3,418) Net cash used in operating activities of discontinued operation — (34,18) Net cash used in investing activities of discontinued operation — (3,418) Net cash used in investing activities of discontinued operation — (3,418) Net increas			(14,440)		(2,225)	
Financing activities: Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of debt issuance costs — (119) — Payment of earn-out liability — (6,519) — Proceeds from issuance of common stock upon stock option exercises — 1,901 Payments of dividends to shareholders — (5,705) (5,003) Repurchases and retirement of common stock — (14,997) (29,889) Proceeds from common stock issued under employee stock purchase plan — Payment of minimum tax withholdings on share-based awards — (248) (158) Contributions from (distributions to) subsidiary held for sale — (3,590) Net cash used in financing activities from continuing operations — (28,080) (56,692) Net increase (decrease) in cash of continuing operation Net cash used in operating activities of discontinued operation — (3,418) Net cash used in investing activities of discontinued operation — (3,418) Net cash used in investing activities of discontinued operation — (3,590) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,906) Net increase (decrease) in cash and cash equivalents — (3,907) Net increase (decrease) in cash and cash equivalents — (3,906) — (3,907) Net increase (decrease) in cash and cash equivalents — (3,907) — (3,907) — (3,908) — (3,908) — (3,908) — (3,908) — (3,908) — (3,908) — (3,908) — (3,908) — (3,90	•		_		_	
Repayments of finance lease obligations (492) 147 Payments on revolving credit facility — (20,000) Payment of debt issuance costs (119) — Payment of earn-out liability (6,519) — Proceeds from issuance of common stock upon stock option exercises — 1,901 Proceeds from issuance of common stock issued under employee stock purchase grant retirement of common stock (14,997) (29,989) Proceeds from common stock issued under employee stock purchase plan — — — Payment of minimum tax withholdings on share-based awards (248) (158) Contributions from (distributions to) subsidiary held for sale — (3,590) Net cash used in financing activities from continuing operations (28,080) (56,692) Net increase (decrease) in cash of continuing operations (28,080) (56,692) Net increase (decrease) in cash of continued operation — (3,418) Net cash used in investing activities of discontinued operation — (3,418) Net cash provided by financing activities of discontinued operation — (3,418) Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Cash at beginning of period of dis	Net cash used in investing activities of continuing operations		(13,415)		(1,798)	
Payments on revolving credit facility—(20,000)Payment of debt issuance costs(119)—Payment of earn-out liability(6,519)—Proceeds from issuance of common stock upon stock option exercises—1,901Payments of dividends to shareholders(5,705)(5,003)Repurchases and retirement of common stock(14,997)(29,989)Proceeds from common stock issued under employee stock purchase plan——Payment of minimum tax withholdings on share-based awards(248)(158)Contributions from (distributions to) subsidiary held for sale—(3,590)Net cash used in financing activities from continuing operations(28,080)(56,692)Net increase (decrease) in cash of continuing operations—(3,418)Net cash used in operating activities of discontinued operation—(3,418)Net cash used in investing activities of discontinued operation—(3,590)Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086<	Financing activities:					
Payment of debt issuance costs(119)—Payment of earn-out liability(6,519)—Proceeds from issuance of common stock upon stock option exercises—1,901Payments of dividends to shareholders(5,705)(5,003)Repurchases and retirement of common stock(14,997)(29,989)Proceeds from common stock issued under employee stock purchase plan——Payment of minimum tax withholdings on share-based awards(248)(158)Contributions from (distributions to) subsidiary held for sale—(3,590)Net cash used in financing activities from continuing operations(28,080)(56,692)Net increase (decrease) in cash of continuing operations—(3,418)Net cash used in operating activities of discontinued operation—(172)Net cash used in investing activities of discontinued operation—(3,418)Net cash provided by financing activities of discontinued operation—3,590Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Less: cash at end of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)	Repayments of finance lease obligations		(492)			
Payment of earn-out liability(6,519)—Proceeds from issuance of common stock upon stock option exercises—1,901Payments of dividends to shareholders(5,705)(5,003)Repurchases and retirement of common stock(14,997)(29,989)Proceeds from common stock issued under employee stock purchase plan——Payment of minimum tax withholdings on share-based awards(248)(158)Contributions from (distributions to) subsidiary held for sale—(3,590)Net cash used in financing activities from continuing operations(28,080)(56,692)Net increase (decrease) in cash of continuing operations1,086(37,926)Cash from discontinued operation:—(3,418)Net cash used in operating activities of discontinued operation—(172)Net cash used in investing activities of discontinued operation—(3,418)Net cash provided by financing activities of discontinued operation—3,590Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Less: cash at end of period of discontinued operation——	Payments on revolving credit facility		_		(20,000)	
Proceeds from issuance of common stock upon stock option exercises—1,901Payments of dividends to shareholders(5,705)(5,003)Repurchases and retirement of common stock(14,997)(29,989)Proceeds from common stock issued under employee stock purchase plan——Payment of minimum tax withholdings on share-based awards(248)(158)Contributions from (distributions to) subsidiary held for sale—(3,590)Net cash used in financing activities from continuing operations(28,080)(56,692)Net increase (decrease) in cash of continuing operations—(3,418)Net cash used in operating activities of discontinued operation—(3,418)Net cash used in investing activities of discontinued operation—(172)Net cash provided by financing activities of discontinued operation—3,590Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Less: cash at end of period of discontinued operation——					_	
Payments of dividends to shareholders(5,705)(5,003)Repurchases and retirement of common stock(14,997)(29,989)Proceeds from common stock issued under employee stock purchase plan——Payment of minimum tax withholdings on share-based awards(248)(158)Contributions from (distributions to) subsidiary held for sale—(3,590)Net cash used in financing activities from continuing operations(28,080)(56,692)Net increase (decrease) in cash of continuing operations1,086(37,926)Cash from discontinued operation:—(3,418)Net cash used in operating activities of discontinued operation—(172)Net cash used in investing activities of discontinued operation—(3,418)Net cash provided by financing activities of discontinued operation—3,590Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Less: cash at end of period of discontinued operation——			(6,519)		_	
Repurchases and retirement of common stock Proceeds from common stock issued under employee stock purchase plan Payment of minimum tax withholdings on share-based awards Contributions from (distributions to) subsidiary held for sale Cash used in financing activities from continuing operations (28,080) (56,692) Net increase (decrease) in cash of continuing operations 1,086 (37,926) Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash used in investing activities of discontinued operation Cash provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Net increase (decrease) in cash and cash equivalents 1,086 (37,926)			_			
Proceeds from common stock issued under employee stock purchase plan Payment of minimum tax withholdings on share-based awards Contributions from (distributions to) subsidiary held for sale Contributions from (distributions to) subsidiary held for sale Net cash used in financing activities from continuing operations (28,080) Net increase (decrease) in cash of continuing operations Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash used in investing activities of discontinued operation Net cash used in investing activities of discontinued operation Net cash provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Less: cash at end of period of discontinued operation - Cash at beginning of period of discontinued operation - Cash at beginning of period of discontinued operation - Cash at end of period of discontinued operation - Cash at end of period of discontinued operation - Cash at end of period of discontinued operation - Cash at end of period of discontinued operation	·		. ,			
Payment of minimum tax withholdings on share-based awards(248)(158)Contributions from (distributions to) subsidiary held for sale—(3,590)Net cash used in financing activities from continuing operations(28,080)(56,692)Net increase (decrease) in cash of continuing operations1,086(37,926)Cash from discontinued operation:Net cash used in operating activities of discontinued operation—(3,418)Net cash used in investing activities of discontinued operation—(172)Net cash provided by financing activities of discontinued operation—3,590Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Less: cash at end of period of discontinued operation——	·		(14,997)		(29,989)	
Contributions from (distributions to) subsidiary held for sale Net cash used in financing activities from continuing operations Net increase (decrease) in cash of continuing operations Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash used in investing activities of discontinued operation Net cash provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Less: cash at end of period of discontinued operation — — — — — — — — — — — — — — — — — — —					_	
Net cash used in financing activities from continuing operations (28,080) (56,692) Net increase (decrease) in cash of continuing operations 1,086 (37,926) Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash used in investing activities of discontinued operation - (172) Net cash provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Cash and cash equivalents at beginning of period of continuing operations 50,844 80,916 Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Less: cash at end of period of discontinued operation	•		(248)			
Net increase (decrease) in cash of continuing operations Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash used in investing activities of discontinued operation Net cash provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 37,926) Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 37,926) Less: cash at end of period of discontinued operation — —						
Cash from discontinued operation:Net cash used in operating activities of discontinued operation— (3,418)Net cash used in investing activities of discontinued operation— (172)Net cash provided by financing activities of discontinued operation— 3,590Net increase (decrease) in cash and cash equivalents1,086 (37,926)Cash and cash equivalents at beginning of period of continuing operations50,844 80,916Cash at beginning of period of discontinued operation— —Net increase (decrease) in cash and cash equivalents1,086 (37,926)Less: cash at end of period of discontinued operation— —	Net cash used in financing activities from continuing operations		, ,		, ,	
Net cash used in operating activities of discontinued operation Net cash used in investing activities of discontinued operation Net cash provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Less: cash at end of period of discontinued operation — — —	Net increase (decrease) in cash of continuing operations		1,086		(37,926)	
Net cash used in investing activities of discontinued operation — (172) Net cash provided by financing activities of discontinued operation — 3,590 Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Cash and cash equivalents at beginning of period of continuing operations 50,844 80,916 Cash at beginning of period of discontinued operation — — Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Less: cash at end of period of discontinued operation — — —	Cash from discontinued operation:					
Net cash provided by financing activities of discontinued operation—3,590Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Less: cash at end of period of discontinued operation——	•		_			
Net increase (decrease) in cash and cash equivalents1,086(37,926)Cash and cash equivalents at beginning of period of continuing operations50,84480,916Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents1,086(37,926)Less: cash at end of period of discontinued operation——	Net cash used in investing activities of discontinued operation		_			
Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents Less: cash at end of period of discontinued operation	Net cash provided by financing activities of discontinued operation				3,590	
Cash at beginning of period of discontinued operation — — Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Less: cash at end of period of discontinued operation — — —	· · · · · · · · · · · · · · · · · · ·					
Net increase (decrease) in cash and cash equivalents 1,086 (37,926) Less: cash at end of period of discontinued operation — —			50,844		80,916	
Less: cash at end of period of discontinued operation			_		_	
			1,086		(37,926)	
Cash and cash equivalents at end of period of continuing operations \$\frac{\\$51,930}{\}\$\$\$\\$42,990\$	Less: cash at end of period of discontinued operation			_		
	Cash and cash equivalents at end of period of continuing operations	\$	51,930	\$	42,990	

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

Polyment of September 30 (2011) September 30 (2011) September 30 (2011) Operating activities: Note income from continuing operations \$ 77,894 \$ 37,894 Adjustments to reconcile net income of continuing operations to net cash provided by operating activities of continuing operations \$ 28,007 \$ 27,919 Depreciation and amortization \$ 8,179 \$ 2,029 \$ 1,029 <t< th=""><th>(Unaudited)</th><th></th><th>Nine Mon</th><th>the F</th><th>nded</th></t<>	(Unaudited)		Nine Mon	the F	nded
Page		Sep			
Net income from continuing operations \$ 77,894 \$ 37,634 Adjustments to reconcile net income of continuing operations Continuing operations Depreciation and amortization 28,067 27,919 Change in fair value of earn-out liability (385) (2,209) Share-based compensation expense 8,179 7,852 Provision for revenue adjustments 5,504 2,972 Deferred income tax (benefit) expense (11,384) 4,317 Other 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businessess: 406 714 Other creceivables (49,383) (20,436) Other creceivables (49,383) 20,472 Accounts receivables (49,383) 20,478 Accounts payable and accrued expenses 19,388 20,477 Net cash provided by operating activities of continuing operations 2339 1,415 Purchase of a businesses, ref of cash acquired 2,339 1,415 Purchase of a business, ref of cash acquired 2,239 6,5931 Net cash used in investing activities of continuing ope		Jop		Jop	
Aguisments to reconcile net income of continuing operations to net cash provided by operating activities of continuing operations 7 27.919 Depreciation and amortization 28.067 27.919 7.852 Change in fair value of earn-out liability (385) (2.209) Share-based compensation expense 8.179 7.852 Provision for revenue adjustments 5.504 2.972 Deferred income tax (benefit) expense 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 449.363 (20.436) Other current and noncurrent assets 8.184 1,253 20.477 Net cash provided by operating activities of continuing operations 82,242 80.493 Investing activities: Proceeds from sale of property and equipment 2,339 1,415 Purchases of a business, net of cash acquired 2,2543 (55.931) Purchases of property and equipment purchases of continuing operations 43,219 (65.93) Perayements of finance lease obligations <th>Operating activities:</th> <th></th> <th></th> <th></th> <th></th>	Operating activities:				
operating activities of continuing operations 28,067 27,919 Change in fair value of earn-out liability (385) (2,209) Share-based compensation expense 8,179 7,852 Provision for revenue adjustments 5,504 2,972 Deferred income tax (benefit) expense (1,384) 4,317 Other (40,603) (20,436) Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 406 714 Accounts receivable (49,363) (20,436) Other current and noncurrent assets 8,184 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 2,339 1,415 Purchase of property and equipment (23,015) (16,439) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (3,219) (70,955) Financing activities: (22,543) (52,93) (55,931)	Net income from continuing operations	\$	77,894	\$	37,634
Depreciation and amortization 28,067 27,919 Change in fair value of earn-out liability (385) (2,209) Share-based compensation expense 8,179 7,852 Provision for revenue adjustments 5,504 2,972 Provision for revenue adjustments 5,504 2,972 2,000					
Change in fair value of earn-out liability (3.85) (2.209) Share-based compensation expense 8,179 7,852 Provision for revenue adjustments 5,504 2,972 Deferred income tax (benefit) expense (1,384) 4,317 Other 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 408 714 Accounts receivable (49,363) (20,436) Other crurent and noncurrent assets (41,418) 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 2,339 1,415 Purchases of property and equipment (23,015) (16,439) Purchase of a business, net of cash acquired (23,155) (16,439) Net cash used in investing activities of continuing operations (1,445) (529) Financing activities: (1,445) (529) Proceeds from selvage teach obligations (1,445) (529) Froaceds from revolving credit facilit					
Share-based compensation expense 8,179 7,852 Provision for revenue adjustments 5,504 2,972 Deferred income tax (benefit) expense (1,384) 4,317 Other 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 8,184 1,02 Accounts receivable (14,218) — Other current and noncurrent assets 8,184 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 239 1,415 Proceeds from sale of property and equipment 2,339 1,415 Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (1,45) (529) Financing activities: (22,543) (55,931) Net cash used in investing activities of continuing operations (1,445) (529) Financing activities: (1,445) (529) Proceeds from revolving credit facility<	•		•		•
Provision for revenue adjustments 5,504 2,972 Deferred income tax (benefit) expense (1,384) 4,317 Other 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 8 Accounts receivable (49,363) (20,436) Other current and noncurrent assets 8,184 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 2,339 1,415 Proceeds from sale of property and equipment 2,339 1,415 Purchases of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Experiments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments of mevolving credit facility 45,000 65,000 Payment of debt issuance costs (11) (5,284	·				
Deferred income tax (benefit) expense (1,384) 4,317 Other 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: Training activities Accounts receivable (14,218) — Other current and noncurrent assets 8,184 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 2,339 1,415 Proceeds from sale of property and equipment 2,339 1,415 Purchases of a business, net of cash acquired (23,015) (16,439) Purchase of a business, net of cash acquired (23,015) (70,955) Financing activities: — (20,000) Proceeds from revolving credit facility 45,000 65,000 Payment of debt issuance costs (119) — Proceeds from revolving credit facility (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises (17,270) (15,090) Payment of dividends to shareholder			•		· ·
Other 406 714 Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: Image: Contract of the purchase of acquired businesses: Image: Contract of the purchase of acquired businesses: (20,436) (20,436) Other current and noncurrent assets 8,184 1,253 Accounts payable and accrued expenses 19,338 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 8,184 1,253 Proceeds from sale of property and equipment 2,339 1,415 Purchases of property and equipment (23,015) (16,439) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: 1 45,000 65,000 Payments of finance lease obligations (1,445) (52,931) Proceeds from revolving credit facility 45,000 65,000 Payment of earn-out liability 6,519 (5,284) Proceeds from revolving credit facility 6,519 (5,284)	·				
Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses: 4(9,363) (20,436) Accounts receivable (14,218) — Other receivables (14,218) — Other current and noncurrent assets 8,184 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,933 Investing activities: 2,339 1,415 Purchase of property and equipment 2,339 1,415 Purchases of property and equipment (23,015) (16,339) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Repayments of finance lease obligations Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility (45,000) 65,000 Payment of debt issuance costs (11) (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises					· ·
Accounts receivable			406		714
Other current and noncurrent assets (14,218) — Other current and noncurrent assets 8,84 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: Proceeds from sale of property and equipment 2,339 1,415 Purchases of property and equipment (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Proceeds from revolving credit facility 45,000 65,001 Payments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments of revolving credit facility 45,000 65,000 Payment of earn-out liability (6,519) (5,284) Proceeds from revolving credit facility (6,519) (5,284)	businesses:				
Other current and noncurrent assets 8,184 1,253 Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 82,242 80,493 Investing activities: 82,242 80,493 Proceeds from sale of property and equipment 2,339 1,415 Purchase of a business, net of cash acquired (23,015) (16,439) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: 8 45,000 65,000 Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility 45,000 65,000 Payment of dearn-out liability (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payment of dividends to shareholders 17,270 (15,090)					(20,436)
Accounts payable and accrued expenses 19,358 20,477 Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: 82,242 80,493 Proceeds from sale of property and equipment 2,339 1,415 Purchases of property and equipment (23,015) (16,439) Purchases of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Tespayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments of finance lease obligations (11,45) (529) Proceeds from revolving credit facility 45,000 65,000 Payment of debt issuance costs (119) — Proceeds from issuance of common stock upon stock option exercises 3,663 1,901 Payment of distribution sto shareholders (17,270) (15,090) Repurchases and retirement of common stock upon stock option exercises 3,663 1,901 Payment of minimum tax withholding			, ,		_
Net cash provided by operating activities of continuing operations 82,242 80,493 Investing activities: Proceeds from sale of property and equipment 2,339 1,415 Purchases of property and equipment (23,015) (16,439) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Proceeds from revolving credit facility 45,000 65,000 Proceeds from revolving credit facility 45,000 65,000 Payment of earn-out liability (6,519) (5,284) Proceeds from issuance costs (119) — Payment of earn-out liability (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payment of invidends to shareholders (17,270) (15,090) Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) <td>Other current and noncurrent assets</td> <td></td> <td></td> <td></td> <td></td>	Other current and noncurrent assets				
Investing activities: 2,339 1,415 Proceeds from sale of property and equipment (23,015) (16,439) Purchases of property and equipment (22,543) (55,931) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: *** *** Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payment of debt issuance costs (119) — Payment of earn-out liability (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payment of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiarly held for sale 1,118 (8,89					
Proceeds from sale of property and equipment 2,339 1,415 Purchases of property and equipment (22,015) (16,439) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Temporary activities Temporary activities (11,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility - (20,000) Payment of earn-out liability - (20,000) Payment of earn-out liability 6,519) 5,284 Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payment of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock 4(8,989) 45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 8,897 <t< td=""><td>Net cash provided by operating activities of continuing operations</td><td></td><td>82,242</td><td></td><td>80,493</td></t<>	Net cash provided by operating activities of continuing operations		82,242		80,493
Proceeds from sale of property and equipment 2,339 1,415 Purchases of property and equipment (22,015) (16,439) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Temporary activities Temporary activities (11,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility - (20,000) Payment of earn-out liability - (20,000) Payment of earn-out liability 6,519) 5,284 Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payment of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock 4(8,989) 45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 8,897 <t< td=""><td></td><td></td><td></td><td></td><td></td></t<>					
Purchases of property and equipment (23,015) (16,439) Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility - (20,000) Payment of debt issuance costs (119) - Payment of earn-out liability (6,519) (5,248) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payments of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in financing activities from continuing operations (27,347) (
Purchase of a business, net of cash acquired (22,543) (55,931) Net cash used in investing activities of continuing operations (43,219) (70,955) Financing activities: Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility - (20,000) Payment of debt issuance costs (119) - Payment of earn-out liability (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payment of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock 48,889 (45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in injancing activities from continuing operations (27,347) (31,297) Net cash used in operating activities of discontinued operation (6			•		•
Net cash used in investing activities of continuing operations Financing activities: Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility - (20,000) Payment of each costs (119) - Payment of each costs (119) - Payment of each costs (119) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payments of dividends to shareholders Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale Net cash used in financing activities from continuing operations Ret cash used in operating activities of discontinued operation Net cash used in operating activities of discontinued operation Net cash used in provided by (used in) investing activities of discontinued operation Net cash quivalents at beginning of period of continuing operations Cash and cash equivalents at beginning of period of continuing operations Authorities Authorities Repayments of financing activities of discontinued operation (6,902) (8,090) Net cash provided by (used in) investing activities of discontinued operation (1,118) 8,997 Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Authorities Authoritie					
Financing activities: Repayments of finance lease obligations Proceeds from revolving credit facility Proceeds from revolving credit facility Payments on revolving credit facility Payment of debt issuance costs Payment of earn-out liability Proceeds from issuance of common stock upon stock option exercises Payment of earn-out liability Proceeds from issuance of common stock upon stock option exercises Payments of dividends to shareholders Proceeds from common stock Proceeds from common stock issued under employee stock purchase plan Payment of minimum tax withholdings on share-based awards Proceeds from common stock issued under employee stock purchase plan Payment of minimum tax withholdings on share-based awards Payment of minimum tax withholdings on share-bas			, ,		, ,
Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility — (20,000) Payment of debt issuance costs (119) — Payment of earn-out liability (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payments of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in financing activities from continuing operations (27,347) (31,297) Net increase (decrease) in cash and cash equivalents of continuing operations 11,676 (21,759) Net cash used in operating activities of discontinued operation 6,902) (8,090) Net cash provided by (used in) investing activities of discontinued operation 11,676 (21,759) <	Net cash used in investing activities of continuing operations		(43,219)		(70,955)
Repayments of finance lease obligations (1,445) (529) Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility — (20,000) Payment of debt issuance costs (119) — Payment of earn-out liability (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payments of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in financing activities from continuing operations (27,347) (31,297) Net increase (decrease) in cash and cash equivalents of continuing operations 11,676 (21,759) Net cash used in operating activities of discontinued operation 6,902) (8,090) Net cash provided by (used in) investing activities of discontinued operation 11,676 (21,759) <	Financian activities				
Proceeds from revolving credit facility 45,000 65,000 Payments on revolving credit facility — (20,000) Payment of debt issuance costs (119) — Payment of earn-out liability (6,519) (5,284) Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payments of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in financing activities from continuing operations (27,347) (31,297) Net increase (decrease) in cash and cash equivalents of continuing operations 11,676 (21,759) Cash from discontinued operation (6,902) (8,090) Net cash used in operating activities of discontinued operation (6,902) (8,090) Net cash provided by (used in) investing activities of discontinued operation (1,118) 8,897	-		(1 115)		(F20)
Payments on revolving credit facility Payment of debt issuance costs (119) — Payment of debt issuance costs (119) — Payment of earn-out liability Proceeds from issuance of common stock upon stock option exercises 3,563 1,901 Payments of dividends to shareholders (17,270) (15,090) Repurchases and retirement of common stock (48,989) (45,248) Proceeds from common stock issued under employee stock purchase plan Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale Net cash used in financing activities from continuing operations (27,347) (31,297) Net increase (decrease) in cash and cash equivalents of continuing operations Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Net cash used in provided by financing activities of discontinued operation Net cash quivalents at beginning of period of continuing operations Net increase (decrease) in cash and cash equivalents Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation ——— Net increase (decrease) in cash and cash equivalents 11,676 (21,759)			. ,		
Payment of debt issuance costs(119)—Payment of earn-out liability(6,519)(5,284)Proceeds from issuance of common stock upon stock option exercises3,5631,901Payments of dividends to shareholders(17,270)(15,090)Repurchases and retirement of common stock(48,989)(45,248)Proceeds from common stock issued under employee stock purchase plan388294Payment of minimum tax withholdings on share-based awards(3,074)(3,444)Contributions from (distributions to) subsidiary held for sale1,118(8,897)Net cash used in financing activities from continuing operations(27,347)(31,297)Net increase (decrease) in cash and cash equivalents of continuing operations11,676(21,759)Cash from discontinued operation:(6,902)(8,090)Net cash used in operating activities of discontinued operation8,020(807)Net cash (used in) provided by (used in) investing activities of discontinued operation8,020(807)Net increase (decrease) in cash and cash equivalents11,676(21,759)Cash and cash equivalents at beginning of period of continuing operations40,25464,749Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents11,676(21,759)Less: cash at end of period of discontinued operation——			45,000		
Payment of earn-out liability(6,519)(5,284)Proceeds from issuance of common stock upon stock option exercises3,5631,901Payments of dividends to shareholders(17,270)(15,090)Repurchases and retirement of common stock(48,989)(45,248)Proceeds from common stock issued under employee stock purchase plan388294Payment of minimum tax withholdings on share-based awards(3,074)(3,444)Contributions from (distributions to) subsidiary held for sale1,118(8,897)Net cash used in financing activities from continuing operations(27,347)(31,297)Net increase (decrease) in cash and cash equivalents of continuing operations11,676(21,759)Cash from discontinued operation:(6,902)(8,090)Net cash used in operating activities of discontinued operation8,020(807)Net cash (used in) provided by financing activities of discontinued operation(1,118)8,897Net increase (decrease) in cash and cash equivalents11,676(21,759)Cash and cash equivalents at beginning of period of continuing operations40,25464,749Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents11,676(21,759)Less: cash at end of period of discontinued operation——			(110)		(20,000)
Proceeds from issuance of common stock upon stock option exercises 7,563 7,901 Payments of dividends to shareholders (17,270) Repurchases and retirement of common stock (48,989) Repurchases and retirement of common stock Repurchases and respect plan Repurchas			` '		(5 294)
Payments of dividends to shareholders Repurchases and retirement of common stock Repurchases and retirement of common stock Proceeds from common stock issued under employee stock purchase plan Rament of minimum tax withholdings on share-based awards Contributions from (distributions to) subsidiary held for sale Contributions from (distributions to) subsidiary held for sale Intl Rament of minimum tax withholdings on share-based awards Contributions from (distributions to) subsidiary held for sale Intl Rament of minimum tax withholdings on share-based awards (3,074) (3,444) (2,347) (31,297) Net cash used in financing activities from continuing operations Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Rament of the first					. ,
Repurchases and retirement of common stock Proceeds from common stock issued under employee stock purchase plan Payment of minimum tax withholdings on share-based awards Contributions from (distributions to) subsidiary held for sale Contributions from (distributions to) subsidiary held for sale Net cash used in financing activities from continuing operations (27,347) Net increase (decrease) in cash and cash equivalents of continuing operations 11,676 (21,759) Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Net cash (used in) provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Cash and cash equivalents at beginning of period of continuing operations 40,254 64,749 Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation — — — Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation — — — — Net increase (decrease) in cash and cash equivalents 11,676 (21,759)			-		
Proceeds from common stock issued under employee stock purchase plan A 388 294 Payment of minimum tax withholdings on share-based awards (3,074) (3,444) Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in financing activities from continuing operations (27,347) (31,297) Net increase (decrease) in cash and cash equivalents of continuing operations 11,676 (21,759) Cash from discontinued operation: Net cash used in operating activities of discontinued operation (6,902) (8,090) Net cash provided by (used in) investing activities of discontinued operation 8,020 (807) Net cash (used in) provided by financing activities of discontinued operation (1,118) 8,897 Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Cash and cash equivalents at beginning of period of continuing operations 40,254 64,749 Cash at beginning of period of discontinued operation — — Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation — — —					
Payment of minimum tax withholdings on share-based awards Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in financing activities from continuing operations (27,347) (31,297) Net increase (decrease) in cash and cash equivalents of continuing operations 11,676 (21,759) Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Net cash (used in) provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Cash and cash equivalents at beginning of period of continuing operations 40,254 64,749 Cash at beginning of period of discontinued operation ——— Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation ———— Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation ———————————————————————————————————					
Contributions from (distributions to) subsidiary held for sale 1,118 (8,897) Net cash used in financing activities from continuing operations Net increase (decrease) in cash and cash equivalents of continuing operations 11,676 (21,759) Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Net cash (used in) provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation — — —					
Net cash used in financing activities from continuing operations (27,347) (31,297) Net increase (decrease) in cash and cash equivalents of continuing operations (6,902) (8,090) Net cash used in operating activities of discontinued operation (6,902) (807) Net cash provided by (used in) investing activities of discontinued operation (1,118) (8,897) Net cash (used in) provided by financing activities of discontinued operation (1,118) (21,759) Net increase (decrease) in cash and cash equivalents (1,676) (21,759) Cash and cash equivalents at beginning of period of continuing operations (40,254) (4,749) Cash at beginning of period of discontinued operation (21,759) Less: cash at end of period of discontinued operation (21,759)			,		
Net increase (decrease) in cash and cash equivalents of continuing operations Cash from discontinued operation: Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Net cash (used in) provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Cash at beginning of period of discontinued operation — Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation — — —					
Cash from discontinued operation:Net cash used in operating activities of discontinued operation(6,902)(8,090)Net cash provided by (used in) investing activities of discontinued operation8,020(807)Net cash (used in) provided by financing activities of discontinued operation(1,118)8,897Net increase (decrease) in cash and cash equivalents11,676(21,759)Cash and cash equivalents at beginning of period of continuing operations40,25464,749Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents11,676(21,759)Less: cash at end of period of discontinued operation——					
Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Net cash (used in) provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation — — —	Net increase (decrease) in cash and cash equivalents of continuing operations		11,676		(21,759)
Net cash used in operating activities of discontinued operation Net cash provided by (used in) investing activities of discontinued operation Net cash (used in) provided by financing activities of discontinued operation Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period of continuing operations Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents Cash at beginning of period of discontinued operation Net increase (decrease) in cash and cash equivalents 11,676 (21,759) Less: cash at end of period of discontinued operation — — —	Cash from discontinued operation:				
Net cash provided by (used in) investing activities of discontinued operation8,020(807)Net cash (used in) provided by financing activities of discontinued operation(1,118)8,897Net increase (decrease) in cash and cash equivalents11,676(21,759)Cash and cash equivalents at beginning of period of continuing operations40,25464,749Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents11,676(21,759)Less: cash at end of period of discontinued operation——			(6,902)		(8,090)
Net cash (used in) provided by financing activities of discontinued operation(1,118)8,897Net increase (decrease) in cash and cash equivalents11,676(21,759)Cash and cash equivalents at beginning of period of continuing operations40,25464,749Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents11,676(21,759)Less: cash at end of period of discontinued operation——					
Net increase (decrease) in cash and cash equivalents11,676(21,759)Cash and cash equivalents at beginning of period of continuing operations40,25464,749Cash at beginning of period of discontinued operation——Net increase (decrease) in cash and cash equivalents11,676(21,759)Less: cash at end of period of discontinued operation——					
Cash and cash equivalents at beginning of period of continuing operations 40,254 64,749 Cash at beginning of period of discontinued operation — Net increase (decrease) in cash and cash equivalents Less: cash at end of period of discontinued operation — — —					
Cash at beginning of period of discontinued operation — — — Net increase (decrease) in cash and cash equivalents — — — — — — — — — — — — — — — — — — —					
Net increase (decrease) in cash and cash equivalents11,676(21,759)Less: cash at end of period of discontinued operation——					_
Less: cash at end of period of discontinued operation			11,676		(21,759)
			_		
Cash and cash equivalents at end of period of continuing operations \$\frac{51,930}{2}\$		\$	51,930	\$	42,990

Forward Air Corporation Reconciliation of Non-GAAP Financial Measures

In this press release, the Company uses non-GAAP financial measures that are derived on

the basis of methodologies other than in accordance with GAAP. The Company believes that meaningful analysis of its financial performance requires an understanding of the factors underlying that performance, including an understanding of items that are non-operational. Management uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions as well as evaluating the Company's performance.

For the three and nine months ended September 30, 2021 and 2020, this press release contains the following non-GAAP financial measures: earnings before interest, taxes, depreciation and amortization ("EBITDA"), free cash flow, and reported income from continuing operations, net income, and net income per diluted share to adjusted income from continuing operations, net income, and net income per diluted share. All non-GAAP financial measures are presented on a continuing operations basis.

The Company believes that EBITDA from continuing operations improves comparability from period to period by removing the impact of its capital structure (interest and financing expenses), asset base (depreciation and amortization) and tax impacts. The Company believes that free cash flow from continuing operations is an important measure of its ability to repay maturing debt or fund other uses of capital that it believes will enhance shareholder value. The Company believes providing adjusted income from operations, net income and net income per share allows investors to compare Company performance consistently over various periods without regard to the impact of these unusual, nonrecurring or nonoperational items.

Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's financial results prepared in accordance with GAAP. Non-GAAP financial information does not represent a comprehensive basis of accounting. As required by the Securities and Exchange Act of 1933 and the rules and regulations promulgated thereunder, the Company has included, for the periods indicated, a reconciliation of the non-GAAP financial measure to the most directly comparable GAAP financial measure.

The following is a reconciliation of net income from continuing operations to EBITDA from continuing operations for the three and nine months ended September 30, 2021 and 2020 (in thousands):

		Three Mor	iths	Ended		Nine Mon	ths Ended			
Continuing Operations	Sep	tember 30, 2021	Se	ptember 30, 2020	Se	otember 30, 2021	September 30, 2020			
Net income	\$	30,503	\$	16,992	\$	77,894	\$	37,634		
Interest expense		973		1,304		3,461		3,355		
Income tax expense		11,000		5,214		25,969		12,209		
Depreciation and amortization		9,416		9,172		28,067		27,919		
EBITDA	\$	51,892	\$	32,682	\$	135,391	\$	81,117		

The following is a reconciliation of net cash provided by operating activities of continuing operations to free cash flow from continuing operations for the three and nine months ended September 30, 2021 and 2020 (in thousands):

		Three Mor	nth	s Ended	Nine Months Ended				
Continuing Operations	September 30 2021		September 30, 2020		September 30, 2021		Se	ptember 30, 2020	
Net cash provided by operating activities	\$	42,581	\$	20,564	\$	82,242	\$	80,493	
Proceeds from sale of property and equipmer	nt	1,025		427		2,339		1,415	
Purchases of property and equipment		(14,440)		(2,225)		(23,015)		(16,439)	
Free cash flow	\$	29,166	\$	18,766	\$	61,566	\$	65,469	

The following is a reconciliation of reported income from continuing operations, net income, and net income per diluted share from continuing operations to adjusted income from continuing operations, net income, and net income per diluted share from continuing operations for the three and nine months ended September 30, 2021 and 2020 (in thousands, except net income per diluted share):

	Three Months Ended September 30, 2021				Th		ns Ended 30, 2020	s Ended September 60, 2020		
Continuing Operations	-	ncome From perations	Net Income ¹	Net Incom Per Dilu Share ¹	ted	ted From		Net Income ¹	Net Income Per Diluted ¹ Share ¹	
As Reported	\$	42,476	\$30,503	\$ 1.	12	\$	23,510	\$16,992	\$ 0	.61
Professional fees for an operational improvement project		969	712	0.0	03		_	_		_
Reserve for a litigated contract dispute		_	_	-	_		2,300	1,760	0	0.06
As Adjusted	\$	43,445	\$31,215	\$ 1.	14	\$	25,810	\$18,752	\$ 0	.67

¹ Net income and net income per diluted share amounts are after tax

² Rounding may impact summation of amounts.

	Nine Months Ended September 30, 2021					Ni	ine Month	September	
Continuing Operations	0	Income From perations	Net Income ¹	Pe	Net Income er Diluted Share ¹	-	ncome From perations	Net Income ¹	Net Income Per Diluted Share ¹
As Reported	\$	107,324	\$77,894	\$	2.83	\$	53,198	\$37,634	\$ 1.35
Professional fees for an operational improvement project		969	727		0.03		_	_	_
Professional fees for cybersecurity and shareholder engagement activities		6,955	5,216		0.19		_	_	_
Reserve for a litigated contract dispute		_	_		_		2,300	1,736	0.06
Change in the fair value of the earn-out liability		_	_		_		(2,152)	(1,625)	(0.06)
Severance expenses		_					997	753	0.03
As Adjusted	\$	115,248	\$83,837	\$	3.05	\$	54,343	\$38,498	\$ 1.38

¹ Net income and net income per diluted share amounts are after tax

The following is a reconciliation of targeted net income per diluted share from continuing operations to adjusted targeted net income per diluted share from continuing operations for the year ended December 31, 2021:

Continuing Operations	Net I	Net Income Per Diluted Share ¹			
As targeted	\$	4.08 - 4.12			
Professional fees for an operational improvement project ²		0.03			
Professional fees for cybersecurity and shareholder engagement activities	s ²	0.19			
As adjusted targeted	\$	4.30 - 4.34			

- 1 Net income per diluted share is after tax.
- 2 The above reconciliation reflects adjustments to full year 2021 targeted net income per diluted share from continuing operations based on expenses incurred during the nine months ended September 30, 2021. Full year expenses could differ based on future activity.

The following is reconciliation of reported net income per diluted share from continuing operations to adjusted net income per diluted share from continuing operations for the three months and year ended December 31, 2020:

	Net Income Per Diluted Share ¹							
Continuing Operations		onths Ended per 31, 2020	Year Ended December 31, 2020					
As reported	\$	0.55	\$	1.89				
Reserve for a litigated contract dispute		_		0.06				
Change in the fair value of the earn-out liability		0.07		0.01				
Severance expenses		_		0.03				
As adjusted	\$	0.62	\$	1.99				

Net income per diluted share is after tax

The following information is provided to supplement this press release.

Actual - Continuing Operations		Three Months Ended September 30, 2021			
Net income from continuing operations	\$	30,503			
Income allocated to participating securities		(235)			
Numerator for diluted income per share - net income	\$	30,268			
Weighted-average shares outstanding - diluted		27,144			
Diluted net income per share	\$	1.12			
Projected	F	ull year 2021			
Projected tax rate - continuing operations		25.2%			
Projected purchases of property and equipment, net of proceeds from sale of property and equipment	\$	39,000			
¹ Includes \$22,000 for the Columbus, Ohio hub expansion					
Projected	Dec	ember 31, 2021			
Projected weighted-average shares outstanding - diluted		27,300			

Note Regarding Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Forward-looking statements included in this press release relate to expected fourth quarter 2021 revenue, revenue growth, net income per diluted share, adjusted net income per diluted share and volume, expectations regarding continued momentum in our business into 2022 and 2023, expectations regarding expansion of operating margins, and the future of declaration of dividends.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections,

anticipated events and trends, the economy and other future conditions. Because forwardlooking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forwardlooking 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, the COVID-19 pandemic, our ability to manage our growth and ability to grow, in part, through acquisitions, while being able to successfully integrate such acquisitions, our ability to secure terminal facilities in desirable locations at reasonable rates, more limited liquidity than expected which limits our ability to make key investments, the creditworthiness of our customers and their ability to pay for services rendered, our inability to maintain our historical growth rate because of a decreased volume of freight or decreased average revenue per pound of freight moving through our network, the availability and compensation of qualified Leased Capacity Providers and freight handlers as well as contracted, third-party carriers needed to serve our customers' transportation needs, our inability to manage our information systems and inability of our information systems to handle an increased volume of freight moving through our network, the occurrence of cybersecurity risks and events, market acceptance of our service offerings, claims for property damage, personal injuries or workers' compensation, enforcement of and changes in governmental regulations, environmental, tax, insurance and accounting matters, the handling of hazardous materials, changes in fuel prices, loss of a major customer, increasing competition and pricing pressure, our dependence on our senior management team and the potential effects of changes in employee status, seasonal trends, the occurrence of certain weather events, restrictions in our charter and bylaws and the risks described in our Annual Report on Form 10-K for the year ended December 31, 2020.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

View source version on businesswire.com: https://www.businesswire.com/news/home/20211027006187/en/

Forward Air Corporation
Brandon Hammer, 423-636-7173
bhammer@forwardair.com

Source: Forward Air Corporation