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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2004

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______to______

Commission File Number 0-15057

P.A.M. TRANSPORTATION SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware	71-0633135
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

297 West Henri De Tonti, Tontitown, Arkansas 72770
(Address of principal executive offices)(Zip Code)

Registrants telephone number, including area code: (479) 361-9111

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

Yes [X] No [_]

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

Yes [X] No [_]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Outstanding at July 21, 2004
Common Stock, $.01 Par Value	11,296,207

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

P.A.M. TRANSPORTATION SERVICES, INC.
AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	June 30, 2004 (unaudited)	December 31, 2003 (note)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 13,018	$ 3,064
Receivables:		
Trade, net of allowance	52,272	46,120
Other	1,251	1,150
Inventories	1,152	653
Prepaid expenses and deposits	9,699	6,771
Marketable equity securities, available for sale, at fair value	5,657	5,492
Income taxes refundable	722	1,256
Total current assets	83,771	64,506
Property and equipment, at cost	256,402	269,419
Less: accumulated depreciation	(86,625)	(86,689)
Net property and equipment	169,777	182,730
Other assets:		
Goodwill	15,413	15,413
Non compete agreement	829	1,004
Other	1,331	1,196
Total other assets	17,573	17,613
Total assets	$ 271,121	$ 264,849
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	$ 2,088	$ 2,039
Trade accounts payable	21,600	22,295
Other current liabilities	11,907	11,167
Deferred income taxes	1,678	1,330
Total current liabilities	37,273	36,831
Long-term debt, less current portion	23,542	26,740
Non compete agreement	521	695
Deferred income taxes	46,912	43,708
Shareholders' equity:		
Preferred Stock, $.01 par value: 10,000,000 shares authorized; none issued		
Common stock, $.01 par value: 40,000,000 shares authorized; issued and outstanding- 11,296,207 at June 30, 2004, 11,294,207 at December 31, 2003	113	113
Additional paid-in capital	75,974	75,957
Accumulated other comprehensive income	467	164
Retained earnings	86,319	80,641
Total shareholders' equity	162,873	156,875
Total liabilities and shareholders' equity	$ 271,121	$ 264,849

Note: The balance sheet at December 31, 2003 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. See notes to condensed consolidated financial statements.

P.A.M. TRANSPORTATION SERVICES, INC.
AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited)
(in thousands, except share data)

	Three Months Ended June 30, 2004	Three Months Ended June 30, 2003	Six Months Ended June 30, 2004	Six Months Ended June 30, 2003
Revenue:				
Operating revenue, before fuel surcharge	$ 79,071	$ 74,956	$ 156,744	$ 145,095
Fuel surcharge	3,213	2,181	5,660	4,484
	82,284	77,137	162,404	149,579
Operating expenses:				
Salaries, wages and benefits	29,640	29,925	60,038	59,208
Operating supplies	18,588	14,892	36,964	31,355
Rent and purchased transportation	10,010	9,562	19,772	16,589
Depreciation and amortization	7,416	6,550	14,885	12,605
Operating taxes and licenses	3,945	3,669	7,956	7,204
Insurance and claims	3,904	3,643	7,892	7,131
Communications and utilities	658	635	1,366	1,236
Other	1,555	1,196	2,904	2,209
Loss on sale of equipment	18	4	278	28
	75,734	70,076	152,055	137,565
Operating income	6,550	7,061	10,349	12,014
Other income (expense)				
Interest expense	(349)	(427)	(699)	(684)
Income before income taxes	6,201	6,634	9,650	11,330
Income taxes --current	319	25	637	210
--deferred	2,235	2,562	3,335	4,256
	2,554	2,587	3,972	4,466
Net income	$ 3,647	$ 4,047	$ 5,678	$ 6,864
Net income per common share:				
Basic	$ 0.32	$ 0.36	$ 0.50	$ 0.61
Diluted	$ 0.32	$ 0.36	$ 0.50	$ 0.61
Average common shares outstanding-Basic	11,296,207	11,289,811	11,295,581	11,288,290
Average common shares outstanding-Diluted	11,322,148	11,332,383	11,321,727	11,335,673

See notes to condensed consolidated financial statements.

P.A.M. TRANSPORTATION SERVICES, INC.
AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in thousands)

	Six Months Ended June 30, 2004	Six Months Ended June 30, 2003
OPERATING ACTIVITIES		
Net income	$ 5,678	$ 6,864
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	14,885	12,605
Non compete agreement amortization	-	42
Provision for deferred income taxes	3,335	4,256
Loss on retirement of property and equipment	278	28
Changes in operating assets and liabilities:		
Accounts receivable	(6,287)	(15,995)
Prepaid expenses and other current assets	(3,029)	(4,976)
Accounts payable	(186)	5,075
Other current liabilities	739	1,958
Net cash provided by operating activities	15,413	9,857
INVESTING ACTIVITIES		
Purchases of property and equipment	(19,109)	(33,375)
Acquisition of businesses, net of cash acquired	-	(10,752)
Purchases of marketable securities	(153)	(3,946)
Proceeds from sales of assets	16,900	5,588
Lease payments received on direct financing leases	35	30
Net cash used in investing activities	(2,327)	(42,455)
FINANCING ACTIVITIES		
Borrowings under lines of credit	171,463	179,429
Repayments under lines of credit	(174,331)	(167,214)
Borrowings of long-term debt	2,304	-
Repayments of long-term debt	(2,585)	(866)
Proceeds from exercise of stock options	17	79
Net cash (used in) provided by financing activities	(3,132)	11,428
Net increase (decrease) in cash and cash equivalents	9,954	(21,170)
Cash and cash equivalents at beginning of period	3,064	30,766
Cash and cash equivalents at end of period	$ 13,018	$ 9,596

See notes to condensed consolidated financial statements.

P.A.M. TRANSPORTATION SERVICES, INC.
AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited)
(in thousands)

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Total Comprehensive Income	Accumulated Other Comprehensive Income/(Loss)	Retained Earnings	Total
BALANCE AT DECEMBER 31, 2003	11,294	113	75,957		164	80,641	156,875
Components of comprehensive income:							
Net income				$ 5,678		5,678	5,678
Other comprehensive income (loss) -							
Unrealized gain on hedge, net of tax of $217				312	312		312
Unrealized loss on marketable securities, net of tax of $6				(9)	(9)		(9)
Total comprehensive income				$ 5,981			
Exercise of stock options- shares issued including tax benefits	2		17				17
BALANCE AT JUNE 30, 2004	11,296	$ 113	$ 75,974		$ 467	$ 86,319	$162,873

See notes to consolidated financial statements.

P.A.M. TRANSPORTATION SERVICES, INC.
AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
JUNE 30, 2004

NOTE A: BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In management's opinion, all adjustments (consisting of normal recurring accruals) necessary for a fair presentation have been included. Operating results for the six-month period ended June 30, 2004 are not necessarily indicative of the results that may be expected for the year ending December 31, 2004. For further information, refer to the consolidated financial statements and the footnotes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2003.

In order to conform to industry practice, the Company began to classify fuel surcharges charged to customers as revenue rather than as a reduction of operating supplies expense as presented in reports prior to the period ended June 30, 2004. This reclassification has no effect on net operating income, net income or earnings per share. The Company has made corresponding reclassifications to comparative periods shown.

NOTE B: DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Effective February 28, 2001 the Company entered into an interest rate swap agreement on a notional amount of $15,000,000. The pay fixed rate under the swap is 5.08%, while the receive floating rate is "1-month" LIBOR. This interest rate swap agreement terminates on March 2, 2006. Effective May 31, 2001 the Company entered into an interest rate swap agreement on a notional amount of $5,000,000. The pay fixed rate under the swap is 4.83%, while the receive floating rate is "1-month" LIBOR. This interest rate swap agreement terminates on June 2, 2006.

The Company designates both of these interest rate swaps as cash flow hedges of its exposure to variability in future cash flows resulting from interest payments indexed to "1-month" LIBOR. Changes in future cash flows from the interest rate swaps will offset changes in interest rate payments on the first $20,000,000 of the Company's current revolving credit facility or future "1-month" LIBOR based borrowings that reset on the last London Business Day prior to the start of the next interest period. The hedge locks the interest rate at 5.08% or 4.83% plus the pricing spread (currently 1.15%) for the notional amounts of $15,000,000 and $5,000,000, respectively.

These interest rate swap agreements meet the specific hedge accounting criteria. The effective portion of the cumulative gain or loss has been reported as a component of accumulated other comprehensive loss in shareholders' equity and will be reclassified into current earnings by June 2, 2006, the latest termination date for all current swap agreements. The Company records all derivatives at fair value as assets or liabilities in the condensed consolidated balance sheet, with classification as current or long-term depending on the duration of the instrument. At June 30, 2004, the net after tax deferred hedging loss in accumulated other comprehensive loss was approximately $470,000.

The measurement of hedge effectiveness is based upon a comparison of the floating-rate leg of the swap and the hedged floating-rate cash flows on the underlying liability. This method is based upon the premise that only the floating-rate component of the swap provides the cash flow hedge, and any changes in the swap's fair value attributable to the fixed-rate leg is not relevant to the variability of the hedged interest payments on the floating-rate liability. The calculation of ineffectiveness involves a comparison of the present value of the cumulative change in the expected future cash flows on the variable leg of the swap and the present value of the cumulative change in the expected future interest cash flows on the floating-rate liability. Ineffectiveness related to these hedges was not significant.

In August 2000 and July 2001, we entered into agreements to obtain price protection and reduce a portion of our exposure to fuel price fluctuations. Under these agreements, we were obligated to purchase minimum amounts of diesel fuel per month, with a price protection component, for the six month periods ended March 31, 2001 and February 28, 2002. The agreements also provide that if during the 48 months commencing April 2001, the average monthly price of heating oil on the New York Mercantile Exchange ("NY MX HO") falls below $.58 per gallon, we are obligated to pay, for a maximum of twelve different months selected by the contract holder during such 48-month period, the difference between $.58 per gallon and NY MX HO average price, multiplied by 900,000 gallons. Accordingly, in any month in which the holder exercises such right, we would be obligated to pay the holder $9,000 for each cent by which $.58 exceeds the average NY MX HO price for that month. The agreements are stated at their fair value of $750,000 which is included in accrued liabilities in the accompanying consolidated financial statements.

NOTE C: RECENT ACCOUNTING PRONOUNCEMENTS

In December 2003, the FASB issued Interpretation No. 46 (revised December 2003), Consolidation of Variable Interest Entities, an interpretation of Accounting Research Bulletin No. 51, Consolidated Financial Statements ("FIN 46R"), which replaced FIN 46. FIN 46 clarifies the application of Accounting Research Bulletin No. 51 to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. The Company is required to adopt the provisions of FIN 46R by the beginning of the first annual period beginning after December 15, 2004. The adoption of FIN 46R is not expected to have a material effect on the Company's consolidated financial statements.

In March 2004, the FASB issued an exposure draft entitled Share-Based Payment - an amendment of Statements No. 123 and 95 (Proposed Statement of Financial Accounting Standards). The proposed Statement would eliminate the ability to account for share-based compensation transactions using APB Opinion No. 25 and generally require instead that such transactions be accounted for using a fair-value-based method. This accounting, if approved, could result in significant compensation expense charges to our future results of operations. The exposure draft, if adopted as presently drafted, would be applied to public entities prospectively for fiscal years beginning after December 15, 2004, as if all share-based compensation awards granted, modified, or settled after December 15, 1994, had been accounted for using the fair-value method of accounting. Retrospective application of the proposed Statement is not permitted.

Management of the Company is considering the impact of EITF Issue 03-1, The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments ("EITF 03-1"). The EITF has concluded that EITF 03-1 indicates that an investor must have the intent and ability to hold an investment until a forecasted recovery of the fair value up to or beyond the cost of the investment in order to determine that any impairment is temporary. If the investor does not have the intent and ability to hold the investment until a forecasted recovery, then an other-than-temporary impairment must be recorded. The consensus by the EITF is effective for periods beginning after June 15, 2004. Management has determined that the impact of EITF 03-1 is not material at June 30, 2004, but is continuing to evaluate the possible future impact on the Company's financial position and results of operations.

NOTE D: MARKETABLE SECURITIES

The Company's investments in marketable securities, which are classified as available for sale, currently consist entirely of equity securities. These equity securities have a combined original cost of approximately $4,105,000 and a combined fair market value of approximately $5,657,000 as of June 30, 2004. Unrealized gains and losses from marketable securities classified as available for sale are recorded as a component of accumulated other comprehensive income in shareholders' equity. For the six month period ended June 30, 2004 the Company had a net unrealized loss in market value of $9,000, net of deferred income taxes. At June 30, 2004 the total unrealized gain, net of deferred income taxes, in accumulated other comprehensive income was approximately $937,000. During the first six months of 2004 there were no sales or reclassifications of investment securities.

NOTE E: STOCK BASED COMPENSATION

The Company adopted the disclosure-only provisions of Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation (SFAS No. 123). The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of SFAS No. 123 to stock-based employee compensation:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
	(in thousands, except per share data)			
Net income	$ 3,647	$ 4,047	$ 5,678	$ 6,864
Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(74)	(82)	(148)	(164)
Pro forma net income	$ 3,573	$ 3,965	$ 5,530	$ 6,700
Earnings per share:				
Basic - as reported	$ .32	$ .36	$ .50	$ .61
Basic - pro forma	$ .32	$ .35	$ .49	$ .59
Diluted - as reported	$ .32	$ .36	$ .50	$ .61
Diluted - pro forma	$ .32	$ .35	$ .49	$ .59

NOTE F: BUSINESS ACQUISITIONS

On January 31, 2003, P.A.M. Transportation Services, Inc. acquired substantially all of the assets of East Coast Transport, Inc. The results of East Coast Transport, Inc. have been included in the consolidated financial statements since that date. In accordance with SFAS No. 141, "Business Combinations", the acquisition was accounted for under the purchase method of accounting. The Company paid cash of approximately $1.9 million, entered into a seven year installment note in the amount of approximately $5.0 at an interest rate of 6%, and entered into a non-compete agreement requiring payment of $1.0 million over a five year period. Goodwill resulting from the transaction totaled approximately $6.9 million.

On April 3, 2003, P.A.M. Transportation Services, Inc. acquired substantially all of the assets of McNeill Trucking, Inc. The results of McNeill Trucking, Inc. have been included in the consolidated financial statements since that date. In accordance with SFAS No. 141, "Business Combinations", the acquisition was accounted for under the purchase method of accounting. The Company paid cash of approximately $8.8 million and assumed liabilities of approximately $70,000, and entered into a non-compete agreement requiring payment of $300,000 over a two year period. Goodwill resulting from the transaction totaled approximately $370,000.

PART I - FINANCIAL INFORMATION

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

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING INFORMATION

Certain information included in this Quarterly Report on Form 10-Q constitutes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may relate to expected future financial and operating results or events, and are thus prospective. Such forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, excess capacity in the trucking industry; surplus inventories; recessionary economic cycles and downturns in customers' business cycles; increases or rapid fluctuations in fuel prices, interest rates, fuel taxes, tolls, license and registration fees; the resale value of the Company's used equipment and the price of new equipment; increases in compensation for and difficulty in attracting and retaining qualified drivers and owner-operators; increases in insurance premiums and deductible amounts relating to accident, cargo, workers' compensation, health, and other claims; unanticipated increases in the number or amount of claims for which the Company is self insured; inability of the Company to continue to secure acceptable financing arrangements; seasonal factors such as harsh weather conditions that increase operating costs; competition from trucking, rail, and intermodal competitors including reductions in rates resulting from competitive bidding; the ability to identify acceptable acquisition candidates, consummate acquisitions, and integrate acquired operations; a significant reduction in or termination of the Company's trucking service by a key customer; and other factors, including risk factors, referred to from time to time in filings made by the Company with the Securities and Exchange Commission. The Company undertakes no obligation to update or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

CRITICAL ACCOUNTING POLICIES

The Company's management makes estimates and assumptions in preparing the consolidated financial statements that affect reported amounts and disclosures therein. In the opinion of management, the accounting policies that generally have the most significant impact on the financial position and results of operations of the Company include:

Accounts Receivable. We continuously monitor collections from our customers, third parties and vendors and maintain a provision for estimated credit losses based upon our historical experience and any specific collection issues that we have identified. While such credit losses have historically been within our expectations and the provisions established, we cannot guarantee that we will continue to experience the same credit loss rates that we have in the past.

Property, plant and equipment. Management must use its judgment in the selection of estimated useful lives and salvage values for purposes of depreciating tractors and trailers which in some cases do not have guaranteed residual values. Estimates of salvage value at the expected date of trade-in or sale are based on the expected market values of equipment at the time of disposal which, in many cases include guaranteed residual values by the manufacturers.

Self Insurance. The Company is self-insured for health and workers' compensation benefits up to certain stop-loss limits. Such costs are accrued based on known claims and an estimate of incurred, but not reported (IBNR) claims. IBNR claims are estimated using historical lag information and other data either provided by outside claims administrators or developed internally. This estimation process is subjective, and to the extent that future actual results differ from original estimates, adjustments to recorded accruals may be necessary.

Revenue Recognition. Revenue is recognized in full upon completion of delivery to the receivers location. For freight in transit at the end of a reporting period, the Company recognizes revenue prorata based on relative transit miles completed as a portion of the estimated total transit miles with estimated expenses recognized upon recognition of the related revenue.

Prepaid Tires. Tires purchased with revenue equipment are capitalized as a cost of the related equipment. Replacement tires are included in prepaid expenses and deposits and are amortized over a 24-month period. Costs related to tire recapping are expensed when incurred.

Business Segment and Concentrations of Credit Risk. The Company operates in one business segment, motor carrier operations. The Company provides transportation services to customers throughout the United States and portions of Canada and Mexico. The Company performs ongoing credit evaluations and generally does not require collateral from its customers. The Company maintains reserves for potential credit losses. In view of the concentration of the Company's revenues and accounts receivable among a limited number of customers within the automobile industry, the financial health of this industry is a factor in the Company's overall evaluation of accounts receivable.

Business Combinations and Goodwill. Upon acquisition of an entity, the cost of the acquired entity must be allocated to assets and liabilities acquired. Identification of intangible assets, if any, that meet certain recognition criteria is necessary. This identification and subsequent valuation requires significant judgments. The carrying value of goodwill was tested for impairment on June 30, 2004. The impairment testing requires an estimate of the value of the Company as a whole, as the Company has determined it only has one reporting unit as defined in SFAS No. 142.

BUSINESS OVERVIEW

The Company's administrative headquarters are in Tontitown, AR. From this location we manage operations conducted through nine wholly owned subsidiaries based in various locations around the United States and Canada. The operations of these subsidiaries can generally be classified into either truckload services or brokerage and logistics services. All of the Company's operations are in the trucking and transportation segment.

For both operations substantially all of our revenue is generated by transporting freight for customers. For the three and six month periods ended June 30, 2004 truckload revenues, excluding fuel surcharges, represented approximately 86% of total revenues, excluding fuel surcharges, with remaining revenues being generated by our brokerage and logistics services. For the three and six month periods ended June 30, 2003 truckload revenues, excluding fuel surcharges, represented approximately 85% and 87% of total revenues, excluding fuel charges, respectively, with remaining revenues being generated by our brokerage and logistics services. Our revenue is predominantly affected by the rates per mile received from our customers, equipment utilization, and our percentage of non-compensated miles. These aspects of our business are carefully managed and efforts are continuously underway to achieve favorable results.

The main factors that impact our profitability on the expense side are costs incurred in transporting freight for our customers. Currently our most challenging costs include fuel, driver recruitment, training, wage and benefit costs, independent broker costs (which we record as purchased transportation), insurance, and maintenance and capital equipment costs. Competitive rate pressures, coupled with the elevations in the above mentioned expenses over the last few years, have created a difficult operating environment for most of the industry.

RESULTS OF OPERATIONS - TRUCKLOAD SERVICES DIVISION

The following table sets forth, for the truckload services division, the percentage relationship of expense items to operating revenues, before fuel surcharges, for the periods indicated. Operating supplies expense, which includes fuel costs, are shown net of fuel surcharges.

	Three Months Ended June 30, 2004	Three Months Ended June 30, 2003	Six Months Ended June30, 2004	Six Months Ended June30, 2003
Operating revenues, before fuel surcharge	100.0%	100.0%	100.0%	100.0%
Operating expenses:				
Salaries, wages and benefits	42.6	46.1	43.5	46.2
Operating supplies (1)	22.7	19.9	23.3	21.3
Rent and purchased transportation	0.4	0.0	0.5	0.1
Depreciation and amortization	10.8	10.2	11.0	10.0
Operating taxes and licenses	5.8	5.7	5.9	5.7
Insurance and claims	5.7	5.7	5.8	5.6
Communications and utilities	0.9	0.9	1.0	0.9
Other	2.1	1.6	1.9	1.5
Loss on sale or disposal of property	0.0	0.0	0.2	0.0
Total operating expenses	91.0	90.1	93.1	91.3
Operating income	9.0	9.9	6.9	8.7
Interest expense	(0.4)	(0.5)	(0.4)	(0.4)
Income before income taxes	8.6	9.4	6.5	8.3

(1) Net of fuel surcharges.

THREE MONTHS ENDED JUNE 30, 2004 VS. THREE MONTHS ENDED JUNE 30, 2003

For the quarter ended June 30, 2004, truckload services revenues, before fuel surcharges, increased 6.5% to $68.2 million as compared to $64.0 million for the quarter ended June 30, 2003. The increase was due to an increase in both the average rate per total mile from $1.09 during the second quarter of 2003 to $1.11 during the second quarter of 2004 and a 5.7% increase in the average miles traveled per tractor each work day during the second quarter of 2004 as compared to the second quarter of 2003.

Salaries, wages and benefits decreased from 46.1% of revenues, before fuel surcharges, in the second quarter of 2003 to 42.6% of revenues, before fuel surcharges, in the second quarter of 2004. The decrease relates primarily to the restructuring of workers compensation plans which resulted in a decrease in amounts expensed for workers compensation coverage. Although to a lesser extent, salaries, wages and benefits also decreased due to a decrease in driver lease expense as the average number of owner operators under contract decreased from 124 in the second quarter of 2003 to 94 in the second quarter of 2004. The decrease associated with driver lease expense was partially offset by an increase in amounts paid to the corresponding company driver replacement, and in other costs normally absorbed by the owner operator such as repairs and fuel.

Operating supplies and expenses increased from 19.9% of revenues, before fuel surcharges, in the second quarter of 2003 to 22.7% of revenues, before fuel surcharges in the second quarter of 2004. The increase relates to an increase in fuel costs resulting from a 19.2% increase in the average price per gallon paid by the Company during the second quarter of 2004 as compared to the second quarter of 2003. During periods of rising fuel prices the Company is often able to recoup at least a portion of the increase through fuel surcharges passed along to its customers. Fuel costs, net of fuel surcharges, increased to $10.1 million in the second quarter of 2004 from $7.8 million in the second quarter of 2003. The Company collected approximately $3.1 million in fuel surcharges during the second quarter of 2004 and $2.2 million during the second quarter of 2003. Fuel costs were also affected by the replacement of owner operators with company drivers as discussed above.

Rent and purchased transportation increased from 0.0% of revenues, before fuel surcharges, in the second quarter of 2003 to 0.4% of revenues, before fuel surcharges in the second quarter of 2004. The increase relates primarily to rental and mileage fees incurred on equipment used past scheduled trade-in dates due to manufacturers delays in providing replacement equipment.

Depreciation and amortization increased from 10.2% of revenues, before fuel surcharges, in the second quarter of 2003 to 10.8% of revenues, before fuel surcharges, in the second quarter of 2004. The increase was primarily due to the combined effect of higher tractor purchase prices and lower tractor guaranteed residual values offered by the manufacturers.

Other expenses increased from 1.6% of revenues, before fuel surcharges, in the second quarter of 2003 to 2.1% of revenues, before fuel surcharges, in the second quarter of 2004. The increase relates to an increase in amounts paid for both driver recruitment advertising and fees paid to the Company's external auditors.

The truckload services division operating ratio, which measures the ratio of operating expenses, net of fuel surcharges, to operating revenues, before fuel surcharges, increased to 91.0% for the second quarter of 2004 from 90.1% for the second quarter of 2003.

SIX MONTHS ENDED JUNE 30, 2004 VS. SIX MONTHS ENDED JUNE 30, 2003

For the six months ended June 30, 2004, truckload services revenues, before fuel surcharges, increased 7.0% to $135.3 million as compared to $126.4 million for the six months ended June 30, 2003. Approximately $3.6 million of the $8.9 million increase was attributable to the McNeill Trucking, Inc. asset acquisition which closed on April 3, 2003 and therefore had no comparable revenue for the first three months of 2003. The remaining increase was due to an increase in both the average rate per total mile from $1.09 during the first six months of 2003 to $1.11 during the first six months of 2004 and a 2.2% increase in the average miles traveled per tractor each work day during the first six months of 2004 as compared to the first six months of 2003.

Salaries, wages and benefits decreased from 46.2% of revenues, before fuel surcharges, in the first six months of 2003 to 43.5% of revenues, before fuel surcharges, in the first six months of 2004. The decrease relates primarily to a decrease in amounts paid to owner operators due to a decrease in the average number of owner operators under contract from 127 in the first six months of 2003 to 96 in the first six months of 2004. This decrease was partially offset by an increase in amounts paid to the corresponding company driver replacement, and in other costs normally absorbed by the owner operator such as repairs and fuel. Also contributing to the decrease in salaries, wages and benefits was a decrease in amounts expensed for workers compensation coverage due to coverage restructuring.

Operating supplies and expenses increased from 21.3% of revenues, before fuel surcharges, in the first six months of 2003 to 23.3% of revenues, before fuel surcharges, in the first six months of 2004. The primary reason for the increase relates to an increase in fuel costs resulting from a 7.7% increase in the average price per gallon paid by the Company during the first six months of 2004 as compared to the first six months of 2003. During periods of rising fuel prices the Company is often able to recoup at least a portion of the increase through fuel surcharges passed along to its customers. Fuel costs, net of fuel surcharges, increased to $20.6 million in the first six months of 2004 from $17.1 million in the first six months of 2003. The Company collected approximately $5.4 million in fuel surcharges during the first six months of 2004 and $4.5 million during the first six months of 2003. Fuel costs were also affected by the replacement of owner operators with company drivers as discussed above.

Rent and purchased transportation increased from 0.1% of revenues, before fuel surcharges, in the first six months of 2003 to 0.5% of revenues, before fuel surcharges, in the first six months of 2004. The increase relates primarily to rental and mileage fees incurred on equipment used past scheduled trade-in dates due to manufacturers delays in providing replacement equipment.

Depreciation and amortization increased from 10.0% of revenues, before fuel surcharges, in the first six months of 2003 to 11.0% of revenues, before fuel surcharges, in the first six months of 2004. The increase was primarily due to the combined effect of higher tractor purchase prices and lower tractor guaranteed residual values offered by the manufacturers.

Other expenses increased from 1.5% of revenues, before fuel surcharges, in the first six months of 2003 to 1.9% of revenues, before fuel surcharges, in the first six months of 2004. The increase relates to an increase in amounts paid for both driver recruitment advertising and fees paid to the Company's external auditors.

The truckload services division operating ratio, which measures the ratio of operating expenses, net of fuel surcharges, to operating revenues, before fuel surcharges, increased to 93.1% for the first six months of 2004 from 91.3% for the first six months of 2003.

RESULTS OF OPERATIONS - LOGISTICS AND BROKERAGE SERVICES DIVISION

The following table sets forth, for the logistics and brokerage services division, the percentage relationship of revenue and expense items to operating revenues for the periods indicated.

	Three Months Ended June 30,		Six Months Ended June30,	
	2004	2003	2004	2003
Operating revenues	100.0%	100.0%	100.0%	100.0%
Operating expenses:				
Salaries, wages and benefits	5.3	3.9	5.4	4.2
Operating supplies	0.0	0.0	0.0	0.0
Rent and purchased transportation	88.7	87.4	88.0	87.9
Depreciation and amortization	0.3	0.0	0.3	0.0
Operating taxes and licenses	0.0	0.0	0.0	0.0
Insurance and claims	0.1	0.1	0.1	0.1
Communications and utilities	0.3	0.3	0.4	0.4
Other	1.4	1.6	1.5	1.7
Total operating expenses	96.1	93.3	95.7	94.3
Operating income	3.9	6.7	4.3	5.7
Interest expense	(0.6)	(1.0)	(0.6)	(1.2)
Income before income taxes	3.3	5.7	3.7	4.5

THREE MONTHS ENDED JUNE 30, 2004 VS. THREE MONTHS ENDED JUNE 30, 2003

Logistics and brokerage services revenues of approximately $10.9 million in the second quarter of 2004 was unchanged as compared to the second quarter of 2003.

Salaries, wages and benefits increased from 3.9% of revenues in the second quarter of 2003 to 5.3% of revenues in the second quarter of 2004. The increase relates to the hiring of an administrative staff at East Coast Transport, Inc. for functions which had previously been outsourced to a third party and to an increase in corporate general and administrative salaries being allocated to the division.

Rent and purchased transportation increased from 87.4% of revenues in the second quarter of 2003 to 88.7% of revenues in the second quarter of 2004. The increase relates to an increase in the average amount paid to third parties for logistics and brokerage services mainly due to national rising fuel prices.

The logistics and brokerage services division operating ratio, which measures the ratio of operating expenses to operating revenues, increased to 96.1% for the second quarter of 2004 from 93.3% for the second quarter of 2003.

SIX MONTHS ENDED JUNE 30, 2004 VS. SIX MONTHS ENDED JUNE 30, 2003

For the first six months ended June 30, 2004, logistics and brokerage services revenues increased 14.7% to $21.4 million as compared to $18.7 million for the first six months ended June 30, 2003. The increase of approximately $2.7 million was attributable to the additional one month revenues generated by East Coast Transport, Inc. which wasn't acquired until January 31, 2003.

Salaries, wages and benefits increased from 4.2% of revenues in the first six months of 2003 to 5.4% of revenues in the first six months of 2004. The increase relates to the hiring of an administrative staff at East Coast Transport, Inc. for functions which had previously been outsourced to a third party and to an increase in corporate general and administrative salaries being allocated to the division.

The logistics and brokerage services division operating ratio, which measures the ratio of operating expenses to operating revenues, increased to 95.7% for the first six months of 2004 from 94.3% for the first six months of 2003.

LIQUIDITY AND CAPITAL RESOURCES

During the first six months of 2004, the Company generated $15.4 million of cash from operating activities. Investing activities used $2.3 million in cash in the first six months of 2004. Financing activities used $3.1 million in the first six months of 2004.

Our primary use of funds is for the purchase of revenue equipment. We typically use our existing lines of credit, proceeds from the sale or trade of equipment, and cash flows from operations to finance capital expenditures and repay long-term debt. During the first six months of 2004 we utilized cash on hand and our lines of credit to finance revenue equipment purchases of approximately $18.4 million.

Occasionally we finance the acquisition of revenue equipment through installment notes with fixed interest rates and terms ranging from 36 to 48 months, however as of June 30, 2004, we had no outstanding indebtedness under such installment notes.

In order to maintain our tractor fleet count it is often necessary to purchase replacement tractors and place them in service before trade units are removed from service. The timing difference created during this process often requires the Company to pay for new units without any reduction in price for trade units. In this situation, the Company later receives payment for the trade units as they are delivered to the equipment vendor and have passed vendor inspection. During the six months ended June 30, 2004, the Company received approximately $15.2 million for tractors delivered for trade.

During the remainder of 2004 we expect to purchase approximately 328 new tractors and approximately 584 new trailers while continuing to sell or trade older equipment, which we expect to result in net capital expenditures of approximately $22.4 million.

We maintain a $20.0 million revolving line of credit and a $30.0 million revolving line of credit (Line A and Line B, respectively) with separate financial institutions. Amounts outstanding under Line A bear interest at LIBOR (determined as of the first day of each month) plus 1.40%, are secured by our accounts receivable and mature on May 31, 2005. At June 30, 2004 outstanding advances on Line A were approximately $1.3 million, consisting entirely of letters of credit, with availability to borrow $18.7 million. Amounts outstanding under Line B bear interest at LIBOR (determined on the last day of the previous month) plus 1.15%, are secured by revenue equipment and mature on June 30, 2006. At June 30, 2004, $27.0 million, including $7.0 million in letters of credit were outstanding under Line B with availability to borrow $3.0 million. In an effort to reduce interest rate risk associated with these floating rate facilities, we have entered into interest rate swap agreements in an aggregate notional amount of $20.0 million. For additional information regarding the interest rate swap agreements, see Note B to the condensed consolidated financial statements.

Trade accounts receivable at June 30, 2004 increased approximately $6.2 million from December 31, 2003. Certain of the Company's largest customers regularly schedule plant shutdowns for various periods during December and the volume of freight we ship is reduced during such scheduled shutdowns. This reduction in freight volume results in a reduction in accounts receivable at the end of each year.

Prepaid expenses and deposits at June 30, 2004 increased approximately $2.9 million as compared to December 31, 2003. The increase relates to the Company's annual registration fees for tractors and trailers which occurs each January, and to the prepayment of certain insurance policies. These prepaid expenses will be amortized to expense through the remainder of the year.

NEW ACCOUNTING PRONOUNCEMENTS

See Note C to the condensed consolidated financial statements for a description of the most recent accounting pronouncements and their impact, if any, on the Company.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

The Company's primary market risk exposures include commodity price risk (the price paid to obtain diesel fuel for our tractors) and interest rate risk. The potential adverse impact of these risks and the general strategies the Company employs to manage such risks are discussed below.

The following sensitivity analyses do not consider the effects that an adverse change may have on the overall economy nor do they consider additional actions the Company may take to mitigate our exposure to such changes. Actual results of changes in prices or rates may differ materially from the hypothetical results described below.

COMMODITY PRICE RISK

Prices and availability of all petroleum products are subject to political, economic and market factors that are generally outside of our control. Accordingly, the price and availability of diesel fuel, as well as other petroleum products, can be unpredictable. Because our operations are dependent upon diesel fuel, significant increases in diesel fuel costs could materially and adversely affect our results of operations and financial condition. Based upon our 2003 fuel consumption, a 10% increase in the average annual price per gallon of diesel fuel would increase our annual fuel expenses by $3.5 million.

In August 2000 and July 2001, we entered into agreements to obtain price protection and reduce a portion of our exposure to fuel price fluctuations. Under these agreements, we were obligated to purchase minimum amounts of diesel fuel per month, with a price protection component, for the six month periods ended March 31, 2001 and February 28, 2002. The agreements also provide that if during the 48 months commencing April 2001, the average monthly price of heating oil on the New York Mercantile Exchange ("NY MX HO") falls below $.58 per gallon, we are obligated to pay, for a maximum of twelve different months selected by the contract holder during such 48-month period, the difference between $.58 per gallon and NY MX HO average price, multiplied by 900,000 gallons. Accordingly, in any month in which the holder exercises such right, we would be obligated to pay the holder $9,000 for each cent by which $.58 exceeds the average NY MX HO price for that month. The agreements are stated at their fair value of $750,000 which is included in accrued liabilities in the accompanying consolidated financial statements.

INTEREST RATE RISK

Our lines of credit each bear interest at a floating rate equal to LIBOR plus a fixed percentage. Accordingly, changes in LIBOR, which are effected by changes in interest rates generally, will affect the interest rate on, and therefore our costs under, the lines of credit. In an effort to manage the risks associated with changing interest rates, we entered into interest rate swap agreements effective February 28, 2001 and May 31, 2001, on notional amounts of $15,000,000 and $5,000,000, respectively. The "pay fixed rates" under the $15,000,000 and $5,000,000 swap agreements are 5.08% and 4.83%, respectively. The "receive floating rate" for both swap agreements is "1-month" LIBOR. These interest rate swap agreements terminate on March 2, 2006 and June 2, 2006, respectively. Assuming $20.0 million of variable rate debt was outstanding under each of Line A and Line B for a full fiscal year, a hypothetical 100 basis point increase in LIBOR would result in approximately $200,000 of additional interest expense, net of the effect of the swap agreements. For additional information see Note B to the condensed consolidated financial statements.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures.

In accordance with Rule 13a-15(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), the Company's management evaluated, with the participation of the Company's President and Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-14(c) and 15d-14(c) under the Exchange Act) as of June 30, 2004. Based upon that evaluation of these disclosure controls and procedures, the President and Chief Executive Officer and the Chief Financial Officer concluded that the disclosure controls and procedures were effective as of June 30, 2004 so that material information relating to the Company, including its consolidated subsidiaries, was made known to them by others within those entities, particularly during the period in which this quarterly report on Form 10-Q was being prepared.

Changes in internal controls over financial reporting.

There was no change in the Company's internal control over financial reporting that occurred during the quarter ended June 30, 2004 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

On October 10, 2002, a suit was filed against one of the Company's subsidiaries and is entitled "The Official Committee of Unsecured Creditors of Bill's Dollar Stores, Inc. v. Allen Freight Services Co." The suit, which has been filed in the United States Bankruptcy Court for the District of Delaware, alleges preferential transfers of $660,055 were made to the defendant, Allen Freight Services Co., within the 90 day period preceding the bankruptcy petition date of Bill's Dollar Stores, Inc. The suit is currently in pretrial proceedings.

In addition to the specific legal action mentioned above, the nature of the our business routinely results in litigation, primarily involving claims for personal injuries and property damage incurred in the transportation of freight. We believe that an unfavorable outcome in one or more of those cases would not have a material adverse effect on our financial condition.

Item 4. Submission of Matters to a Vote of Security Holders.

The 2004 Annual Meeting of Stockholders of the Company was held on May 20, 2004. The results of the voting with respect to each matter voted on at the meeting is set forth below:

(1) Proposal to elect eight directors:

	Votes FOR	Votes WITHHELD	Broker NON-VOTES
Fredrick P. Calderone	8,827,558	1,590,823	0
Frank L. Conner	10,330,157	88,224	0
Thomas H. Cooke	10,302,725	115,656	0
Manuel J. Moroun	8,790,720	1,627,661	0
Matthew T. Moroun	10,260,802	157,579	0
Daniel C. Sullivan	10,309,117	109,264	0
Robert W. Weaver	8,803,861	1,614,520	0
Charles F. Wilkins	10,330,157	88,224	0

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits required by Item 601 of Regulations S-K:

- 3.1 - Amended and Restated Certificate of Incorporation of the Registrant (Incorporated by reference to Exhibit 3.1 to the Company's report on Form 10-Q for the period ending March 31, 2002.)
- 3.2 - Amended and Restated By-Laws of the Registrant (Incorporated by reference to Exhibit 3.2 to the Company's report on Form 10-Q for the period ending March 31, 2002.)
- 11.1 - Statement Re: Computation of Diluted Earnings Per Share
- 31.1 - Rule 13a-14(a) Certification of Principal Executive Officer
- 31.2 - Rule 13a-14(a) Certification of Principal Financial Officer
- 32.1 - Section 1350 Certification of Chief Executive Officer
- 32.2 - Section 1350 Certification of Chief Financial Officer

(b) Reports on Form 8-K:

A Current Report on Form 8-K was furnished to the Securities and Exchange Commission on April 27, 2004 regarding a press release issued to announce the Company's first quarter 2004 results. No other reports on Form 8-K were filed during the second quarter ending June 30, 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

P.A.M. TRANSPORTATION SERVICES, INC.

Dated: August 5, 2004	By: /s/ Robert W. Weaver --------------------------------- Robert W. Weaver President and Chief Executive Officer (principal executive officer)
Dated: August 5, 2004	By: /s/ Larry J. Goddard --------------------------------- Larry J. Goddard Vice President-Finance, Chief Financial Officer, Secretary and Treasurer (principal accounting and financial officer)

P.A.M. TRANSPORTATION SERVICES, INC.

INDEX TO EXHIBITS TO FORM 10-Q

Exhibit Number	Exhibit Description
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31.1	Rule 13a-14(a) Certification of Principal Executive Officer
31.2	Rule 13a-14(a) Certification of Principal Financial Officer
32.1	Section 1350 Certification of Chief Executive Officer
32.2	Section 1350 Certification of Chief Financial Officer

EXHIBIT (11.1)----STATEMENT RE: COMPUTATION OF DILUTED EARNINGS PER SHARE

Diluted earnings per share computations assume the exercise of stock options to purchase shares of common stock. The shares assumed exercised are based on the weighted average number of shares under options outstanding during the period and only include those options for which the exercise price is less than the average share price during the period. The net additional shares issuable are calculated based on the treasury stock method and are added to the weighted average number of shares outstanding during the period.

DILUTED EARNINGS PER SHARE FOR THE PERIOD ENDED JUNE 30, 2004	Three Months	Six Months
Actual net income (A)	$ 3,647,123	$ 5,677,940
Assumed exercise of stock options and warrants	66,000	61,857
Application of assumed proceeds ($715,860 and $640,234) toward repurchase of outstanding common stock at an average market price of $17.870 and $17.928, respectively.	(40,059)	(35,711)
Net additional shares issuable	25,941	26,146
Adjustment of shares outstanding:		
Weighted average common shares outstanding	11,296,207	11,295,581
Net additional shares issuable	25,941	26,146
Adjusted shares outstanding (B)	11,322,148	11,321,727
Net income per common share (A) divided by (B)	$ 0.32	$ 0.50

DILUTED EARNINGS PER SHARE FOR THE PERIOD ENDED JUNE 30, 2003	Three Months	Six Months
Actual net income (A)	$ 4,046,569	$ 6,864,137
Assumed exercise of stock options and warrants	380,396	377,353
Application of assumed proceeds ($7,988,524 and $7,900,471) toward repurchase of outstanding common stock at an average market price of $23.647 and $23.943, respectively.	(337,824)	(329,970)
Net additional shares issuable	42,572	47,383
Adjustment of shares outstanding:		
Weighted average common shares outstanding	11,289,811	11,288,290
Net additional shares issuable	42,572	47,383
Adjusted shares outstanding (B)	11,332,383	11,335,673
Net income per common share (A) divided by (B)	$ 0.36	$ 0.61

EXHIBIT 31.1

RULE 13a-14(a) CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, ROBERT W. WEAVER, President and Chief Executive Officer, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of P.A.M. TRANSPORTATION SERVICES, INC., a Delaware corporation (the "registrant");

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

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

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

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

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

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

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

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

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

Date: August 5, 2004

By: /s/ Robert W. Weaver

Robert W. Weaver
President and Chief Executive Officer
(principal executive officer)

EXHIBIT 31.2

RULE 13a-14(a) CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, LARRY J. GODDARD, Chief Financial Officer, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of P.A.M. TRANSPORTATION SERVICES, INC., a Delaware corporation (the "registrant");

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

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

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

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

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

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

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

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

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

Date: August 5, 2004

By: /s/ Larry J. Goddard

Larry J. Goddard
Vice President-Finance, Chief Financial Officer, Secretary and Treasurer
(principal accounting and financial officer)

EXHIBIT 32.1

SECTION 1350 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

In connection with the Quarterly Report of P.A.M. Transportation Services, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2004, (the "Report") filed with the Securities and Exchange Commission, I, Robert W. Weaver, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

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

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

Date: August 5, 2004

By: /s/ Robert W. Weaver

Robert W. Weaver
President and Chief Executive Officer
(chief executive officer)

EXHIBIT 32.2

SECTION 1350 CERTIFICATION OF CHIEF FINANCIAL OFFICER

In connection with the Quarterly Report of P.A.M. Transportation Services, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2004, (the "Report") filed with the Securities and Exchange Commission, I, Larry J. Goddard, Vice President-Finance, Chief Financial Officer, Secretary and Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

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

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

Date: August 5, 2004

By: /s/ Larry J. Goddard

Larry J. Goddard
Vice President-Finance, Chief Financial
Officer, Secretary and Treasurer
(chief accounting and financial officer)