UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2002

OR

[ ] 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 0-12255

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

Delaware	48-0948788
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10990 Roe Avenue, P.O. Box 7563, Overland Park, Kansas	66207
(Address of principal executive offices)	(Zip Code)

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

No Changes
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 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 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 31, 2002
Common Stock, $1 Par Value	29,165,256 shares

YELLOW CORPORATION

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
Yellow Corporation and Subsidiaries
(Amounts in thousands except per share data)
(Unaudited)

	June 30, 2002	December 31, 2001
ASSETS		
CURRENT ASSETS:		
Cash	$ 19,514	$ 20,694
Accounts receivable	287,722	208,267
Prepaid expenses and other	42,706	83,449
Total current assets	349,942	312,410
PROPERTY AND EQUIPMENT:		
Cost	2,128,722	2,133,406
Less - Accumulated depreciation	1,279,670	1,267,834
Net property and equipment	849,052	865,572
GOODWILL AND OTHER ASSETS	34,195	107,795
	$ 1,233,189	$ 1,285,777
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and checks outstanding	$ 106,284	$ 128,343
Wages and employees' benefits	148,946	130,806
Other current liabilities	112,875	103,778
Current maturities of long-term debt	404	6,281
Total current liabilities	368,509	369,208
OTHER LIABILITIES:		
Long-term debt	106,611	213,745
Deferred income taxes	91,245	92,817
Claims, insurance and other	140,073	119,018
Total other liabilities	337,929	425,580
SHAREHOLDERS' EQUITY:		
Common stock, $1 par value	31,404	31,028
Capital surplus	71,880	41,689
Retained earnings	470,680	537,496
Unamortized restricted stock awards	(1,296)	--
Accumulated other comprehensive income (loss)	(4,615)	(6,252)
Treasury stock	(41,302)	(112,972)
Total shareholders' equity	526,751	490,989
	$1,233,189	$1,285,777

The accompanying notes are an integral part of these statements.

STATEMENTS OF CONSOLIDATED OPERATIONS
Yellow Corporation and Subsidiaries
For the Quarter and Six Months Ended June 30, 2002 and 2001
(Amounts in thousands except per share data)
(Unaudited)

	Second Quarter		Six Months	
	2002	2001	2002	2001
OPERATING REVENUE	$ 842,549	$ 824,770	$1,604,889	$1,656,748
OPERATING EXPENSES:				
Salaries, wages and benefits	541,593	523,117	1,037,934	1,046,461
Operating expenses and supplies	124,391	136,699	235,286	280,629
Operating taxes and licenses	26,542	26,422	52,589	54,659
Claims and insurance	23,098	19,111	41,983	37,602
Depreciation and amortization	30,588	31,565	60,769	63,430
Purchased transportation	81,805	67,978	152,724	135,655
Unusual items	996	2,243	1,964	8,234
Total operating expenses	829,013	807,135	1,583,249	1,626,670
INCOME FROM OPERATIONS	13,536	17,635	21,640	30,078
NONOPERATING (INCOME) EXPENSES:				
Interest expense	2,867	4,093	6,770	8,158
Loss in Transportation.com	-	1,861	-	4,397
Other, net	763	1,581	1,344	4,306
Nonoperating expenses, net	3,630	7,535	8,114	16,861
INCOME BEFORE INCOME TAXES AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	9,906	10,100	13,526	13,217
INCOME TAX PROVISION	3,686	4,444	5,167	5,815
INCOME BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	6,220	5,656	8,359	7,402
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR GOODWILL	-	-	(75,175)	-
NET INCOME (LOSS)	$ 6,220	$ 5,656	$ (66,816)	$ 7,402
AVERAGE SHARES OUTSTANDING-BASIC	28,404	24,164	26,687	23,968
AVERAGE SHARES OUTSTANDING-DILUTED	28,810	24,342	27,053	24,238
BASIC EARNINGS (LOSS) PER SHARE:				
Before cumulative effect of accounting change	$ .22	$ .23	$ .31	$ .31
Cumulative effect of change in accounting for goodwill	-	-	(2.81)	-
Total	$ .22	$ .23	$ (2.50)	$ .31
DILUTED EARNINGS (LOSS) PER SHARE:				
Before cumulative effect of accounting change	$ .22	$ .23	$ .31	$ .31
Cumulative effect of change in accounting for goodwill	-	-	(2.78)	-
Total	$ .22	$ .23	$ (2.47)	$ .31

The accompanying notes are an integral part of these statements.

STATEMENTS OF CONSOLIDATED CASH FLOWS
Yellow Corporation and Subsidiaries
For the Six Months Ended June 30, 2002 and 2001
(Amounts in thousands)
(Unaudited)

	2002	2001
OPERATING ACTIVITIES:		
Net income (loss)	$ (66,816)	$ 7,402
Depreciation and amortization	60,769	63,430
Loss in joint venture	--	4,397
Cumulative effect of accounting change	75,175	--
Change in accounts receivable	(57,455)	16,612
Accounts receivable securitizations, net	(22,000)	(13,500)
Change in accounts payable and checks outstanding	(22,059)	(37,304)
Other	91,335	5,965
Net cash from operating activities	58,949	47,002
INVESTING ACTIVITIES:		
Acquisition of property and equipment	(50,752)	(73,203)
Proceeds from disposal of property and equipment	3,653	3,996
Other	--	(4,113)
Net cash used in investing activities	(47,099)	(73,320)
FINANCING ACTIVITIES:		
Increase (decrease) in long-term debt	(113,011)	28,142
Proceeds from stock options and other, net	6,189	5,304
Proceeds from issuance of common stock	93,792	--
Net cash provided by (used in) financing activities	(13,030)	33,446
NET INCREASE (DECREASE) IN CASH	(1,180)	7,128
CASH, BEGINNING OF PERIOD	20,694	25,799
CASH, END OF PERIOD	$ 19,514	$ 32,927
SUPPLEMENTAL CASH FLOW INFORMATION:		
Income taxes paid (refunds), net	$ (5,055)	$ 4,434
Interest paid	$ 7,499	$ 8,278

The accompanying notes are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Yellow Corporation and Subsidiaries
(unaudited)

1. The accompanying consolidated financial statements include the accounts of Yellow Corporation and its wholly-owned subsidiaries (the company or Yellow).

   The consolidated financial statements have been prepared by the company, without audit by independent public accountants, pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). In the opinion of management, all normal recurring adjustments necessary for a fair statement of the results of operations for the interim periods included herein have been made. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted from these statements pursuant to such rules and regulations. Accordingly, the accompanying consolidated financial statements should be read in conjunction with the consolidated financial statements included in the company's 2001 Annual Report to Shareholders.

2. The company is an international transportation services provider with a focus on national, regional and international less-than-truckload (LTL), truckload (TL), and non-asset based transportation services through its three principal operating units and captive technology company. Yellow Transportation, Inc. (Yellow Transportation) is the largest subsidiary and provides LTL national, regional and international transportation services for industrial, commercial, retail and government markets. SCS Transportation, Inc. (SCS Transportation) provides regional overnight and second-day LTL and selected TL transportation services through two subsidiaries, Saia Motor Freight Line, Inc. (Saia) and Jevic Transportation, Inc. (Jevic). Meridian IQ, LLC (Meridian IQ) provides domestic and international forwarding, multi-modal brokerage and transportation management services. Yellow Technologies, Inc. is a subsidiary that provides information technology and other services to the company and its subsidiaries. For the quarter ended June 30, 2002 Yellow Transportation comprised approximately 74 percent of total revenue while Saia comprised approximately 15 percent and Jevic approximately 9 percent of total revenue.

   The company announced on July 19, 2002, that its Board of Directors had formally approved the terms of the spin-off of its 100 percent interest in SCS Transportation. The targeted spin-off date is September 30, 2002. After the spin-off the company will continue to own and operate Yellow Transportation and Meridian IQ.

3. In the third quarter of 2001, the company completed its acquisition of the 35 percent ownership in Meridian IQ (formerly Transportation.com) that it did not previously own, from its venture capital partners. The cash purchase price of approximately $14.3 million was allocated primarily to goodwill ($10.6 million) and tax benefit receivable ($4.0 million). The results of Meridian IQ have been consolidated in the company's financial statements since September 2001. Prior to the acquisition date, the company accounted for its 65 percent ownership interest under the equity method of accounting due to substantive participating rights of the minority investors. Losses on the company's investment were recorded in non-operating expenses, until the acquisition date.

4. Unusual items include integration and business reorganization costs and property gains and losses.

5. The company reports financial and descriptive information about its reportable operating segments on a basis consistent with that used internally for evaluating segment operating performance and allocating resources to segments.

   The company has four reportable segments, which are strategic business units that offer different products and services. Yellow Transportation is a unionized carrier that provides comprehensive national, regional and international transportation services. Saia is a regional LTL carrier that provides overnight and second-day service in twenty-one states and Puerto Rico. On March 4, 2001, WestEx and Action Express were integrated into the Saia segment. Comparative prior year segment data has been restated to reflect the integration. Jevic is a hybrid regional heavy LTL and TL carrier that provides overnight and second-day service primarily in the Northeastern states. Meridian IQ is a segment that provides domestic and international forwarding, multi-modal brokerage and transportation management services.

   The segments are managed separately because each requires different operating, technology and marketing strategies. The company evaluates performance primarily on operating income and return on capital.

   The accounting policies of the segments are the same as those described in the summary of significant accounting policies in the company's 2001 Annual Report to Shareholders. Management fees and other corporate services are charged to segments based on direct benefit received or allocated based on revenues. The following table summarizes the company's operations by business segment (in thousands):

	Yellow Transportation	Saia	Jevic	Meridian IQ	Corporate and Other	Consolidated
As of June 30, 2002						
Identifiable assets	$ 769,875	$279,246	$158,630	$28,768	$(3,330)	$1,233,189
As of December 31, 2001						
Identifiable assets	$ 757,484	$275,852	$231,520	$17,641	$ 3,280	$1,285,777
Three months ended June 30, 2002						
Operating Revenue	$ 628,215	$124,027	$ 72,461	$18,942	$(1,096)	$ 842,549
Income from operations	10,524	6,010	832	(455)	(3,375)	13,536
Three months ended June 30, 2001						
Operating Revenue	$ 628,968	$122,988	$ 72,647	$ 445	$ (278)	$ 824,770
Income from operations	14,354	3,803	1,554	(723)	(1,353)	17,635
Six months ended June 30, 2002						
Operating revenue	$1,192,858	$239,055	$140,970	$34,344	$(2,338)	$1,604,889
Income from operations	17,185	9,651	1,800	(1,971)	(5,025)	21,640
Six months ended June 30, 2001						
Operating revenue	$1,264,933	$242,107	$149,504	$ 898	$ (694)	$1,656,748
Income from operations	27,955	1,501	3,859	(1,019)	(2,218)	30,078

The three months and six months ended June 30, 2001 segment data presented for Meridian IQ represents the results of operations of other non-asset based services. As previously discussed in note 3, Transportation.com was accounted for under the equity method of accounting during the first six months of 2001. Accordingly, nonoperating expenses include losses from Transportation.com of $1.9 million in the second quarter of 2001 and $4.4 million in the first six months of 2001. If Transportation.com had been consolidated in 2001, Meridian IQ revenue would have been $7.7 million and $14.4 million and operating losses would have been $3.6 million and $8.6 million for the three months ended June 30, 2001 and six months ended June 30, 2001, respectively.

6. The difference between average common shares outstanding used in the computation of basic earnings per share and fully diluted earnings per share is attributable to outstanding common stock options.

7. The company's comprehensive income includes net income, changes in the fair value of interest rate swaps and foreign currency translation adjustments. Comprehensive income for the second quarter ended June 30, 2002 and 2001 was $6.4 million and $5.7 million, respectively. Comprehensive income (loss) for the six months ended June 30, 2002 and 2001 was $(65.2) million and $5.7 million, respectively.

8. On June 30, 2001, the Financial Accounting Standards Board issued Statement No. 142, Goodwill and Other Intangible Assets (Statement No. 142), that was adopted by the company on January 1, 2002. Statement No. 142 requires that upon adoption and at least annually thereafter, the company assess goodwill impairment by applying a fair value based test. With the adoption of Statement No. 142, goodwill will no longer be subject to amortization resulting in an increase in annualized operating income and net income of $3.0 million.

At December 31, 2001 the Company had $100.6 million of goodwill on its consolidated balance sheet, consisting primarily of $75.2 million remaining from the acquisition of Jevic. In valuing the goodwill of Jevic the company used an estimate of that business unit's discounted cash flows in measuring whether goodwill was recoverable. Based on this estimate, the company has determined that 100 percent of the Jevic goodwill was impaired due to lower business volumes, compounded by a weak economy, and an increasingly competitive business environment. As a result, the company recorded a non-cash charge of $75.2 million in the first quarter 2002, which was reflected as a cumulative effect of a change in accounting principle.

The carrying amount of goodwill attributed to each reportable operating segment with goodwill balances and changes follows (in thousands):

	December 31, 2001	Impairment Adjustment	June 30, 2002
Saia	$ 14,796	$ --	$ 14,796
Jevic	75,175	(75,175)	--
Meridian IQ	10,600	--	10,600
	$ 100,571	$ (75,175)	$ 25,396

In connection with adopting Statement No. 142, the company also reassessed the useful lives and the classification of its identifiable intangible assets and determined that they continue to be appropriate. The components of amortized intangible assets follow (in thousands):

	June 30, 2002		December 31, 2001	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Contract Based	$2,238	$ 976	$2,238	$843
Technology Based	231	48	231	19
Other	42	9	42	3
	$2,511	$1,033	$2,511	$865

Amortization expense for intangible assets for the three months ended June 30, 2002 was $127,583, for the six months ended June 30, 2002 was $167,339, and is estimated to be $422,505 for the full year 2002. Estimated amortization expense for the next five fiscal years follows (in thousands):

	Estimated Amortization Expense
2003	$ 423
2004	405
2005	315
2006	121
2007	-

Actual results of operations before cumulative effect of accounting change for the three and six months ended June 30, 2002, and proforma results of operations for the three and six months ended June 30, 2001 had the company applied the nonamortization provisions of Statement No. 142 in those periods follow (in thousands, except per share amounts):

	Quarter Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001
Reported income before cumulative effect of accounting change	$ 6,220	$ 5,656	$ 8,359	$ 7,402
Add: Goodwill amortization	-	769	-	1,502
Adjusted income before cumulative effect of accounting change	$ 6,220	$ 6,425	$ 8,359	$ 8,904
Basic earnings per share:				
Reported income before cumulative effect of accounting change	$ .22	$ .23	$ .31	$ .31
Goodwill amortization	-	.03	-	.06
Adjusted income before cumulative effect of accounting change	$ .22	$ .26	$ .31	$ .37
Diluted earnings per share:				
Reported income before cumulative effect of accounting change	$ .22	$ .23	$ .31	$ .31
Goodwill amortization	-	.03	-	.06
Adjusted income before cumulative effect of accounting change	$ .22	$ .26	$ .31	$ .37

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

FINANCIAL CONDITION

June 30, 2002 Compared to December 31, 2001

The company's liquidity needs arise primarily from capital investment in new equipment, land and structures and information technology, as well as funding working capital requirements. To ensure short-term and longer-term liquidity, the company maintains capacity under a bank credit agreement and an asset backed securitization (ABS) agreement involving Yellow Transportation accounts receivable. These facilities provide adequate capacity to fund working capital and capital expenditure requirements.

At June 30, 2002, the company did not have any outstanding borrowings against the $300 million bank credit agreement, which expires in April 2004. This facility is also the source of letters of credit used to provide collateral for the self-insurance programs of the company, primarily in the areas of workers' compensation and auto liability. Letter of credit requirements have increased significantly during 2002. Insurance providers have increased collateral requirements in response to the events of September 11 and the bankruptcies of several large companies. In addition, the availability of surety bonds, an alternative form of insurance collateral, has decreased due to the same factors.

The following table provides the components of the available unused capacity under the bank credit agreement at June 30, 2002 and December 31, 2001 (amounts in thousands):

	June 30, 2002	December 31, 2001
Total available	$ 300,000	$ 300,000
Outstanding borrowings	-	(85,000)
Letters of credit	(163,000)	(90,000)
Available unused capacity	$ 137,000	$ 125,000

The company intends to refinance under the bank credit facility all other debt maturing within one year, (zero at June 30, 2002 and $22.0 million at December 31, 2001), and has classified these amounts as long-term debt on the balance sheet.

Since it involves the sale of accounts receivable, utilization of the $200 million ABS facility impacts the accounting presentation of current assets, and therefore impacts working capital. The following table summarizes the impact of the ABS agreement had it been reflected on the balance sheet (in thousands):

	June 30, 2002			December 31, 2001		
	As Reported	ABS Facility	Adjusted	As Reported	ABS Facility	Adjusted
Current Assets:						
Cash	$ 19,514	$ --	$ 19,514	$ 20,694	$ --	$ 20,694
Accounts receivable	287,722	119,500	407,222	208,267	141,500	349,767
Prepaid expenses & other	42,706	--	42,706	83,449	--	83,449
Total current assets	$ 349,942	$ 119,500	$ 469,442	$ 312,410	$ 141,500	$ 453,910
Current Liabilities:						
Accounts payable and Checks outstanding	$ 106,284	$ --	$ 106,284	$ 128,343	$ --	$ 128,343
Wages & employees' benefits	148,946	--	148,946	130,806	--	130,806
Other current liabilities	112,875	--	112,875	103,778	--	103,778
Total current liabilities, Excl current maturities	$ 368,105	$ --	$ 368,105	$ 362,927	$ --	$ 362,927
Working Capital	$ (18,163)	$ 119,500	$ 101,337	$ (50,517)	$ 141,500	$ 90,983
Total debt	$ 107,015	$ 119,500	$ 226,515	$ 220,026	$ 141,500	$ 361,526

As reported, working capital excluding current maturities of long-term debt at June 30, 2002 was $(18.2) million, up from $(50.5) million at December 31, 2001. However, treating the ABS facility as though it was on the balance sheet provides a clearer economic view of working capital. Including adjustments for the ABS facility, working capital at June 30, 2002 was $101.3 million, up $10.3 million from $91.0 million at year-end. Current assets increased $15.5 million primarily due to an increase in accounts receivable resulting from additional business volumes. Current liabilities increased $5.2 million from year-end, as decreased accounts payable were offset by increases in accrued wages and employees' benefits.

The $91.3 million of other net cash from operating activities for the six months ended June 30, 2002 is made up primarily of changes in other working capital items. Prepaid expenses and other decreased $40.7 million from December 31, 2001 primarily due to the amortization of a prefunded benefit contribution for the company's employees covered by collective bargaining agreements. Wages and employees' benefits increased $18.1 million from December 31, 2001 primarily due to the timing of vacation payments (accrued but not paid). Additionally, claims, insurance and other long-term liabilities increased $21.1 million from December 31, 2001 primarily due to timing of pension payments (accrued but not paid) and increased workers' compensation reserves.

Net capital expenditures for property and equipment during the first six months of 2002 were $47.1 million, compared to $69.2 million during the first six months of 2001. The decrease in capital expenditures is due primarily to timing of revenue equipment purchases in 2002 compared to 2001, and higher spending in 2001 for a large terminal facility at Yellow Transportation. Full year 2002 revenue equipment spending is expected to be near 2001 levels, and total net capital expenditures are expected to be approximately $100 million.

In mid April 2002 the company completed the equity offering of 3.4 million shares and a fifteen percent over-allotment of .5 million shares at a price of $25.50 per share. The company received $93.8 million of net proceeds from the offering. The net proceeds were used to repay debt and will provide working capital for investments in the company's growth strategy.

A registration statement on Form 10 for SCS Transportation was filed on July 19, 2002 with the SEC containing details of the distribution and important financial and other information about SCS Transportation, including risk factors related to SCS Transportation and the distribution. The spin-off, which is intended to be tax-free to Yellow and to Yellow stockholders, is subject to a number of conditions, including the receipt of a favorable ruling from the Internal Revenue Service or from outside tax advisors, the absence of any legal restraints or prohibitions preventing the consummation of the distribution, final action by the Board of Directors of Yellow to set the record date and distribution date for the spin-off and the effectiveness of the registration statement.

It is expected that Yellow shareholders will receive one share of SCS Transportation common stock for every two shares of Yellow common stock they own as of the record date. In addition, at or around the time of the spin-off, it is anticipated that SCS Transportation will raise approximately $150 million pursuant to one or more credit facilities that will be utilized in part to repay indebtedness owed to Yellow and in part for general working capital purposes.

On July 22, 2002, Meridian IQ announced that it had reached a tentative agreement to acquire MegaSys, Inc. (MegaSys), a Greenwood, Indiana based provider of non-asset transportation and logistics management services. MegaSys offers carrier procurement, routing and scheduling, audit and payment, and other shipment management capabilities. Meridian IQ expects the acquisition to be completed by mid-August.

On July 23, 2002, Meridian IQ announced that it had acquired selected assets of Clicklogistics, Inc. (Clicklogistics), a provider of non-asset transportation and logistics management services, for a nominal purchase price. Meridian IQ acquired certain material assets, consisting primarily of customer contracts and key employees within the Clicklogistics sales, operations and professional services group.

RESULTS OF OPERATIONS

Comparison of Three Months Ended June 30, 2002 and 2001

Net income for the second quarter ended June 30, 2002 was $6.2 million, or $.22 per share, compared with net income of $5.7 million, or $.23 per share in the second quarter of 2001. The second quarter of 2001 included expense of $.8 million, or $.03 per share, related to the amortization of goodwill for SCS Transportation. Beginning in 2002, with the adoption of Statement No. 142, goodwill is no longer amortized but is periodically tested for impairment.

Consolidated operating revenue for the second quarter of 2002 was $843 million, up 2.2 percent from $825 million in the second quarter of 2001. Consolidated operating income was $13.5 million, compared to $17.6 million in the prior year. Second quarter 2001 results included $2.2 million of unusual item costs, primarily related to the integration of WestEx, Inc. and Action Express into Saia.

Higher workers' compensation expenses impacted consolidated operating results. Rising health care costs over the past several years have resulted in the ultimate cost of claims being higher than were originally anticipated. On a consolidated basis, workers' compensation costs are up over 70 percent from the second quarter of last year. The company has in place aggressive claims management programs, but expects the impact of increased claims costs to continue in the near term.

Yellow Transportation, the company's largest subsidiary, reported second quarter 2002 operating income of $10.5 million, down from $14.4 million in the second quarter of 2001. Yellow Transportation revenue for the second quarter of 2002 was $628 million, down slightly from $629 million in the prior year. The operating ratio was 98.3 for the second quarter of 2002, compared with 97.7 a year earlier.

Yellow Transportation second quarter 2002 LTL tonnage per day increased by 1.3 percent and the number of LTL shipments per day increased 1.1 percent compared to the second quarter of 2001. The primary reasons for the increase in volumes are a slowly improving economy, some selective gains in market share and growth in premium services. LTL revenue per hundred weight, excluding fuel surcharge, for the second quarter of 2002 was up .8 percent over the second quarter of 2001.

Meridian IQ was formed earlier this year, and formally launched in March, as the Yellow platform for non-asset-based transportation services. These capabilities include international and domestic freight forwarding services, multi-modal brokerage services and transportation management solutions.

Meridian IQ operating revenue for the second quarter of 2002 was $19 million and operating losses were $.5 million, which is an improvement from the $1.5 million loss in the first quarter of 2002, and consistent with company expectations for this newly formed entity.

Consolidated operating revenue for SCS Transportation was $196 million for the second quarter of 2002, unchanged from $196 million a year ago. Operating income for the second quarter of 2002 was $6.8 million, compared to $5.1 million in the previous year. Second quarter 2001 operating income included expense of $.8 million related to the amortization of goodwill and $1.4 million of unusual item costs related to the March 2001 integration of WestEx, Inc. and Action Express into Saia. All prior period amounts for Saia have been restated to reflect this merger.

At Saia, second quarter 2002 revenue was $124 million and operating income was $6.0 million, compared with revenue of $123 million and operating income of $3.8 million in the second quarter of 2001, which included $1.4 million of integration costs. The second quarter 2002 operating ratio was 95.2, compared with 95.7 (excluding integration costs) in the second quarter of 2001. Saia LTL tonnage for the second quarter of 2002 was up 5.0 percent and LTL shipments were up 4.5 percent on a per-day basis over the second quarter of 2001. However, Saia LTL revenue per hundred weight, excluding fuel surcharge for the second quarter of 2002 was down 2.7 percent over the second quarter of 2001 due to planned mix changes designed to replace selected poor performing business with more profitable accounts and competitive pressures.

Jevic reported second quarter 2002 revenue of $72.5 million and operating income of $.8 million. On a comparative basis, Jevic had second quarter 2001 revenue of $72.6 million and operating income of $1.6 million. The second quarter of 2002 operating ratio for Jevic was 98.9, compared with 97.9 in the second quarter of 2001. The second quarter of 2002 included a $1.5 million charge due to unfavorable development in workers' compensation claims. Excluding this item, operating results relating directly to the second quarter improved from the prior period. Jevic total tonnage per day for the second quarter of 2002 was up 1.7 percent, consisting of a 0.5 percent decline in LTL volumes and a 3.5 percent increase in truckload volumes compared to the second quarter of 2002. Excluding the fuel surcharge, total revenue per hundred weight was down 1.6 percent consisting of a 0.6 percent improvement in LTL yields and a 3.2 percent decline in truckload pricing. Overall, the pricing environment for Jevic has stabilized although rates remain weak due to pricing pressures over the past two years.

Corporate and other expenses were $3.4 million in the second quarter of 2002, compared to $1.4 million in the second quarter of 2001. The increase is due primarily to higher self-insurance retention reserves, higher incentive compensation accruals and professional service costs related to the spin-off of SCS Transportation.

Nonoperating expenses were $3.6 million in the second quarter of 2002 compared to $7.5 million in the second quarter of 2001. The second quarter of 2001 had $1.9 million of Transportation.com business development costs and $2.0 million higher financing costs, including interest expense and ABS borrowing costs due to higher interest rates and higher average borrowings outstanding. The effective tax rate was 37.2 percent in the second quarter of 2002 compared to 44.0 percent in the second quarter of 2001. This decrease in tax rate is due to a variety of factors including the projected full-year profit before tax, the implementation of prudent tax planning strategies and decreased travel and entertainment expenses.

Comparison of Six Months Ended June 30, 2002 and 2001

Net income (loss) for the six months ended June 30, 2002 was $(66.8) million, or $(2.47) per share, compared with net income of $7.4 million, or $.31 per share in the first half of 2001. The first half of 2002 included a non-cash charge of $75.2 million for the impairment of goodwill associated with Jevic, which was recorded as a cumulative effect of change in accounting for goodwill. The first half of 2001 included expense of $1.5 million, or $.06 per share, related to the amortization of goodwill attributable to SCS Transportation.

Consolidated operating revenue for the first half of 2002 was $1.6 billion, down 3.1 percent from $1.7 billion in the first half of 2001. Consolidated operating income was $21.6 million, compared to $30.1 million in the prior year.

Yellow Transportation reported operating income of $17.2 million for the first half of 2002 down from $28.0 million in the first half of 2001. Yellow Transportation revenue for the first half of 2002 was $1.2 billion, down 5.0 percent, on a per-day basis, from $1.3 billion in the first half of 2001. The 2002 first half operating ratio was 98.6, compared with 97.8 a year earlier.

Yellow Transportation first half 2002 LTL tonnage per day decreased by 3.0 percent and the number of LTL shipments per day decreased 3.4 percent from the first half of 2001. LTL revenue per hundred weight, excluding fuel surcharge, was up .4 percent over the first half of 2001.

Meridian IQ operating revenue for the first half of 2002 was $34.3 million and operating losses were $2.0 million. Meridian IQ has had consistent month-over-month revenue and operating income improvement and results are consistent with company expectations for this newly formed entity.

Consolidated operating revenue for SCS Transportation for the first half of 2002 was $380 million down from $392 million in the first half of 2001. Operating income was $11.6 million in the first half of 2002, compared to $4.8 million in the first half of 2001. First half 2001 included expense of $1.5 million related to the amortization of goodwill and $6.8 million of unusual item costs related to the March 2001 integration of WestEx, Inc. and Action Express into Saia.

For the first half of 2002, Saia revenue was $239 million compared to $242 million in 2001. Operating income in the first half of 2002 was $9.7 million, compared with operating income of $1.5 million in the first half of 2001, which included $6.8 million of integration costs.

Jevic reported revenue of $141 million for the first half of 2002 compared to $150 million in the first half of 2001. Operating income was $1.8 million in the first half of 2002, compared to $3.9 million in the first half of 2001. Most of the deterioration in operating income was a result of higher workers' compensation costs in the second quarter as described earlier and weak performance in the first quarter due to economic and competitive conditions.

Corporate and other expenses were $5.0 million in the first half of 2002, compared to $2.2 million in the first half of 2001. The increase is due primarily to higher self-insurance retention reserves, higher incentive compensation accruals and professional service costs related to the spin-off of SCS Transportation.

Nonoperating expenses were $8.1 million in the first half of 2002, compared to $16.9 million in the first half of 2001. The first half of 2001 had $4.4 million of Transportation.com business development costs and $4.4 million higher financing costs, including interest expense and ABS borrowing costs, due to higher interest rates and higher average borrowings. The effective tax rate was 38.2 percent in the first half of 2002 compared to 44.0 percent in the first half of 2001. The decrease in tax rate is due to the factors described earlier in the results of operations for the three months ended June 30, 2002.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The company is exposed to a variety of market risks, including the effects of interest rates, fuel prices and foreign currency exchange rates. To ensure adequate funding through seasonal business cycles and minimize overall borrowing costs, the company utilizes a variety of both fixed rate and variable rate financial instruments with varying maturities. At June 30, 2002 approximately 55 percent of the company's debt and off-balance sheet financing is at variable rates with the balance at fixed rates. The company uses interest rate swaps to hedge a portion of its exposure to variable interest rates. The company has hedged approximately 44 percent of its variable debt.

The company's revenues and operating expenses, assets and liabilities of its Canadian and Mexican subsidiaries are denominated in foreign currencies, thereby creating exposures to changes in exchange rates. However, the risks related to foreign currency exchange rates are not material to the company's consolidated financial position or results of operations.

The following table provides information about the company's financial instruments as of June 30, 2002. The table presents principal cash flows (in millions) and related weighted average interest rates by contractual maturity dates. For interest rate swaps the table presents notional amounts (in millions) and weighted average interest rates by contractual maturity.

Debt Instrument Information

	2002	2003	2004	2005	2006	There-After	Total	Fair Value
Fixed Rate Debt	$ 0.1	$ 24.5	$ 16.3	$ 17.9	$ 8.7	$ 34.5	$ 102.0	$ 109.8
Average interest rate	6.37%	6.02%	6.78%	6.62%	6.79%	6.85%		
Variable Rate Debt	$ 0.1	$ 0.1	$ 0.2	$ 4.6	-	-	$ 5.0	$ 5.0
Average interest rate	4.01% (1)							
Off Balance Sheet ABS	$ 119.5						$ 119.5	$ 119.5
Average interest rate	1.96%							
Interest Rate Swaps								
Notional amount	$ 0.1	$ 50.1 (2)	$ 0.2	$ 4.6	-	-	$ 55.0	$ 57.6
Avg. pay rate (fixed)	7.65%	6.06%	7.65%	7.65%	N/A	N/A		
Avg. receive rate (variable)	4.01%	1.88% (2)	4.01%	4.01%	N/A	N/A		

(1) Weighted average variable rates are based on the 90-day commercial paper rate as of June 30, 2002.

(2) Includes a $50 million interest rate swap on the ABS facility. The variable rate on the ABS swap is 1.88% based on the 3-month LIBOR as of June 18, 2002.

Yellow Transportation, Saia and Jevic, each have implemented effective fuel surcharge programs. These programs are well established within the industry and customer acceptance of fuel surcharges remains high. Since the amount of fuel surcharge is based on average national diesel fuel prices and is reset weekly, company exposure to fuel price volatility is significantly reduced.

Statements contained in, and preceding management's discussion and analysis that are not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the company's expectations, hopes, beliefs and intentions on strategies regarding the future. 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 but not limited to inflation, labor relations, inclement weather, price and availability of fuel, competitor pricing activity, expense volatility, changes in and customer acceptance of new technology, changes in equity and debt markets and a downturn in general or regional economic activity.

PART II - OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders - None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit 99.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxyley Act of 2002, filed herewith.

Exhibit 99.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxyley Act of 2002, filed herewith.

(b) Reports on Form 8-K

On May 17, 2002, a Form 8-K was filed under Item 4, Changes in Registrant's Certifying Accountant, which stated that the Audit Committee approved dismissal of Arthur Andersen LLP as the company's independent auditors and appointed KPMG LLP to serve as the company's independent auditors for the year ending December 31, 2002.

On May 22, 2002, a Form 8-K was filed under Item 5, Other Events, which reported that Yellow Transportation, a Yellow Corporation subsidiary, announced that it will implement a general rate increase averaging 5.9 percent effective June 3, 2002.

On July 19, 2002, a Form 8-K was filed under Item 5, Other Events, which reported that the company announced its Board of Directors has formally approved the terms of the spin-off of its 100% interest in SCS Transportation, the holding company for its regional operating companies, Saia and Jevic, to its shareholders. The Board of Directors of Yellow anticipates that the spin-off will occur during the third quarter of 2002.

On August 7, 2002, a Form 8-K was filed under Item 9, Regulation FD Disclosure, William D. Zollars, Yellow Corporation's Chief Executive Officer, and Donald G. Barger, Jr., Yellow Corporation's Chief Financial Officer, have each executed a Statement Under Oath of Principal Executive Officer and Principal Financial Officer Regarding Facts and Circumstances Relating to Exchange Act Filings.

Yellow Transportation
Financial Information
For the Quarter and Six Months Ended June 30, 2002 and 2001
(Amounts in thousands)

	Second Quarter 2002	Second Quarter 2001	%	Six Months 2002	Six Months 2001	%
Operating revenue	628,215	628,968	(0.1)	1,192,858	1,264,933	(5.7)
Operating income -- Before unusual items	10,994	15,351	(28.4)	18,225	29,579	(38.4)
Operating income -- as reported	10,524	14,354	(26.7)	17,185	27,955	(38.5)
Operating ratio -- Before unusual items	98.2	97.6		98.5	97.7	
Operating ratio -- as reported	98.3	97.7		98.6	97.8	
Total assets at June 30				769,875	709,768	

		Second Quarter 2002	Second Quarter 2001	%	Second Quarter Amount/Workday 2002	Second Quarter Amount/Workday 2001	%
Workdays					64	64	
Financial statement	LTL	585,826	580,462	0.9	9,153.5	9,069.7	0.9
Revenue	TL	44,255	48,369	(8.5)	691.5	755.8	(8.5)
	Other	(1,866)	137	n/m	(29.2)	2.1	n/m
	Total	628,215	628,968	(0.1)	9,815.8	9,827.6	(0.1)
Revenue excluding	LTL	585,826	580,462	0.9	9,153.5	9,069.7	0.9
Revenue recognition	TL	44,255	48,369	(8.5)	691.5	755.8	(8.5)
Adjustment	Other	-	368	n/m	-	5.8	n/m
	Total	630,081	629,199	0.1	9,845.0	9,831.3	0.1
Tonnage	LTL	1,536	1,516	1.3	23.99	23.69	1.3
	TL	297	308	(3.5)	4.65	4.82	(3.5)
	Total	1,833	1,824	0.5	28.64	28.51	0.5
Shipments	LTL	3,084	3,051	1.1	48.20	47.67	1.1
	TL	41	42	(3.5)	0.63	0.66	(3.5)
	Total	3,125	3,093	1.0	48.83	48.33	1.0
Revenue/cwt.	LTL	19.07	19.14	(0.4)			
	TL	7.44	7.85	(5.2)			
	Total	17.19	17.23	(0.2)			
Revenue/cwt. (excl fuel surcharge)	LTL	18.76	18.61	0.8			
	TL	7.35	7.67	(4.2)			
	Total	16.90	16.76	0.8			
Revenue/shipment	LTL	189.94	190.23	(0.2)			
	TL	1,091.07	1,150.57	(5.2)			
	Total	201.63	203.28	(0.8)			

Saia Motor Freight Line, Inc.
Financial Information
For the Quarter and Six Months Ended June 30, 2002 and 2001
(Amounts in thousands)

	Second Quarter			Six Months		
	2002	2001	%	2002	2001	%
Operating revenue	124,027	122,988	0.8	239,055	242,107	(1.3)
Operating income -- before unusual items	6,029	5,059	19.2	9,869	8,109	21.7
Operating income -- as reported *	6,010	3,803	58.0	9,651	1,501	n/m
Operating ratio -- before unusual items	95.1	95.9		95.9	96.7	
Operating ratio -- as reported	95.2	96.9		96.0	99.4	
Total assets at June 30				279,246	287,494	

		Second Quarter			Second Quarter Amount/Workday		
		2002	2001	%	2002	2001	%
Workdays					64	64	
Financial statement	LTL	114,027	113,132	0.8	1,781.7	1,767.7	0.8
Revenue	TL	10,000	9,856	1.5	156.3	154.0	1.5
	Total	124,027	122,988	0.8	1,938.0	1,921.7	0.8
Revenue excluding	LTL	114,361	113,151	1.1	1,786.9	1,768.0	1.1
revenue recognition	TL	10,029	9,858	1.7	156.7	154.0	1.7
adjustment	Total	124,390	123,009	1.1	1,943.6	1,922.0	1.1
Tonnage	LTL	598	569	5.0	9.35	8.90	5.0
	TL	144	143	1.0	2.25	2.23	1.0
	Total	742	712	4.2	11.60	11.13	4.2
Shipments	LTL	1,120	1,072	4.5	17.50	16.75	4.5
	TL	18	16	11.0	0.28	0.25	11.0
	Total	1,138	1,088	4.6	17.78	17.00	4.6
Revenue/cwt.	LTL	9.56	9.94	(3.8)			
	TL	3.48	3.46	0.8			
	Total	8.38	8.64	(3.0)			
Revenue/cwt. (excl fuel surcharge)	LTL	9.37	9.64	(2.7)			
	TL	3.46	3.42	1.1			
	Total	7.56	7.71	(2.0)			
Revenue/shipment	LTL	102.13	105.56	(3.2)			
	TL	567.48	619.26	(8.4)			
	Total	109.36	113.08	(3.3)			

* - 2001 results include $1,440,000 in second quarter and $6,825,000 in first six months of one-time integration costs associated with the merger of WestEx and Action into Saia.

Jevic Transportation, Inc.
Financial Information
For the Quarter and Six Months Ended June 30, 2002 and 2001
(Amounts in thousands)

	Second Quarter			Six Months		
	2002	2001	%	2002	2001	%
Operating revenue	72,461	72,647	(0.3)	140,970	149,504	(5.7)
Operating income -- before unusual items	810	1,425	(43.2)	1,843	3,743	(50.8)
Operating income -- as reported	832	1,554	(46.5)	1,800	3,859	(53.4)
Operating ratio -- before unusual items	98.9	98.0		98.7	97.5	
Operating ratio -- as reported	98.9	97.9		98.7	97.4	
Total assets at June 30				158,630	249,840	

		Second Quarter			Second Quarter Amount/Workday		
		2002	2001	%	2002	2001	%
Workdays					64	63	
Financial statement revenue	LTL	46,367	46,515	(0.3)	724.5	738.3	(1.9)
	TL	24,869	24,940	(0.3)	388.6	395.9	(1.8)
	Other	1,225	1,192	2.8	19.1	18.9	1.2
	Total	72,461	72,647	(0.3)	1,132.2	1,153.1	(1.8)
Revenue excluding revenue recognition adjustment	LTL	46,661	46,390	0.6	729.1	736.4	(1.0)
	TL	25,027	24,873	0.6	391.0	394.8	(1.0)
	Other	1,225	1,192	2.8	19.1	18.9	1.2
	Total	72,913	72,455	0.6	1,139.2	1,150.1	(0.9)
Tonnage	LTL	257	254	1.1	4.02	4.03	(0.5)
	TL	333	317	5.2	5.20	5.03	3.5
	Total	590	571	3.4	9.22	9.07	1.7
Shipments	LTL	215	207	3.7	3.36	3.29	2.1
	TL	36	35	3.0	0.57	0.56	1.4
	Total	252	242	3.6	3.93	3.85	2.0
Revenue/cwt.	LTL	9.08	9.12	(0.5)			
	TL	3.76	3.93	(4.3)			
	Total	6.07	6.24	(2.7)			
Revenue/cwt. (excl fuel surcharge)	LTL	8.91	8.86	0.6			
	TL	3.69	3.81	(3.2)			
	Total	5.96	6.06	(1.6)			
Revenue/shipment	LTL	217.05	223.82	(3.0)			
	TL	690.25	706.92	(2.4)			
	Total	285.34	293.93	(2.9)			

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.

YELLOW CORPORATION

Registrant

Date: August 7, 2002

/s/ William D. Zollars

William D. Zollars
Chairman of the Board of
Directors, President & Chief
Executive Officer

Date: August 7, 2002

/s/ Donald G. Barger, Jr.

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

EXHIBIT 99.1

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

In connection with the quarterly report of Yellow Corporation on Form 10-Q for the period ended June 30, 2002, as filed with the Securities and Exchange Commission of the date hereof (the "Report"), I, William D. Zollars, Chief Executive Officer of Yellow Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 7, 2002

/s/ William D. Zollars

William D. Zollars
Chairman of the Board of
Directors, President & Chief
Executive Officer

EXHIBIT 99.2

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

In connection with the quarterly report of Yellow Corporation on Form 10-Q for the period ended June 30, 2002, as filed with the Securities and Exchange Commission of the date hereof (the "Report"), I, Donald G. Barger, Jr., Chief Financial Officer of Yellow Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 7, 2002

/s/ Donald G. Barger, Jr.

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