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## Forward Air Corporation Provides Fourth Quarter 2008 Update

GREENEVILLE, Tenn.--(BUSINESS WIRE)-- Forward Air Corporation (NASDAQ:FWRD) today provided updated earnings guidance for the fourth quarter 2008.

Forward Air Corporation today announced that, due to the impact of the severely worsening economic conditions encountered during the second half of the fourth quarter, the Company has revised its fourth quarter guidance for earnings per diluted share to a range of \$.27 to \$.29. Previously, the Company's earnings guidance for the fourth quarter of 2008 was a range of \$.40 to \$.44 per diluted share. Forward Air plans to report its financial results for the fourth quarter and full year 2008 on February 9, 2009.

Bruce A. Campbell, Chairman, President, and CEO, said, "The earnings shortfall was primarily driven by a further, significant deterioration in airport-to-airport tonnage over the course of the quarter. Like most others in the industry, we reported during our third quarter earnings call that tonnage had begun to decrease midway through the third quarter. This tonnage decline intensified throughout the fourth quarter, with December's tonnage decline being by far the largest. We ended the quarter with a 14% tonnage decline as compared to the fourth quarter of 2007. Additionally, we experienced less than anticipated profits in our Forward Air Solutions segment, driven by the impact that the poor economic conditions had on retail sales."

Commenting further, Mr. Campbell said, "As tonnage has deteriorated, we have responded by attacking the variable and discretionary expenses in our model, which will continue to mitigate the severe impact resulting from the significant tonnage decline. However, it is important to note that our employees remain, as always, focused on providing the superior level of service that our customers have come to expect from Forward Air."

Rodney L. Bell, Chief Financial Officer and Senior Vice President, said, "While we are very disappointed with the results of the quarter, we were encouraged to see that even in December, which was one of the worst operating months in our history, we had profitable operating results and generated positive cash flow. We ended 2009 with just over \$22 million in cash and \$50 million available on our \$100 million line of credit. This strong liquidity position will continue to provide us with the ability to take advantage of the opportunities that tend to arise during difficult times."

About Forward Air Corporation:

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

Forward Air, Inc. is a high-service-level contractor to the air cargo industry providing time-

definite ground transportation services through a network of 83 terminals located on or near major airports in the United States and Canada. It provides these services as a cost-effective alternative to air transportation of cargo that must be delivered at a specific time but is relatively less time-sensitive than traditional air freight or when air transportation is not economical.

Forward Air Solutions, Inc. is a provider of pool distribution services. Pool distribution involves the consolidation and shipment of several smaller less-than-truckload shipments to a common area or region. Once at the regional destination, the loads are deconsolidated, then grouped with other shipments with common delivery points, and delivered in a very precise, time-sensitive manner. Our pool distribution network consists of 20 terminals within the mid-Atlantic, Southeast, Midwest and Southwestern United States.

### Important Information

This press release contains "forward-looking statements," as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements other than historical information or statements of current condition and relate to future events or our future financial performance. Some forward-looking statements may be identified by use of such terms as "believes," "anticipates," "intends," "plans," "estimates," "projects" or "expects." Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The following is a list of factors, among others, that could cause actual results to differ materially from those contemplated by the forward-looking statements: economic factors such as recessions, inflation, higher interest rates and downturns in customer business cycles, our inability to maintain our historical growth rate because of a decreased volume of freight moving through our network or decreased average revenue per pound of freight moving through our network, increasing competition and pricing pressure, surplus inventories, loss of a major customer, the creditworthiness of our customers and their ability to pay for services rendered, our ability to secure terminal facilities in desirable locations at reasonable rates, the inability of our information systems to handle an increased volume of freight moving through our network, changes in fuel prices, claims for property damage, personal injuries or workers' compensation, employment matters including rising health care costs, enforcement of and changes in governmental regulations, environmental and tax matters, the handling of hazardous materials, the availability and compensation of qualified independent owner-operators and freight handlers needed to serve our transportation needs and our inability to successfully integrate acquisitions. As a result of the foregoing, no assurance can be given as to future financial condition, cash flows or results of operations. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Source: Forward Air Corporation