

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)      January 29, 2004  
-----

-----  
YELLOW ROADWAY CORPORATION

-----  
(Exact name of registrant as specified in its charter)

Delaware	0-12255	48-0948788
-----	-----	-----
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

10990 Roe Avenue, Overland Park, Kansas 66211

-----  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code      (913) 696-6100  
-----

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial statements of businesses acquired.

Not applicable

(b) Pro forma financial information.

Not applicable

(c) Exhibits.

99.1 Press Release dated January 29, 2004.

Item 12. Results of Operations and Financial Condition

On January 29, 2004, Yellow Roadway Corporation announced its results of operations for the three months and twelve months ending December 31, 2003. The public announcement was made by means of a press release, the text of which is set forth in Exhibit 99.1 hereto.

SIGNATURE

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

YELLOW ROADWAY CORPORATION

-----  
(Registrant)

Date: January 29, 2004  
-----

By: /s/ Donald G. Barger, Jr.  
-----

Donald G. Barger, Jr.  
Senior Vice President and Chief  
Financial Officer

10990 Roe Avenue  
Overland Park, KS 66211-1213  
(913) 696-6100  
(913) 696-6116 FAX

NEWS RELEASE

Y E L L O W   R O A D W A Y   C O R P O R A T I O N

-----

JANUARY 29, 2004

FOR IMMEDIATE RELEASE

YELLOW ROADWAY CORPORATION POSTS RECORD 4TH QUARTER

- >> YELLOW TRANSPORTATION ADJUSTED OPERATING INCOME UP 35 PERCENT FROM 4TH QUARTER 2002
- >> MERIDIAN IQ REVENUE GROWTH OF 60 PERCENT FROM 4TH QUARTER 2002
- >> EXACT EXPRESS, AN EXPEDITED SERVICE, GROWS REVENUE BY 56 PERCENT FROM 4TH QUARTER 2002
- >> ROADWAY CORPORATION ACQUISITION COMPLETED ON DECEMBER 11, 2003

OVERLAND PARK, KAN. --- Yellow Roadway Corporation (NASDAQ: YELL) (Yellow Roadway) today announced fourth quarter 2003 adjusted earnings per share of \$.71, up 42% from \$.50 per share earned in the fourth quarter last year. This represents the best fourth quarter results in the 79-year history of the Yellow organization. These fourth quarter 2003 results exclude \$.73 per share of costs; primarily attributed to the acquisition of Roadway and its results of operations from the date of acquisition through December 31, 2003. Reported fourth quarter 2003 results were a loss of \$.02 per share. See the attached "Supplemental Financial Information" for more details related to these adjustments.

"Joining forces with Roadway is a significant milestone, providing enhanced market reach and growth opportunities," said Bill Zollars - Chairman, President and CEO of Yellow Roadway Corporation. "We look forward to leveraging the capabilities of the new organization and achieving the synergies that are available to us. There are tremendous opportunities to optimize the best practices used by each organization while achieving cost savings."

Revenue for the fourth quarter of 2003, excluding Roadway revenue since the date of acquisition, was \$762 million, up 6.4%, from \$717 million in the fourth quarter of 2002. Including revenue from the Roadway acquisition, consolidated revenue for the fourth quarter of 2003 was \$903 million.

"We experienced slightly improving economic conditions during the fourth quarter," said Zollars. "We grew revenue, excluding Roadway, by over 6 percent, even though we had challenging weather conditions and a difficult comparison to last year due to a business surge created by the closure of Consolidated Freightways in September 2002." Revenue growth came from increased business volumes, effective yield management, growth in premium services and an acquisition at Meridian IQ. Exact Express, our expedited, time-definite service, continues to grow rapidly, posting a 56% revenue improvement compared to fourth quarter 2002 and a 59% increase in revenue for the full year 2003 compared to 2002.

For the year ended December 31, 2003, Yellow Roadway highlights include:

- o Revenue of \$2.93 billion, excluding Roadway, up 11.6% from \$2.62 billion in the same period of 2002. Including revenue from the Roadway acquisition, consolidated revenue for the year 2003 was \$3.07 billion.
- o Adjusted operating income of \$117.4 million, excluding Roadway, compared to \$55.3 million in the same period of 2002. Reported operating income of \$88.6 million, nearly twice the \$46.9 million earned in the same period of 2002.
- o Adjusted earnings per share of \$2.27, excluding Roadway, compared to \$1.03 in the same period of 2002. Reported earnings per share of \$1.33 compared to \$.84 in the same period of 2002.

The consolidated balance sheet and statement of cash flows for Yellow Roadway will be filed in a Form 8-K within the next week.

#### YELLOW TRANSPORTATION

Yellow Transportation fourth quarter 2003 highlights include:

- o Revenue of \$722 million, up 4.3% from \$692 million in fourth quarter 2002.
- o Less-than-truckload (LTL) revenue per day was up 4.7% from the fourth quarter of 2002, primarily reflecting a 1.1% increase in LTL tonnage per day and a 3.6% improvement in LTL revenue per hundred weight (3.5% excluding fuel surcharge).
- o Adjusted operating income of \$39.9 million, the most profitable fourth quarter in Yellow Transportation history, up from \$29.6 million in fourth quarter 2002. Reported operating income of \$21.2 million compared to \$30.4 million in fourth quarter 2002.
- o Adjusted operating ratio of 94.5%, a 1.2 percentage point improvement from the fourth quarter 2002. Reported operating ratio of 97.1% compared to 95.6% in fourth quarter 2002.

"Yellow Transportation continues to excel at yield management, cost control and service quality," said Zollars. "Maintaining the right balance between business volumes and yield resulted in significant profit enhancement."

For the year ended December 31, 2003, Yellow Transportation highlights include:

- o Revenue of \$2.81 billion, up 10.4% from \$2.55 billion in the same period of 2002.
- o LTL revenue per day was up 10.7% from the same period of 2002, primarily reflecting a 5.5% increase in LTL tonnage per day and a 4.9% improvement in LTL revenue per hundred weight (3.6% excluding fuel surcharge).
- o Adjusted operating income of \$138.9 million, the most profitable year in Yellow Transportation history, up from \$71.1 million in the same period of 2002. Reported operating income of \$119.9 million compared to \$70.6 million in the same period of 2002.
- o Adjusted operating ratio of 95.1%, a 2.1 percentage point improvement from the same period of 2002, and the best since 1990. Reported operating ratio of 95.7% compared to 97.2% in the same period of 2002.
- o Adjusted operating income increased \$68 million, while revenue was up \$265 million from the same period of 2002, resulting in a 26% incremental margin.

#### ROADWAY

As a result of the acquisition, Roadway has reported its results since December 11 under a new basis of accounting and has conformed its accounting policies to be consistent with the policies of Yellow Roadway. Therefore, Roadway fourth quarter 2003 results are not comparable to those from other historical accounting periods. For a summary of Roadway fourth quarter 2003 results, refer to the section in this release entitled "Supplemental Roadway Financial Information."

At Roadway Express, total tonnage per day in fourth quarter 2003 was down 6.4%, primarily due to the difficult comparison to fourth quarter 2002. Since the Roadway fourth quarter contains 16 weeks, the entire fourth quarter of 2002 was impacted by increased volumes from the closure of Consolidated Freightways. Tonnage comparisons to the prior year improved throughout the fourth quarter. This trend continued into January 2004, to the point where volumes are within 2% of January 2003 levels.

Roadway Express LTL revenue per hundred weight was up 3.9% in the fourth quarter of 2003 compared to the prior year when adjusted for significant changes in business mix, primarily a notable increase in weight per shipment.

"We are encouraged by the improving tonnage trends and strengthening yields at Roadway Express and pleased with the continued solid performance at New Penn," Zollars stated.

For additional statistical information related to the Roadway subsidiaries, refer to the sections in this release entitled "Statistical Information, Roadway Express" and "Statistical Information, New Penn."

#### MERIDIAN IQ

Meridian IQ fourth quarter 2003 highlights include:

- o Revenue of \$42 million, up 60% from \$26 million in fourth quarter 2002.
- o Adjusted operating income of \$1.0 million, compared to \$0.3 million in the fourth quarter of 2002. Reported operating income of \$1.0 million, compared to a loss of \$0.8 million in the fourth quarter of 2002.

"Meridian IQ continues to gain momentum and show significant progress. Strong organic growth at existing service offerings and the contribution from the recent acquisition of GPS U.S. helped Meridian IQ to grow revenue and profitability," said Zollars.

For the year ended December 31, 2003, Meridian IQ highlights include:

- o Revenue of \$120 million, up 47% from \$82 million in the same period of 2002.
- o Adjusted operating profit of \$0.8 million compared to a \$1.4 million loss in the same period of 2002. Reported operating income of \$0.3 million, compared to a loss of \$2.7 million in the same period of 2002.

#### OUTLOOK

"For the full year 2004, we expect earnings to be between \$2.70 and \$3.30 per share, consistent with our previous guidance," Zollars stated. This is based on \$6.5 billion in revenue, \$50 million in interest expense, a consolidated income tax rate of 39% and average shares outstanding of 49 million. Net synergy cost savings are projected to be between \$30 and \$50 million for the full year 2004 and capital expenditures are expected to be \$200 million. Economic assumptions include a 4% growth rate for GDP and industrial production in 2004. "With our significant operating leverage, we are well positioned to take advantage of improving economic conditions," Zollars continued. "For the first quarter of 2004, we expect earnings to be between \$.25 and \$.35 per share."

#### REVIEW OF FINANCIAL RESULTS

A teleconference review of Yellow Roadway Corporation fourth quarter 2003 financial results has been scheduled for Friday, January 30, 2004, beginning at 9:30 a.m. Eastern, 8:30 a.m. Central. Hosting the conference call will be: Bill Zollars - Chairman, President and CEO of Yellow Roadway Corporation; Don Barger - Sr. Vice President and CFO of Yellow Roadway Corporation; Jim Staley - President and CEO of Roadway; James Welch - President and CEO of Yellow Transportation; and Jim Ritchie - President and CEO of Meridian IQ.

To participate, please dial 1-888-609-3912 and allow five to ten minutes prior to the start of the call. The conference call will be webcast live via StreetEvents at [www.streetevents.com](http://www.streetevents.com) and via the Yellow Roadway Corporation Internet site [www.yellowcorp.com](http://www.yellowcorp.com). An audio playback will be available until February 10, 2004 by calling 1-800-642-1687 then dialing the access code 4131743. In addition, an audio playback will be available for 30 days via the StreetEvents and Yellow Roadway Corporation web sites.

This news release (and oral statements made regarding the subjects of this release, including on the conference call announced herein) contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words "expect," "believe," "intend," and similar expressions are intended to identify forward-looking statements. It is important to note that the company's actual future results could differ materially from those projected in such forward-looking statements because of a number of factors, including (without limitation), labor relations, inclement weather, price and availability of fuel, competitor pricing activity, expense volatility, ability to capture cost synergies, and a downturn in general or regional economic activity.

The per share, income, operating income and operating ratio amounts included in this news release that exclude adjustments are representative of our ongoing business in the current period. Management does not consider these items when evaluating base financial performance. The statements of consolidated operations have an additional column with the results of the former Yellow Corporation entities only. Management feels these results are more comparable to the prior year period, as the results of Roadway are only included in the consolidated operations for the last twenty days of December 2003.

Yellow Roadway Corporation is a Fortune 500 Company and one of the largest transportation service providers in the world. Through its subsidiaries including Yellow Transportation, Roadway Express, New Penn, Reimer Express, Meridian IQ and Yellow Technologies, Yellow Roadway offers its customers a wide range of asset and non-asset-based transportation services integrated by technology. The Yellow Roadway portfolio of brands provides a comprehensive array of services for the shipment of industrial, commercial and retail goods domestically and internationally. Headquartered in Overland Park, Kansas, Yellow Roadway Corporation employs approximately 50,000 people.

Analyst Contact: Stephen Bruffett  
Yellow Roadway Corporation  
913-696-6108  
steve.bruffett@yellowroadway.com

Media Contact: Suzanne Dawson  
Linden Alschuler & Kaplan  
212-329-1420  
sdawson@lakpr.com

STATEMENTS OF CONSOLIDATED OPERATIONS  
Yellow Roadway Corporation and Subsidiaries  
For the Three Months Ended December 31  
(Amounts in thousands except per share data)  
(Unaudited)

	2003 Consolidated (a)	2003 Yellow (b)	2002 Yellow (c)
OPERATING REVENUE	\$ 903,365	\$ 762,347	\$ 716,812
OPERATING EXPENSES:			
Salaries, wages and employees' benefits	584,379	490,537	452,702
Operating expenses and supplies	129,484	107,185	113,893
Operating taxes and licenses	24,038	19,675	19,787
Claims and insurance	27,698	23,950	12,094
Depreciation and amortization	25,192	20,992	20,406
Purchased transportation	104,205	85,338	72,401
Gains on property disposals, net	(589)	(584)	(832)
Acquisition, spin-off and reorganization charges	2,260	2,260	1,846
Total operating expenses	896,667	749,353	692,297
OPERATING INCOME	6,698	12,994	24,515
NONOPERATING (INCOME) EXPENSES:			
Interest expense	8,810	8,126	2,158
ABS facility charges	-	-	351
Other	(796)	(1,018)	(253)
Nonoperating expenses, net	8,014	7,108	2,256
INCOME (LOSS) BEFORE INCOME TAXES	(1,316)	5,886	22,259
INCOME TAX PROVISION (BENEFIT)	(644)	2,000	8,064
NET INCOME (LOSS)	\$ (672)	\$ 3,886	\$ 14,195
AVERAGE SHARES OUTSTANDING-BASIC	32,721	29,685	29,426
AVERAGE SHARES OUTSTANDING-DILUTED	33,098	30,062	29,815
BASIC EARNINGS (LOSS) PER SHARE	\$ (0.02)	\$ 0.13	\$ 0.48
DILUTED EARNINGS (LOSS) PER SHARE	(0.02)	0.13	0.48

(a) Represents the results of all Yellow Roadway entities including Roadway LLC entities for December 12 through 31.

(b) As the results of Roadway LLC are only included in our consolidated operations for the last twenty days of the period in accordance with generally accepted accounting principles (GAAP), Yellow Roadway believes an investor's understanding of its results are enhanced by disclosing the three-month period excluding Roadway LLC. These results are more comparative to the prior year period and are used by management to evaluate the company's performance for the current period. To reconcile to the consolidated results including Roadway, an investor may take this column and add the results disclosed for Roadway LLC on the "Supplemental Roadway Financial Information" page attached. For a reconciliation of the diluted average shares outstanding, refer to the "Supplemental Financial Information" page attached.

(c) On December 11, 2003, Yellow completed its acquisition of Roadway Corporation accounting for the transaction as a purchase under GAAP. As a result, the financial results prior to the acquisition have not been restated to include the results of Roadway.

STATEMENTS OF CONSOLIDATED OPERATIONS  
Yellow Roadway Corporation and Subsidiaries  
For the Twelve Months Ended December 31  
(Amounts in thousands except per share data)  
(Unaudited)

	2003 Consolidated (a)	2003 Yellow (b)	2002 Yellow (c)
OPERATING REVENUE	\$ 3,068,616	\$ 2,927,598	\$ 2,624,148
OPERATING EXPENSES:			
Salaries, wages and employees' benefits	1,970,440	1,876,598	1,717,382
Operating expenses and supplies	449,825	427,526	385,522
Operating taxes and licenses	83,548	79,185	75,737
Claims and insurance	67,670	63,922	57,197
Depreciation and amortization	87,398	83,198	79,334
Purchased transportation	318,176	299,309	253,677
Losses (gains) on property disposals, net	(167)	(162)	425
Acquisition, spin-off and reorganization charges	3,124	3,124	8,010
Total operating expenses	2,980,014	2,832,700	2,577,284
OPERATING INCOME	88,602	94,898	46,864
NONOPERATING (INCOME) EXPENSES:			
Interest expense	20,606	19,922	7,211
ABS facility charges	-	-	2,576
Other	1,182	960	(509)
Nonoperating expenses, net	21,788	20,882	9,278
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	66,814	74,016	37,586
INCOME TAX PROVISION	26,131	28,775	13,613
INCOME FROM CONTINUING OPERATIONS	40,683	45,241	23,973
Loss from discontinued operations, net	-	-	(117,875)
NET INCOME (LOSS)	\$ 40,683	\$ 45,241	\$ (93,902)
AVERAGE SHARES OUTSTANDING-BASIC	30,370	29,604	28,004
AVERAGE SHARES OUTSTANDING-DILUTED	30,655	29,889	28,371
BASIC EARNINGS (LOSS) PER SHARE:			
Income from continuing operations	\$ 1.34	\$ 1.53	\$ 0.86
Loss from discontinued operations	-	-	(4.21)
Net income (loss)	\$ 1.34	\$ 1.53	\$ (3.35)
DILUTED EARNINGS (LOSS) PER SHARE:			
Income from continuing operations	\$ 1.33	\$ 1.51	\$ 0.84
Loss from discontinued operations	-	-	(4.15)
Net income (loss)	\$ 1.33	\$ 1.51	\$ (3.31)

(a) Represents the results of all Yellow Roadway entities including Roadway LLC entities for December 12 through 31.

(b) As the results of Roadway LLC are only included in our consolidated operations for the last twenty days of the period in accordance with generally accepted accounting principles (GAAP), Yellow Roadway believes an investor's understanding of its results are enhanced by disclosing the twelve-month period excluding Roadway LLC. These results are more comparative to the prior year period and are used by management to evaluate the company's performance for the current period. To reconcile to the consolidated results including Roadway, an investor may take this column and add the results disclosed for Roadway LLC on the "Supplemental Roadway Financial Information" page attached. For a reconciliation of the diluted average shares outstanding, refer to the "Supplemental Financial Information" page attached.

(c) On December 11, 2003, Yellow completed its acquisition of Roadway Corporation accounting for the transaction as a purchase under GAAP. As a result, the financial results prior to the acquisition have not been restated to include the results of Roadway.

SUPPLEMENTAL FINANCIAL INFORMATION  
Yellow Roadway Corporation and Subsidiaries  
For the Three Months and Twelve Months Ended December 31  
(Amounts in thousands except per share data)  
(Unaudited)

	Three Months			Twelve Months		
	2003	2002	%	2003	2002	%
Operating revenue:						
Yellow Transportation	\$ 722,007	\$ 692,031	4.3	\$ 2,811,892	\$ 2,547,052	10.4
Meridian IQ	41,501	25,905	60.2	120,245	81,771	47.1
Corporate/Other	(1,161)	(1,124)	(3.3)	(4,539)	(4,675)	2.9
Total Yellow only (a)	762,347	716,812	6.4	2,927,598	2,624,148	11.6
Roadway Express (b)	131,248			131,248		
New Penn (b)	9,770			9,770		
Consolidated	903,365			3,068,616		
Reported operating income (loss):						
Yellow Transportation	21,210	30,418	(30.3)	119,906	70,594	69.9
Meridian IQ	961	(754)	227.5	288	(2,697)	110.7
Corporate/Other	(9,177)	(5,149)	(78.2)	(25,296) (c)	(21,033)	(20.3)
Total Yellow only	12,994	24,515	(47.0)	94,898	46,864	102.5
Roadway Express	(6,075)			(6,075)		
New Penn	(221)			(221)		
Consolidated	6,698			88,602		
Adjustments to operating income (loss) by segment (d):						
Yellow Transportation	18,641	(802)		19,020	523	
Meridian IQ	57	1,056		482	1,299	
Corporate/Other	2,478	760		2,960	6,613	
Total Yellow only	21,176	1,014		22,462	8,435	
Adjustments to operating income (loss) by type (d):						
Losses (gains) on property disposals	(584)	(832)		(162)	425	
Acquisition, spin-off and reorganization charges	2,260	1,846		3,124	8,010	
Legal provision	2,000	-		2,000	-	
Conforming accounting policies	17,500	-		17,500	-	
Total Yellow only	21,176	1,014		22,462	8,435	
Adjusted operating income (loss):						
Yellow Transportation	39,851	29,616	34.6	138,926	71,117	95.3
Meridian IQ	1,018	302	237.1	770	(1,398)	155.1
Corporate/Other	(6,699)	(4,389)	(52.6)	(22,336)	(14,420)	(54.9)
Total Yellow only	34,170	25,529	33.8	117,360	55,299	112.2
Reported operating ratio:						
Yellow Transportation	97.1%	95.6%		95.7%	97.2%	
Total Yellow only	98.3%	96.6%		96.8%	98.2%	
Consolidated	99.3%			97.1%		
Adjusted operating ratio:						
Yellow Transportation	94.5%	95.7%		95.1%	97.2%	
Total Yellow only	95.5%	96.4%		96.0%	97.9%	

(Continued on next page)

SUPPLEMENTAL FINANCIAL INFORMATION  
Yellow Roadway Corporation and Subsidiaries  
For the Three Months and Twelve Months Ended December 31  
(Amounts in thousands except per share data)  
(Unaudited)

	Three Months		Twelve Months	
	2003	2002	2003	2002
Average shares outstanding - diluted	33,098	29,815	30,655	28,371
Effect of Roadway acquisition on diluted average shares outstanding	3,036	-	766	-
Adjusted average shares outstanding - diluted	30,062	29,815	29,889	28,371
Reconciliation of reported income to adjusted income (after tax):				
Reported income (loss)	\$ (672)	\$ 14,195	\$ 40,683	\$ 23,973
Losses (gains) on property disposals	(376)	(510)	(100)	261
Acquisition, spin-off and reorganization charges - operating	1,453	1,133	1,991	4,989
Legal provision	1,248	-	1,248	-
Conforming accounting policies	10,885	-	10,885	-
Acquisition charges - nonoperating (e)	4,340	-	8,540	-
Roadway LLC net loss (12/12 - 12/31)	4,558	-	4,558	-
Adjusted income	21,436	14,818	67,805	29,223
Reconciliation of reported diluted earnings per share (EPS) to adjusted diluted EPS:				
Reported diluted EPS	(0.02)	0.48	1.33	0.84
Losses (gains) on property disposals	(0.01)	(0.02)	-	0.01
Acquisition, spin-off and reorganization charges - operating	0.04	0.04	0.06	0.18
Legal provision	0.04	-	0.04	-
Conforming accounting policies	0.33	-	0.35	-
Acquisition charges - nonoperating (e)	0.13	-	0.28	-
Roadway LLC net loss (12/12 - 12/31)	0.14	-	0.15	-
Additional shares issued to acquire Roadway	0.06	-	0.06	-
Adjusted diluted EPS	0.71	0.50	2.27	1.03
Pro forma stock option expense (after tax) (f)	464	316	2,051	1,364
Average shares outstanding - diluted	33,098	29,815	30,655	28,371
Pro forma stock option impact on diluted EPS	0.01	0.01	0.07	0.05

(a) Represents the results of the former Yellow Corporation entities only.

(b) Roadway Express and New Penn include twenty calendar days of activity.

(c) Includes approximately \$4 million for an industry conference that Yellow Roadway hosts every other year.

(d) Management excludes these items when evaluating operating income and segment performance in order to better evaluate the results of the company's core operations. Acquisition charges consist mostly of marketing and promotional activities. Conforming accounting policies consist primarily of adjustments for recognizing handling costs for workers' compensation, property damage and liability claims.

(e) Consists entirely of acquisition-related financing costs.

(f) The fair value in accordance with SFAS 123, Accounting for Stock-Based Compensation, not reflected in income.

SUPPLEMENTAL ROADWAY FINANCIAL INFORMATION  
Yellow Roadway Corporation and Subsidiaries

Roadway LLC Results for the Period December 12 through December 31, 2003  
(Amounts in thousands)  
(Unaudited)

Operating revenue	\$ 141,018
Operating expenses	147,314
	-----
Operating loss	(6,296)
Nonoperating expenses	906
	-----
Loss before income tax	(7,202)
Income tax benefit	(2,644)
	-----
Net loss	\$ (4,558)
	=====

Note: Roadway Corporation was a separate, publicly traded entity until the acquisition by Yellow on December 11, 2003. Since the acquisition date, the Roadway entities (Roadway Express and New Penn) have been consolidated under Roadway LLC (a wholly-owned subsidiary of Yellow Roadway). As a result of the acquisition, Roadway LLC has reported its results under a new basis of accounting and has conformed its accounting policies to be consistent with the policies of Yellow Roadway Corporation.

-----

Roadway Comparative Results  
(Amounts in millions, except for workdays)  
(Unaudited)

If the acquisition had not occurred, the accounting basis had not been changed due to purchase accounting, and accounting policies had not been conformed, the company estimates that results would have been as follows:

	Sixteen weeks Ended December 31	
	2003	2002
	-----	-----
Revenue (delivery basis)	\$ 956	\$1,074
Adjusted operating income from continuing operations	17(a)	55
Number of workdays	74	78

Note: The results for the sixteen weeks ended December 31, 2003 are not intended to reflect results under GAAP.

(a) Reported operating loss (12/12 - 12/31)	\$ (6)
Operating loss (9/14 - 12/11)	(24)
Acquisition-related charges, changes in basis of accounting and conforming accounting policies	47
	-----
Adjusted operating income	\$ 17

STATISTICAL INFORMATION  
Yellow Transportation  
For the Three Months Ended December 31  
(Amounts in thousands except per unit data)

	Three Months			Amount/Workday		
	2003	2002	%	2003	2002	%
Workdays				62	62	
Revenue:						
LTL	\$ 670,787	\$ 640,791	4.7	\$ 10,819.1	\$ 10,335.3	4.7
TL	50,978	49,070	3.9	822.2	791.5	3.9
	-----	-----		-----	-----	
Subtotal - pickup basis	721,765	689,861	4.6	11,641.3	11,126.8	4.6
Revenue recognition adjustment	242	2,170	(88.8)	4.0	35.0	(88.8)
	-----	-----		-----	-----	
Total - as reported	722,007	692,031	4.3	11,645.3	11,161.8	4.3
Tonnage - pickup basis:						
LTL	1,631	1,614	1.1	26.30	26.03	1.1
TL	317	300	5.8	5.12	4.84	5.8
Total	1,948	1,914	1.8	31.42	30.87	1.8
Shipments - pickup basis:						
LTL	3,266	3,230	1.1	52.68	52.10	1.1
TL	43	41	3.8	0.69	0.66	3.8
Total	3,309	3,271	1.2	53.37	52.76	1.2
Revenue/cwt. - pickup basis:						
LTL	\$ 20.57	\$ 19.85	3.6			
TL	8.03	8.18	(1.8)			
Total	18.52	18.02	2.8			
Revenue/cwt. - pickup basis: (excluding fuel surcharge)						
LTL	19.99	19.32	3.5			
TL	7.83	8.00	(2.1)			
Total	18.01	17.55	2.6			
Revenue/shipment - pickup basis:						
LTL	205.36	198.39	3.5			
TL	1,196.02	1,195.26	0.1			
Total	218.12	210.90	3.4			

STATISTICAL INFORMATION  
Roadway Express  
For the Sixteen Weeks Ended December 31  
(Amounts in thousands except per unit data)

	Sixteen Weeks			Amount/Workday		
	2003	2002	%	2003	2002	%
Workdays				74	78	
Revenue - delivery basis:						
LTL	\$ 814,385	\$ 932,793	(12.7)	\$ 11,005.2	\$ 11,958.9	(8.0)
TL	73,792	73,664	0.2	997.2	944.4	5.6
Total	888,177	1,006,457	(11.8)	12,002.4	12,903.3	(7.0)
Tonnage - delivery basis:						
LTL	1,813	2,097	(13.5)	24.50	26.88	(8.9)
TL	431	430	0.2	5.82	5.52	5.5
Total	2,244	2,527	(11.2)	30.32	32.40	(6.4)
Shipments - delivery basis:						
LTL	3,723	4,494	(17.2)	50.31	57.62	(12.7)
TL	52	53	(1.9)	0.70	0.67	5.0
Total	3,775	4,547	(17.0)	51.01	58.29	(12.5)
Revenue/cwt. - delivery basis:						
LTL	\$ 22.47	\$ 22.24	1.0			
TL	8.56	8.57	(0.1)			
Total	19.79	19.91	(0.6)			
Revenue/cwt. - delivery basis: (excluding fuel surcharge)						
LTL	21.78	21.63	0.7			
TL	8.30	8.34	(0.5)			
Total	19.19	19.37	(0.9)			
Revenue/shipment - delivery basis:						
LTL	218.74	207.56	5.4			
TL	1,419.08	1,389.89	2.1			
Total	235.28	221.35	6.3			

STATISTICAL INFORMATION  
New Penn  
For the Sixteen Weeks Ended December 31  
(Amounts in thousands except per unit data)

	Sixteen Weeks			Amount/Workday		
	2003	2002	%	2003	2002	%
Workdays				74	78	
Revenue - delivery basis:						
LTL	\$ 63,100	\$ 63,402	(0.5)	\$ 852.7	\$ 812.8	4.9
TL	4,301	4,251	1.2	58.1	54.5	6.6
Total	67,401	67,653	(0.4)	910.8	867.3	5.0
Tonnage - delivery basis:						
LTL	252	258	(2.3)	3.41	3.31	3.0
TL	39	39	-	0.52	0.50	3.4
Total	291	297	(2.0)	3.93	3.81	3.2
Shipments - delivery basis:						
LTL	556	577	(3.6)	7.51	7.40	1.6
TL	5	5	-	0.07	0.06	5.4
Total	561	582	(3.6)	7.58	7.46	1.6
Revenue/cwt. - delivery basis:						
LTL	\$ 12.52	\$ 12.29	1.9			
TL	5.48	5.43	0.9			
Total	11.57	11.39	1.6			
Revenue/cwt. - delivery basis: (excluding fuel surcharge)						
LTL	12.52	12.29	1.9			
TL	5.48	5.43	0.9			
Total	11.57	11.39	1.6			
Revenue/shipment - delivery basis:						
LTL	113.49	109.88	3.3			
TL	860.16	850.20	1.2			
Total	120.14	116.24	3.4			