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

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the fiscal year ended December 31, 2001

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

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)

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

Securities registered pursuant to Section 12(b) of the Act:

NONE

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, $1 Par Value
(Title of class)

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of the voting stock held by nonaffiliates of the registrant at February 28, 2002 was $579,159,858.

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

Class	Outstanding at February 28, 2002
Common Stock, $1 Par Value	24,963,787 shares

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference into the Form 10-K:

1) 2001 Annual Report to Shareholders - Parts I, II and IV
2) Proxy Statement dated March 6, 2002 - Part III

Yellow Corporation
Form 10-K
Year Ended December 31, 2001

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PART I

Item 1. Business

(a) General Development of the Business

Yellow Corporation and its wholly-owned subsidiaries are collectively referred to as "the company." The company provides international, national and regional less-than-truckload, or "LTL", truckload, and non-asset-based transportation services through our three principal operating units (Yellow Transportation, Inc., SCS Transportation, Inc. and Meridian IQ, LLC) and captive technology company (Yellow Technologies, Inc.). The company's primary focus is the movement of goods and materials for business customers internationally, nationally and regionally. In addition, the company has broadened its focus to include transportation management and logistics consulting services.

In the second quarter of 1998, the company sold Preston Trucking Company, its northeast regional LTL segment, to a management group of three senior officers of Preston Trucking Company. In July 1999, Preston Trucking Company ceased operations and commenced liquidation of its assets under federal bankruptcy regulations. In December 1998, the company acquired Action Express, Inc. (Action Express) a regional LTL carrier operating principally in the Pacific Northwest. In July 1999, the company acquired Jevic Transportation, Inc. (Jevic) a specialized LTL carrier that also offers selective truckload services throughout the United States and Canada. The company expanded their portfolio of transportation services with the introduction of Exact Express(R) in 1998, Definite Delivery(R) in 1999 and Standard Ground Regional Advantage(R) in 2000. In 2000, the company and two other venture partners formed Transportation.com, a non-asset based provider of domestic and international forwarding, multi-modal brokerage and transportation management services. In March 2001, the company completed the integration of its western subsidiaries, WestEx, Inc. (WestEx) and Action Express into Saia Motor Freight Line, Inc. (Saia). The historical financial and operational information of Saia has been restated to reflect the integration. The company owned a 65 percent interest in Transportation.com until the third quarter of 2001 when the company completed its acquisition of the remaining 35 percent. On December 31, 2001, the company combined Transportation.com and other non-asset based services of Yellow Transportation to form Meridian IQ. In December 2001, the company formed SCS Transportation as a holding company for Saia and Jevic.

Item 1. Business (cont.)

(b) Financial Information about Segments

The company has four reportable segments (Yellow Transportation, Saia, Jevic and Meridian IQ) that are strategic operating units offering different products and services. Financial disclosures for these segments are presented in the Business Segments footnote on page 47 of the 2001 Annual Report to Shareholders, which is incorporated herein by reference.

(c) Narrative Description of the Business

Yellow Corporation is a holding company providing transportation services through its subsidiaries, Yellow Transportation, SCS Transportation and Meridian IQ. Yellow Technologies is a subsidiary that provides information technology services to the company and its subsidiaries. The company employed an average of 30,000 persons in 2001.

Our largest operating unit, Yellow Transportation is among the nation's largest transportation service companies providing primarily LTL transportation as well as a full range of asset-based services for the movement of industrial, commercial, and retail goods and materials. Yellow Transportation satisfies the increasingly complex transportation needs of its customers through service offerings such as:

- Exact Express(R)- a premium expedited and time-definite air and ground service with an industry-leading 100% satisfaction guarantee;

- Definite Delivery(R)- a guaranteed on-time service with constant shipment monitoring and proactive notification;

- Standard Ground(R)- ground service with complete coverage of North America;

- Standard Ground Regional Advantage(R)- a high-speed service for shipments moving between 500 and 1500 miles;

- Yellow Global(R)- a branded international freight forwarding and customs brokerage service covering 88 countries; and

- MyYellow.com(R) - a leading edge e-commerce web site offering secure and customized online resources to manage transportation activity.

Yellow Transportation, founded in 1924, serves more than 700,000 manufacturing, wholesale, retail and government customer locations throughout North America. No single customer accounts for more than 6% of Yellow Transportation revenue. Operating from 366 strategically located facilities, service is provided throughout North America, including within Puerto Rico and Hawaii. Shipments range from 100 to 40,000 pounds, with an average shipment size of 1,200 pounds traveling an average distance of more than 1,200 miles. Yellow Transportation has over 700 employees with sales responsibilities.

The Yellow Transportation network is driven by proprietary technology developed and supported by Yellow Technologies. Approximately 20,000 primarily Yellow Transportation employees are dedicated to operating the system that supports 230,000 shipments in transit at any time. An operations research and engineering team is responsible for the equipment, routing, sequencing and timing of nearly 60 million miles per month. At December 31, 2001, Yellow Transportation had 7,485 owned tractors, 492 leased tractors, 33,287 owned trailers and 60 leased trailers.

Yellow Transportation, which is based in Overland Park, Kansas, accounted for 76% of total company revenue in 2001, 78% in 2000 and 81% in 1999, respectively.

SCS Transportation, the company's second operating unit, provides regional overnight and second-day transportation, as well as a variety of other transportation and supply chain solutions through its two subsidiaries, Saia, and Jevic. SCS Transportation provides LTL and selected truckload services to a broad range of industries. SCS Transportation employees are not represented by a collective bargaining unit and management believes that relations with its employees are good.

Founded in 1924, Saia is a leading regional LTL carrier that serves the South, Southwest, Pacific Northwest and the West. Saia specializes in offering its customers a range of premium overnight and second-day LTL services, with time-definite and expedited options. Within these service options, Saia provides its customers with the flexibility to handle shipments between 100 and 10,000 pounds.

Saia customers can choose from a wide variety of service options including one- and two-day regional LTL shipping, guaranteed/expedited delivery, selective truckload shipping, consolidation/distribution services, and specialized or customized services. As of December 31, 2001, Saia owned 2,341 tractors and 7,748 trailers.

Since 1998, Saia has invested more than $14 million in technology to enhance its ability to monitor and manage service operations and profitability. As a result of improved data capabilities, Saia has introduced a trademarked Customer Service Indicators(R) program, allowing customers to monitor service performance. Customers can access the information via the Internet.

Saia operates a network of 110 facilities. The average Saia shipment weight is approximately 1,300 pounds, and average shipment distance is approximately 480 miles. In March 2001, Saia successfully integrated its WestEx and Action Express affiliates into its operations and expanded its geographic reach to 21 states. Saia has approximately 5,100 employees.

Saia, which is headquartered in a suburb of Atlanta, Georgia, accounted for 15% of total company revenue in 2001, 13% in 2000 and 14% in 1999, respectively.

Founded in 1981, Jevic is a specialized LTL provider that also offers selective truckload services throughout the continental United States and Canada. Jevic specializes in offering its customers standard and customized regional trucking solutions based on its non-traditional Breakbulk-Free(R) operating model, which often eliminates the need to rehandle freight at interim and destination facilities. In 2001, average shipment weights were approximately 4,700 pounds, and the average shipment distance was approximately 725 miles. As of December 31, 2001, Jevic owned 1,300 tractors and 2,727 trailers and operated nine facilities. Jevic has approximately 2,400 employees.

The Jevic approach offers customers a broad line of LTL and truckload services that can accommodate a wider range of shipment sizes and trip lengths than traditional regional carriers. Jevic develops integrated solutions for customers designed to lower their overall supply chain costs, which can include direct-to-customer deliveries, multi-shipper order consolidation for their inbound supplies, and express and time-definite deliveries. Approximately half of Jevic's trailers are heated and service customers with temperature-sensitive requirements. Jevic is a partner with the American Chemistry Council Responsible Care Program and derives over 40 percent of its revenue from chemical and chemical related segments.

Jevic technology is crucial to its unique Breakbulk-Free(R) LTL operating model. Jevic uses the Qualcomm OmniTRACS satellite-based communications system, facilitating the load planning and capacity management processes critical to its operating structure. To leverage this information, Jevic has developed a proprietary suite of programs called PreSys(R) (predictive systems) that allow early warning of potential problems and corrective action to minimize service failures.

Jevic, which is headquartered in the Philadelphia metropolitan area, accounted for 9% of total company revenue in 2001, 9% in 2000 and 4% in 1999 from its acquisition date on July 9, 1999, respectively.

Our third business unit, Meridian IQ, is a non-asset-based company utilizing web-based technology to provide customers a single source for their logistics planning, global shipment management and execution needs. Meridian IQ is designed to deliver a wide range of transportation solutions, providing customers improved return-on-investment results through flexible, fast and easy-to-implement transportation services and technology management solutions. By combining the current non-asset-based businesses of Yellow Transportation under one umbrella, Meridian IQ has an immediate revenue stream and 8,500 customers.

Meridian IQ offers the following services:

- International Forwarding and Customs Brokerage -- arranging for the administration, transportation and delivery of goods to over 88 countries.

- Multi-modal Brokerage Services -- providing companies with daily shipment needs with access to volume capacity and specialized equipment at competitive rates.

- Domestic Forwarding and Expedited Services -- arranging guaranteed, time definite transportation for companies that have shipment needs within North America that demand time-sensitive delivery options and guaranteed reliability.

- Transportation Solutions and Technology Management -- Web-based Transportation Management Systems enables an organization to manage its transportation network centrally with increased efficiency and visibility to all activities. When combined with network consulting and operations management, any size organization can outsource transportation functions partially or entirely with Meridian IQ.

Meridian IQ and Yellow Transportation create complementary service offerings with the ability for each to generate revenue for the other. Meridian IQ has attracted new transportation and technology management customers who utilize the Yellow Transportation service portfolio. Through its strong relationships, Yellow Transportation has introduced its customers to Meridian IQ for value added transportation technology and management services. Meridian IQ has approximately 220 employees and is headquartered in Overland Park, Kansas.

Yellow Technologies, a captive corporate resource, was established for the purpose of creating competitive advantages for Yellow businesses by delivering innovative information solutions and technology services. In addition to delivering and supporting highly integrated applications and solutions, Yellow Technologies provides technical, network, security, and data services, and enterprise system management of the technology infrastructure. Yellow Technologies and Meridian IQ together provide hosting, infrastructure services, and managed transportation business systems development. Yellow Technologies has approximately 325 employees and is headquartered in Overland Park, Kansas.

Shippers have an increasingly wide range of choices. We believe that service quality, performance, service variety, responsiveness, and flexibility are the important competitive differentiators.

Few U.S.-based players offer comparably broad service capabilities. By integrating traditional ground, expedited, air cargo, and managed transportation solutions, the company provides customers with a single source answer to shipping challenges with a foundation of service excellence and quality as its basis. Our market studies show a continued preference among customers for transportation providers based on quality and value, and the company is positioned to grow given our strategic focus. By increasing the depth of the services we offer, the company can successfully compete against the largest transportation players from a value perspective.

Yellow Transportation operates in a highly competitive environment against a wide range of transportation service providers. These competitors include a small number of large, national transportation services providers similar in size and scope to Yellow Transportation, a moderate number of regional or inter-regional providers and a large number of relatively small, shorter-haul transportation companies. Yellow Transportation also competes in and against several modes of transportation, including LTL, truckload, air cargo, rail, consolidators and private fleets.

SCS Transportation focuses primarily on regional business and operates in a highly competitive environment against a wide range of transportation service providers. These competitors include a small number of large, national transportation services providers in the long haul market and two-day markets and a large number of shorter-haul or regional transportation companies in the two-day and overnight market. SCS Transportation also competes in and against several modes of transportation, including LTL, truckload and private fleets.

Entry into the LTL trucking industry on a small scale with a limited service area is relatively easy. The larger the service area, the greater the barriers to entry due to the need for broader geographic coverage and additional equipment and facility requirements associated with this coverage. The level of technology applications required and the ability to generate shipment densities that provide adequate labor and equipment utilization also make larger-scale entry into the market difficult.

The competition of Meridian IQ includes transportation management systems providers, domestic and international freight forwarders, freight brokers, and third party logistic companies.

The company's business is subject to a number of general economic factors that may have a materially adverse effect on the results of our operations, many of which are largely out of the company's control. These include recessionary economic cycles and downturns in customers' business cycles, particularly in market segments and industries, such as retail and manufacturing, where we have a significant concentration of customers. Economic conditions may adversely affect our customers' business levels, the amount of transportation services they need and their ability to pay for our services. It is not possible to predict the medium or long-term effects of the September 11, 2001 terrorists attacks and subsequent events on the economy or on customer confidence in the United States, or the impact, if any, on our future results of operations. The company operates in a highly price-sensitive and competitive industry, making pricing, customer service, effective asset utilization, and cost control major competitive factors. No single customer accounts for more than 6% of the company's total revenue. Yellow Transportation and SCS Transportation revenues are subject to seasonal variations. Customers tend to reduce shipments after the winter holiday season, and operating expenses tend to be higher in the winter months primarily due to colder weather, which causes higher fuel consumption from increased idle time. Generally, the first quarter is the weakest while the third quarter is the strongest. The availability and cost of fuel and labor can significantly impact the company's cost structure and earnings.

The company's operations are further described in Management's Discussion and Analysis in the 2001 Annual Report to Shareholders, which is incorporated herein by reference.

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. The company can operate with negative working capital because of the quick turnover of its accounts receivable and its ready access to sources of short-term liquidity.

The trucking industry has been substantially deregulated following the enactment of the Motor Carrier Act of 1980, the Trucking Industry Regulatory Reform Act of 1994, the Federal Aviation Administration Authorization of 1994, and the ICC Termination Act of 1995. Prices and services are now largely free of regulatory controls, although the states retained the right to require compliance with safety and insurance requirements and interstate motor carriers remain subject to certain regulatory controls imposed by agencies within the U.S. Department of Transportation.

The trucking industry is also subject to regulatory and legislative changes, which can affect the economics of the industry. The trucking industry is also regulated by various state agencies, and our operations are also subject to various federal, state and local environmental laws and regulations dealing with transportation, storage, presence, use, disposal and handling of hazardous materials, discharge of storm-water and underground fuel storage tanks.

We believe that our operations are in substantial compliance with current laws and regulations and do not know of any existing condition that would cause compliance with applicable regulations to have a material adverse effect on the company's business or operating results.

Future Outlook

Consistent with the views of most economists, the company expects it will be the second half of 2002 before meaningful economic improvement materializes. The pricing environment is expected to be very competitive over the course of 2002. Given the experience with successful yield and cost management initiatives, all Yellow operating companies are well positioned for strong improvement as the economy rebounds.

At Yellow Transportation, approximately 80 percent of the employees are represented by the International Brotherhood of Teamsters under a 5-year contract that expires in March 2003. Contract discussions are underway and negotiations toward a new National Master Freight Agreement will accelerate as 2002 progresses.

The pricing and availability of most forms of insurance, including surety bonds, have recently been impacted by the events of September 11 and by several well-publicized bankruptcies of large companies. The company expects continued access to appropriate insurance coverage; however, the premiums paid for this coverage are projected to increase significantly. In 2001, insurance premiums represented less than one-half percent of consolidated revenue. Given the size and financial strength of the company, the additional premium expenses are not expected to have a material adverse impact on financial position or results of operations. The lack of availability of surety bonds could require the company to issue additional letters of credit, which reduce available capacity under the revolving credit facility.

SCS Transportation was formed in December 2001 as a holding company for Saia and Jevic. The formation of this holding company represents progress toward the strategic objective of separating the regional companies from Yellow Corporation. Assuming favorable market conditions, the company expects to spin-off SCS Transportation to shareholders during 2002.

Statements contained in this document 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.

(d) Financial Information About Geographic Areas

The company's revenue from foreign sources is largely derived from Canada and Mexico. Revenue from foreign sources is discussed in the "Business Segments" footnote on page 48 of the registrant's Annual Report to Shareholders for the year ended December 31, 2001, which is incorporated herein by reference. Foreign source revenue was not material to consolidated financial results in 2001, 2000 and 1999, respectively.

Item 2. Properties

The company's asset-based operating subsidiaries (Yellow Transportation, Saia and Jevic) each provide their transportation services through separate networks, principally consisting of a fleet of tractors and trailers and real estate terminal facilities.

Item 2. Properties (cont.)

At December 31, 2001, the company operated a total of 479 freight terminals located in 50 states, Puerto Rico, Canada and Mexico. Of this total, 237 were owned terminals and 242 were leased, generally for terms of three years or less. The number of vehicle back-in doors totaled 16,832, of which 12,795 were at owned terminals and 4,037 were at leased terminals. The freight terminals vary in size ranging from one to three doors at small local terminals, to over 300 doors at Yellow Transportation's largest consolidation and distribution terminal. Substantially all of the larger terminals, containing the greatest number of doors, are owned. In addition, the company and most of its subsidiaries own and occupy general office buildings in their headquarters city.

The company's facilities and equipment are adequate to meet current business requirements. Projected net capital expenditures for 2002 are $115 million, a decrease over 2001 net capital expenditures of $121 million. Net capital for both periods pertain primarily to replacement of revenue equipment, additional investments in information technology, land and structures.

Item 3. Legal Proceedings.

The information set forth under the "Commitments, Contingencies and Uncertainties" on page 47 in the Notes to Consolidated Financial Statements of the registrant's Annual Report to Shareholders for the year ended December 31, 2001, is incorporated by reference under Item 14 herein.

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

None.

Executive Officers of the Registrant

The names, ages and positions of the executive officers of the company as of March 8, 2002 are listed below. Officers are appointed annually by the Board of Directors at their meeting that immediately follows the annual meeting of shareholders.

Name	Age	Position(s) Held
William D. Zollars	54	Chairman of the Board, President and Chief Executive Officer of the company (since November 1999); President of Yellow Transportation (September 1996 to November 1999); Senior Vice President Ryder Integrated Logistics, Inc. (1994-1996)
William F. Martin, Jr.	54	Senior Vice President, Legal and Corporate Secretary of the company (since December 1993); Vice President and Secretary of the company (prior to December 1993); Vice President and Secretary of Yellow Transportation (prior to May 1992)
Donald G. Barger, Jr.	59	Senior Vice President and Chief Financial Officer of the company (since November 2000); Vice President and Chief Financial Officer of Hillenbrand Industries, Inc. (1998 to November 2000); Vice President and Chief Financial Officer for Worthington Industries (1993-1998).
Gregory A. Reid	49	Senior Vice President and Chief Marketing Officer (since December 2001); Senior Vice President and Chief Communications Officer (November 2000 to December 2001; Senior Vice President of Sales and Marketing for Yellow Transportation (March 1997 to November 2000); Vice President and General Manager for Ryder Integrated Logistics' Western Region (prior to March 1997).
Stephen L. Bruffett	38	Vice President and Treasurer (since July 2000); Director of Strategic Analysis for Yellow Transportation (June 1998 to July 2000); Director of Finance for American Freightways (prior to June 1998).

The terms of each officer of the company designated above are scheduled to expire April 18, 2002. The terms of each officer of the subsidiary companies are scheduled to expire on the date of the next annual meeting of shareholders of that company. No family relationships exist between any of the executive officers named above.

PART II

Item 5. Market for the Registrant's Common Stock and Related Stockholder Matters

The information set forth under the caption "Common Stock" on page 50 of the registrant's Annual Report to Shareholders for the year ended December 31, 2001, is incorporated by reference under Item 14 herein.

Item 6. Selected Financial Data

The information set forth under the caption "Financial Summary" on pages 30 and 31 of the registrant's Annual Report to Shareholders for the year ended December 31, 2001, is incorporated by reference under Item 14 herein.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

"Management's Discussion and Analysis of Financial Condition and Results of Operations," appearing on pages 22 through 29 of the registrant's Annual Report to Shareholders for the year ended December 31, 2001, is incorporated by reference under Item 14 herein.

Item 8. Financial Statements and Supplementary Data

The financial statements and supplementary information, appearing on pages 32 through 50 of the registrant's Annual Report to Shareholders for the year ended December 31, 2001, are incorporated by reference under Item 14 herein.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

PART III

Item 10. Directors and Executive Officers of the Registrant

The information regarding Directors of the registrant has previously been reported in the registrant's definitive proxy statement, filed pursuant to Regulation 14A, and is incorporated by reference. For information with respect to the executive officers of the registrant, see "Executive Officers of the Registrant" at the end of Part I of this report.

Item 11. Executive Compensation

This information has previously been reported in the registrant's definitive proxy statement, filed pursuant to Regulation 14A, and is incorporated by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

This information has previously been reported in the registrant's definitive proxy statement, filed pursuant to Regulation 14A, and is incorporated by reference.

Item 13. Certain Relationships and Related Transactions

This information has previously been reported in the registrant's definitive proxy statement, filed pursuant to Regulation 14A, and is incorporated by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedule, and Reports on Form 8-K

(a) (1) Financial Statements

The following information appearing in the 2001 Annual Report to Shareholders is incorporated by reference in this Form 10-K Annual Report as Exhibit (13):

	Pages
Management's Discussion and Analysis of Financial Condition and Results of Operations	22-29
Financial Summary	30-31
Consolidated Financial Statements	32-48
Report of Independent Public Accountants	49
Quarterly Financial Information	50
Common Stock	50

With the exception of the aforementioned information, the 2001 Annual Report to Shareholders is not deemed filed as part of this report. Financial statements other than those listed are omitted for the reason that they are not required or are not applicable. The following additional financial data should be read in conjunction with the consolidated financial statements in such 2001 Annual Report to Shareholders.

(a) (2) Financial Statement Schedule

	Pages
Report of Independent Public Accountants on Financial Statement Schedule	18
For the years ended December 31, 2001, 2000 and 1999: Schedule II - Valuation and Qualifying Accounts	19

Schedules other than those listed are omitted for the reason that they are not required or are not applicable.

Item 14. Exhibits, Financial Statement Schedule, and Reports on Form 8-K

(a) (3) Exhibits

(3ii)- Yellow Corporation By-Laws.

(10) - Amendment and restatement dated July 30, 1999 of the Receivables Purchase Agreement dated as of August 2, 1996, filed as part of the September 30,1999 Form 10Q and incorporated by reference.

(10) - Employment Agreement of William D. Zollars, filed as part of the December 31, 1999 Form 10K and incorporated by reference.

(10) - Amendment to Employment agreement of William D. Zollars, filed as part of the March 31, 2000 Form 10Q and incorporated by reference.

(10) - Employment Agreement of H.A. Trucksess, III, filed as part of the March 31, 2000 Form 10Q and incorporated by reference.

(10) - Bank Credit Agreement dated as of April 2001, filed as part of the March 31, 2001 Form 10Q and incorporated by reference.

(10) - Supplemental Retirement Income Agreement, filed as part of the June 30, 2001 Form 10Q and incorporated by reference.

(13) - 2001 Annual Report to Shareholders.

(23) - Consent of Independent Public Accountants.

(b) Reports on Form 8-K

January 29, 2002 - Yellow Corporation announced its adoption of a Rule 10B5-1 Trading Plan Option and potential impairment of Jevic goodwill under FASB Statement of Financial Accounting Standards No. 142.

February 25, 2002 - Yellow Corporation announced adoption of FASB Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets", effective January 1, 2002. The company has determined that 100 percent of the Jevic goodwill is impaired and will record a non-cash charge of $75.2 million in the first quarter of 2002, which will be reflected as a cumulative change in accounting principle.

Report of Independent Public
Accountants on Financial Statement Schedule

To the Shareholders of Yellow Corporation:

We have audited in accordance with auditing standards generally accepted in the United States, the consolidated financial statements included in Yellow Corporation's annual report to shareholders incorporated by reference in this Form 10-K, and have issued our report thereon dated January 25, 2002. Our audit was made for the purpose of forming an opinion on those statements taken as a whole. The schedule of valuation and qualifying accounts (Schedule II) is the responsibility of the company's management and is presented for purposes of complying with the Securities and Exchange Commission's rules and is not part of the basic consolidated financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Kansas City, Missouri,
January 25, 2002

Schedule II

Yellow Corporation and Subsidiaries
Valuation and Qualifying Accounts
For the Years Ended December 31, 2001, 2000 and 1999

- ---------- ------------ ------------ ------------ ------------ ------------ ------------ ------------ ------------
COL. A COL. B COL. C COL. D COL. E - -------- ------------ ------------ ------------ ------------ ------------ ------------ ------------ ------------ -- Additions ------------ ---------
Balance, -1- -2- Deductions- Balance, Description Beginning Charged Charged Describe End Of Of Period To Costs To Other (1) Period And Accounts- Expenses Describe - - ------------ ------------ ------------ ------------ ------------ ------------ ------------ ------------ ---------
(In Thousands)
Year ended December 31, 2001: - ---- ------------ ------------
Deducted from asset account - Allowance for uncollectible accounts $15,835 $18,294 $ 331 $19,956 $14,504
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Year ended December 31, 2000: - ---- ------------ ------------
Deducted from asset account - Allowance for uncollectible accounts $15,661 $20,656 $

(820)(2)
$19,662
$15,835
=======
=======
======
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======= Year
ended
December 31,
1999: - ----

Deducted
from asset
account -
Allowance
for
uncollectible
accounts
$14,162
$15,878
$1,330 (3)
$15,709
$15,661
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(1) Primarily uncollectible accounts written off - net of recoveries.

(2) Estimated uncollectible accounts transferred to Transportation.com.

(3) Estimated uncollectible accounts of Jevic at July 9, 1999 acquisition date.

Signatures

Pursuant to the requirements of Section 13 or 15(d) 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

BY: /s/ William D. Zollars

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

March 14, 2002

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Donald G. Barger, Jr. Donald G. Barger, Jr.	Senior Vice President and Chief Financial Officer	March 14, 2002
/s/ Howard M. Dean Howard M. Dean	Director	March 14, 2002
/s/ Cassandra C. Carr Cassandra C. Carr	Director	March 14, 2002
/s/ Carl W. Vogt Carl W. Vogt	Director	March 14, 2002
/s/ Richard C. Green, Jr. Richard C. Green, Jr.	Director	March 14, 2002
/s/ Dennis E. Foster Dennis E. Foster	Director	March 14, 2002
/s/ John C. McKelvey John C. McKelvey	Director	March 14, 2002
/s/ William L. Trubeck William L. Trubeck	Director	March 14, 2002

YELLOW CORPORATION
BYLAWS

(As Amended through February 28, 1997)

ARTICLE I
STOCKHOLDERS

SECTION 1. ANNUAL MEETING

An annual meeting of the stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held on such date in April and at such location and time of day as the Board of Directors shall each year fix.

SECTION 2. SPECIAL MEETINGS

Special meetings of the stockholders, for any purpose or purposes prescribed in the notice of the meeting, may be called by the Chairman of the Board, Chief Executive Officer or a majority of the Board of Directors and shall be held at the principal office of the company in Overland Park, Kansas on such date, and at such time as they shall fix.

SECTION 3. NOTICE OF MEETING

Written notice of the place, date, and time of all meetings of the stockholders shall be given, not less than ten nor more than sixty days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the General Corporation Law of the State of Delaware or the Certificate of Incorporation).

When a meeting is adjourned to another date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than fourteen days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting any business may be transacted which might have been transacted at the original meeting.

SECTION 4. QUORUM

At any meeting of the stockholders, the holders of a majority of the outstanding shares (exclusive of treasury stock) of each class of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for the transaction of any business, unless or except to the extent that the presence of a larger number may be required by law.

If a quorum shall fail to attend any meeting, the chairman of the meeting or the holders of a majority of the shares of the stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another date or time.

If a notice of any adjourned special meeting of stockholders is sent to all stockholders entitled to vote thereat, stating that it will be held with those present constituting a quorum, then except as otherwise required by law, those present at such adjourned meeting shall constitute a quorum, and all matters shall be determined by a majority of the votes cast at such meeting.

SECTION 5. ORGANIZATION

The Chairman of the Board or, in his absence, the Chief Executive Officer, shall call to order any meeting of the stockholders and act as chairman of the meeting and the Secretary or Assistant Secretary shall act as secretary of the meeting. In the absence of the Secretary or Assistant Secretary of the Corporation, the secretary of the meeting shall be such person as the chairman appoints.

SECTION 6. CONDUCT OF BUSINESS

At an annual meeting of the stockholders, only such business may be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a stockholder.

For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation. To be timely, a stockholder's notice must be received at the principal executive offices of the Corporation not less than 60 days nor more than 90 days prior to the meeting; provided, however, that in the event that less than 70 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the last day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made.

To be in proper written form, a stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business at the annual meeting, (b) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (c) the class and number of shares of the Corporation which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business.

Notwithstanding anything in the Bylaws to the contrary, no business shall be conducted at any annual meeting unless it has been properly brought before the meeting. The Chairman of the annual meeting shall determine whether business has been properly brought before the meeting in accordance with the provisions of this Section 6. If he should determine that itj,mmjj has not, he shall so declare to the meeting. Any business not properly brought before the meeting shall not be transacted.

SECTION 7. PROXIES AND VOTING

At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established for the meeting.

Each stockholder shall have one vote for every share of stock entitled to vote which is registered in his name on the record date for the meeting, except as otherwise required by law or provided in the Certificate of Incorporation or these Bylaws.

All voting, except on the election of directors and where otherwise required by law, may be by a voice vote; provided, however, that upon demand therefor by a stockholder entitled to vote or his proxy, a stock vote shall be taken. Every stock vote shall be taken by ballot, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting. Every vote taken by ballot shall be counted by an inspector or inspectors appointed by the chairman of the meeting.

All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law or provided in the Certificate of Incorporation or these Bylaws, all other matters shall be determined by a majority of the votes cast.

SECTION 8. NOTICE OF NOMINATIONS

Nominations for the election of directors may be made by the Board of Directors or by any stockholder entitled to vote for the election of directors. Such nominations shall be made by notice in writing, delivered or mailed by first class United States mail, postage prepaid, to the Secretary of the Corporation not less than 14 days nor more than 50 days prior to any meeting of the stockholders called for the election of directors; provided, however, that if less than 21 days' notice of the meeting is given to stockholders, such written notice shall be delivered or mailed, as prescribed, to the Secretary of the Corporation not later than the close of the seventh day following the day on which notice of the meeting was mailed to stockholders. Notice of nominations which are proposed by the Board of Directors shall be given by the Chairman on behalf of the Board.

Each notice under the above paragraph shall set forth (i) the name, age, business address and, if known, residence address of each nominee proposed in such notice, (ii) the principal occupation or employment of each such nominee and (iii) the number of shares of stock of the Corporation which are beneficially owned by each such nominee.

The Chairman of the meeting may, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

SECTION 9. STOCK LIST

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in his name shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least ten (10) days prior to the meeting, either at a place within the metropolitan area where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held.

The stock list shall also be kept at the place of the meeting during the whole time thereof and shall be open to the examination of any such stockholder who is present. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

ARTICLE II
BOARD OF DIRECTORS

SECTION 1. DIRECTORS

a. NUMBER AND TERM OF OFFICE

The number of directors who shall constitute the whole board shall be nine. Each director shall hold office until his successor is elected and qualified or until his earlier resignation, removal from office or death except as otherwise provided herein or required by law.

Whenever the authorized number of directors is increased between annual meetings of the stockholders, a majority of the directors then in office shall have the power to elect such new directors for the balance of a term and until their successors are elected and qualified. Any decrease in the authorized number of directors shall not become effective until the expiration of the term of the directors then in office unless, at the time of such decrease, there shall be vacancies on the board which are being eliminated by the decrease.

b. CHAIRMAN OF THE BOARD

The Board of Directors shall elect a member of the Board of Directors as Chairman of the Board of Directors (the "Chairman of the Board" or "Chairman") at its first meeting after every annual meeting of stockholders. The Chairman of the Board shall hold office until his successor is elected and qualified or until his earlier resignation, removal from office (as Chairman or director) or death except as otherwise required by law.

The Chairman of the Board shall preside over all meetings of the Board of Directors and meetings of the shareholders and shall undertake such other tasks as he and the Board of Directors shall agree. The Chairman may also serve as an officer with respect to any of the offices described in Article IV hereof, however, the Chairman, solely in his capacity as Chairman of the Board, shall not be deemed an officer of the Corporation.

SECTION 2. VACANCIES

If the office of any director becomes vacant by reason of death, resignation, disqualification, removal or other cause, a majority of the directors remaining in office, although less than a quorum, may elect a successor for the unexpired term and until his successor is elected and qualified.

SECTION 3. REMOVALS

A director may be removed only for cause by a majority vote of the stockholders entitled to vote for the election of directors. If the Chairman, pursuant to the preceding sentence, is removed from his office as director, such removal shall also constitute his removal as Chairman of the Board. The Chairman of the Board may be removed as Chairman (but not as director) at any time, with or without cause, by a majority vote of the Board of Directors. "For cause" shall mean only such circumstances as described in the last paragraph of Article FIFTH of the Corporation's Certificate of Incorporation.

SECTION 4. REGULAR MEETINGS

Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates, and at such time or times as shall have been established by the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required.

SECTION 5. SPECIAL MEETINGS

Special meetings of the Board of Directors shall be called upon written request of two directors then in office or by the Chairman of the Board and shall be held at such place, on such date, and at such time as they or he shall fix. Notice of the place, date and time of each such special meeting shall be given each director by whom it is not waived by mailing written notice not less than three days before the meeting or by telegraphing the same not less than eighteen hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

SECTION 6. QUORUM

At any meeting of the Board of Directors, one-third of the total number of the whole board, but not less than two, shall constitute a quorum for all purposes. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date, or time, without further notice or waiver thereof.

SECTION 7. PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE

Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such board or committee by means of conference telephone or similar communications equipment that enables all persons participating in the meeting to hear each other. Such participation shall constitute presence in person at such meeting and any action duly taken by Directors at such a meeting shall have the same force and effect as if taken at a meeting duly called and attended in person by the Directors.

SECTION 8. CONDUCT OF BUSINESS

At any meeting of the Board of Directors, business shall be transacted in such order and manner as the Board may from time to time determine, and all matters shall be determined by the vote of a majority of the directors present, except as otherwise required by law or provided in the Certificate of Incorporation or these Bylaws. Action may be taken by the Board of Directors without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors.

SECTION 9. POWERS

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, including, without limiting the generality of the foregoing, the unqualified power:

1. To declare dividends from time to time in accordance with law;

2. To purchase or otherwise acquire any property, rights or privileges on such terms as it shall determine;

3. To authorize the creation, making and issuance, in such form as it may determine, of written obligations of every kind, negotiable or non-negotiable, secured or unsecured, and to do all things necessary in connection therewith;

4. To remove any officer of the Corporation with or without cause, and from time to time to transfer the powers and duties of any officer to any other person for the time being;

5. To confer upon any officer of the Corporation the power to appoint, remove and suspend subordinate officers and agents;

6. To adopt from time to time such stock option, stock purchase, bonus or other compensation plans for officers and agents of the Corporation and its subsidiaries as it may determine;

7. To adopt from time to time such insurance, retirement, and other benefit plans for officers and agents of the Corporation and its subsidiaries as it may determine;

8. To adopt from time to time regulations, not inconsistent with these bylaws, for the management of the Corporation's business and affairs; and

9. To adopt from time to time an order of succession designating the officers to perform the duties and exercise the powers of the President in the event of the President's absence, death, inability or refusal to act.

SECTION 10. COMPENSATION OF DIRECTORS

Directors, as such, may receive, pursuant to resolution of the Board of Directors, fixed fees and other compensation for their services as directors, including, without limitation, their services as members of committees of the directors.

ARTICLE III
COMMITTEES

SECTION 1. COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors, by resolution, may from time to time designate committees of the Board, each of which shall have the respective powers and duties necessary or proper to carry out the purposes for which appointed, to serve at the pleasure of the board and shall, for those committees and any others provided for herein, elect a director or directors to serve as the member or members, designating, if it desires, other directors as alternative members who may replace any absent or disqualified member at any meeting of the committee. Any committee so designated may exercise the power and authority of the Board of Directors to declare a dividend or to authorize the issuance of stock if the resolution which designates the committee or a supplemental resolution of the Board of Directors shall so provide. In the absence or disqualification of any member of any committee and any alternate member in his place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not he or they constitute a quorum, may by unanimous vote appoint another member of the Board of Directors to act at the meeting in the place of the absent or disqualified member.

SECTION 2. CONDUCT OF BUSINESS

Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members, which may be by telephone or telegraph, of all meetings; one-third of the members shall constitute a quorum unless the committee shall consist of one or two members, in which event one member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present. Action may be taken by any committee without a meeting if all members thereof consent in writing, and the writing or writings are filed with the minutes of the proceedings of such committee.

ARTICLE IV
OFFICERS

SECTION 1. GENERALLY

The officers of the Corporation shall consist of a Chief Executive Officer, a President (who may be, but need not be, the Chief Executive Officer), a Secretary and a Treasurer. The Board of Directors may elect such additional officers as it deems necessary, including vice presidents, assistant secretaries and assistant treasurers. Officers shall be elected by the Board of Directors, which shall consider that subject at its first meeting after every annual meeting of stockholders. Each officer shall hold his office until his successor is elected and qualified or until his earlier resignation or removal. Any number of offices may be held by the same person.

SECTION 2. CHIEF EXECUTIVE OFFICER

The Chief Executive Officer shall be the senior officer of the Corporation and shall be responsible in general for the supervision and control of all the business and affairs of the Corporation.

SECTION 3. PRESIDENT

If the Board of Directors elects a Chief Executive Officer who is not the President, the President shall act in the place of the Chief Executive Officer in his absence or in the event of his death, inability or refusal to act. He shall perform all duties and have all powers which are delegated to him by the Board of Directors or Chief Executive Officer. He, shall have power to sign all stock certificates, contracts and other instruments of the Corporation which are authorized. In the event of the absence, death, inability or refusal to act of the President, the officer designated by the Board of Directors shall perform the duties and exercise the powers of the President.

If the Board of Directors does not elect a Chief Executive Officer, the President shall also perform the duties and exercise the powers of the Chief Executive Officer.

SECTION 4. VICE PRESIDENT

Each vice president shall perform such duties as the Board of Directors shall prescribe.

SECTION 5. TREASURER

The Treasurer shall have charge and custody of all monies and securities of the Corporation, shall in general perform all of the duties commonly incident to the office of Treasurer, and shall perform such other duties as may be assigned him by the Chief Executive Officer, President, or Board of Directors. He shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation.

SECTION 6. SECRETARY

The secretary shall issue all authorized notices for, and shall keep minutes of, all meetings of the stockholders and the Board of Directors. He shall have charge of the corporate minute books.

SECTION 7. DELEGATION OF AUTHORITY

The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

SECTION 8. REMOVAL

Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

SECTION 9. ACTION WITH RESPECT TO SECURITIES OF OTHER CORPORATIONS

Unless otherwise directed by the Board of Directors, the Chief Executive Officer shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders of or with respect to any action of stockholders of any other corporation in which this Corporation may hold securities and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of its ownership of securities in such other corporation.

ARTICLE V
INDEMNIFICATION OF DIRECTORS, OFFICERS, AND OTHERS

SECTION 1. RIGHT TO INDEMNIFICATION

a. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative ("proceeding"), by reason of the fact that he or she or a person for whom he or she is the legal representative is or was a director, officer or employee of the corporation or is or was serving at the request of the corporation as a director, officer or employee or agent of another corporation, or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent such amendment permits the corporation to provide broader indemnification rights than said law permitted the corporation to provide prior to such amendment) against all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith; provided, however, that with respect to any agent or employee, to the extent any such expenses, liabilities or losses are covered by insurance, other than insurance maintained by the corporation, the corporation shall be required to indemnify and hold harmless such agent or employee only to the extent that such expenses, liabilities or losses are not covered by such insurance. Such right shall be a contract right and shall include the right to be paid by the corporation expenses incurred in defending any such proceedings in advance of its final disposition; provided, however, that the payment of such expenses incurred by a director or officer of the corporation in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of such proceeding, shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it should be determined ultimately that such director or officer is not entitled to be indemnified under this section or otherwise.

b. Any person who is or was an agent of the corporation, and who would be entitled to be indemnified by the corporation under the circumstances set forth in section 1(a) but for the fact that such person is not or was not a director, officer or employee of the corporation, may be indemnified by the corporation (but shall not be entitled to be indemnified by the corporation) in a specific case to all or part of the extent set forth in Section 1(a), if the Board of Directors determines that it is in the best interests of the corporation to grant such indemnity. Authorization for such indemnity and the extent thereof shall be determined by majority vote of a quorum of the Board of Directors.

SECTION 2. RIGHT OF CLAIMANT TO BRING SUIT

If a claim under Section 1 is not paid in full by the corporation within 90 days after a written claim has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall be entitled to be paid also the expenses of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking has been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant had not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant had not met the applicable standard of conduct.

SECTION 3. NON-EXCLUSIVITY OF RIGHTS

The rights conferred by Sections 1 and 2 shall not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

SECTION 4. INSURANCE

The corporation may maintain insurance, at its expense, to protect itself and any such director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

SECTION 5.

For purposes of this Article, reference to "other enterprise" shall include entities of any kind, including associations, rate bureaus and conferences.

ARTICLE VI
STOCK

SECTION 1. CERTIFICATES OF STOCK

Each stockholder shall be entitled to a certificate signed by, or in the name of the Corporation by, the President or a vice president, and by the secretary or an assistant secretary, or the treasurer or an assistant treasurer, certifying the number of shares owned by him. Any of or all of the signatures on the certificate may be facsimile.

SECTION 2. TRANSFERS OF STOCK

Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation or by transfer agents designated to transfer shares of the stock of the Corporation. Except where a certificate is issued in accordance with Section 6 of Article VI of these Bylaws, an outstanding certificate for the number of shares involved shall be surrendered for cancellation before a new certificate is issued therefor.

SECTION 3. TRANSFER AND CHANGE OF ADDRESS

Title to a certificate and to the shares represented thereby can be transferred only:

(1) By delivery of the certificates, endorsed either in blank or to a specified person, by the person appearing in the certificate to be the owner of the shares represented thereby; or

(2) By delivery of the certificate and a separate document containing a written assignment of the certificate or a power of attorney to sell, assign or transfer the same of the shares represented thereby, signed by the person appearing by the certificate to be the owner of the shares represented thereby. Such assignment or power of attorney may be either in blank or to a specified person.

SECTION 4. CHANGE OF ADDRESS

Stockholders shall be responsible for notifying in writing the secretary, or the transfer agent or registrar as the case may be, if appointed by resolution of the Board, of any changes in their addresses from time to time, and failure to do so shall relieve the Corporation, its shareholders, directors, officers and the transfer agent and/or registrar, if any, of liability for failure to direct notices, dividends, or other documents or property to an address other than the one appearing in the records of the secretary or, if appointed, the transfer agent or registrar.

SECTION 5. RECORD DATE

The Board of Directors may fix a record date, which shall not be more than sixty nor less than ten days before the date of any meeting of stockholders, nor more than sixty days prior to the time for the other action hereinafter described, as of which there shall be determined the stockholders who are entitled: to notice of or to vote at any meeting of stockholders or any adjournment thereof; to receive payment of any dividend or other distribution or allotment of any rights; or to exercise any rights with respect to any change, conversion or exchange of stock or with respect to any other lawful action.

SECTION 6. LOST, STOLEN OR DESTROYED CERTIFICATES

In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to such regulations as the board of directors may establish concerning proof of such loss, theft or destruction and concerning the giving of a satisfactory bond or bonds of indemnity.

SECTION 7. REGULATIONS

The issue, transfer, conversion and registration of certificates of stock shall be governed by such other regulations as the Board of Directors may establish.

ARTICLE VII
NOTICES

SECTION 1. NOTICES

Whenever notice is required to be given to any stockholder, director, officer, or agent, such requirement shall not be construed to mean personal notice. Such notice may in every instance be effectively given by depositing a writing in a post office or letter box, in a postpaid, sealed wrapper, or by dispatching a prepaid telegram, addressed to such stockholder, director, officer, or agent at his or her address as the same appears on the books of the Corporation. The time when such notice is dispatched shall be the time of the giving of the notice.

SECTION 2. WAIVERS

A written waiver of any notice, signed by a stockholder, director, officer, or agent, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such stockholder, director, officer, or agent. Neither the business nor the purpose of any meeting need be specified in such a waiver.

ARTICLE VIII
MISCELLANEOUS

SECTION 1. FACSIMILE SIGNATURES

In addition to the provisions for the use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

SECTION 2. CORPORATE SEAL

The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in charge of the secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the treasurer or by the assistant secretary or assistant treasurer.

SECTION 3. RELIANCE UPON BOOKS, REPORTS AND RECORDS

Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his duties, be fully protected in relying good faith upon the books of accounts or other records of the Corporation, including reports made to the Corporation by any of its officers, by an independent certified public accountant, or by an appraiser selected with reasonable care.

SECTION 4. FISCAL YEAR

The fiscal year of the Corporation shall be as fixed by the Board of Directors.

SECTION 5. TIME PERIODS

In applying any provision of these Bylaws which require that an act be done or not done a specified number of days prior to an event or that an act be done during a period of a specified number of days after an event, calendar days shall be used, the day of the doing of the act shall be excluded and the day of the event shall be included.

ARTICLE IX
AMENDMENTS

SECTION 1. AMENDMENTS

These Bylaws may be amended or repealed, or new bylaws may be adopted (a) by the affirmative vote of seventy-five percent of the shares issued and outstanding and entitled to vote at any annual or special meeting of stockholders; provided that the notice of such meeting of stockholders whether regular or special, shall specify as one of the purposes thereof the making of such amendment or repeal; or (b) by the affirmative vote of the majority of the Board of Directors at any regular or special meeting.

Exhibit (13)

Yellow Corporation

2001 Annual Report

to Shareholders

2 0 0 1 A N N U A L R E P O R T

M A K I N G
G L O B A L
C O M M E R C E
W O R K

[YELLOW CORPORATION LOGO]

2001

ANNUAL

REPORT

[YELLOW CORPORATION LOGO]

MAKING GLOBAL COMMERCE WORK

- BY CONNECTING PEOPLE, PLACES, AND INFORMATION -

The

Yellow family of companies encompasses thousands of transportation professionals, with diverse job functions, but a common purpose. - That purpose is to make global commerce work by connecting people, places, and information. Our core purpose highlights our evolution from a less-than-truckload trucking company to a best-in-class global transportation services provider. - - Our business isn't just about people and places. It also is about information. That's what allows us to manage our sophisticated transportation network, and provide our customers unprecedented service, value and reliability. - Our core purpose defines who we are and what we do. It inspires our people to be passionate about our business, and helps them understand how they contribute to our global economy. It defines our past, present and future.

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YELLOW COMPANIES

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[YELLOW TRANSPORTATION LOGO]

SERVICES
Exact Express(TM)
Definite Delivery(TM)
Standard Ground(TM)
Regional Advantage(TM)
Volume Advantage(TM)
Yellow Global(TM)
NAFTA Cross Border
Specialized Delivery
Chemical
Exhibit
Return Goods

Employees: 19,200
Headquarters: Overland Park, KS

YELLOW TRANSPORTATION provides international, national, and regional transportation services for industrial, commercial and retail goods and materials. With a fleet of 8,000 tractors and 35,000 trailers, Yellow Transportation delivered 12.2 million shipments in 2001 through a network consisting of 360 service facilities.

[MERIDIAN IQ LOGO]

SERVICES
Transportation and Technology Management
Consulting
International Forwarding
Domestic Forwarding
Truckload Brokerage

Employees: 115
Headquarters: Overland Park, KS

MERIDIAN IQ is a non-asset based company using web-native solutions to offer customers a single source for their global shipment management and execution needs. Meridian IQ was formed by combining existing non-asset businesses at Yellow Transportation and Transportation.com.

[YELLOW TECHNOLOGIES LOGO]

SERVICES
Systems Development
Infrastructure
Technical Support
Network Support

Employees: 325
Headquarters: Overland Park, KS

YELLOW TECHNOLOGIES provides innovative information solutions and technology services that create a competitive advantage for Yellow businesses.

[SCS TRANSPORTATION, INC LOGO]

SCS Transportation is a holding company for the corporation, consisting of Saia and Jevic.

[SAIA LOGO]

SERVICES
Guaranteed Select(TM)
Truckload
Mexico
Puerto Rico
Canada

Employees: 5,100
Headquarters: Duluth, GA

SAIA specializes in overnight and second-day less-than-truckload service in 21 states extending from southern Virginia west to California and northwest into Oregon and Washington. Using a network of 110 terminals, 2,300 tractors and 7,700 trailers, Saia handled 4.2 million shipments in 2001.

[JEVIC LOGO]

SERVICES
100% GUARANTEED Service(TM)
Heat Fleet(TM)
Partial Truckload
Chemical
Expedited

Employees: 2,400
Headquarters: Delanco, NJ

JEVIC provides local, regional, inter-regional and national services. Jevic serves the continental United States and Canada with regional facilities in the Midwest, South, Southeast and Northeast. Jevic operated 1,300 tractors and 2,700 trailers and delivered 1 million shipments in 2001.

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"BECAUSE WE ARE A SERVICE COMPANY, OUR PEOPLE ARE THE BUSINESS. THEY PROVIDE OUR CUSTOMERS THE POSITIVE EXPERIENCES THAT KEEP THEM COMING BACK TO YELLOW." [ZOLLARS PHOTO]

William D. Zollars
Chairman of the Board,
President and Chief Executive Officer
Yellow Corporation

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C H A I R M A N ' S   L E T T E R

Dear Shareholder,

After 2000, the most successful year in our history, 2001 proved to be an extremely challenging year for Yellow and our industry. We met that challenge successfully with solid financial performance, our highest service quality ever, and a 23 percent increase in shareholder value.

Of course, the real story of 2001 was the economy. We began to see signs of an economic downturn late in 2000, and we expected business levels to soften in 2001. But the economic downturn moved into recession, and continued to deteriorate in each successive quarter. In spite of that, we remained profitable, and generated positive cash flow through aggressive cost management, improved yield, mix management, and growth in our high-margin, value-added services. This performance was a direct result of the professionalism and dedication of our people.

The experience and insight gained will serve us very well in 2002 and beyond.

Despite the economic challenges we faced, investment in technology remained a top priority. For the third consecutive year, Yellow was named to the prestigious CIO-100. The award, by CIO Magazine, recognizes companies that use technology to gain operational and strategic advantage. We also were named to the InformationWeek 500, based on our technology-related accomplishments. MyYellow.com(TM), our world-class web site, continued to add powerful applications that enable customers to conduct their transportation business online. We passed a milestone in 2001 when the number of registered MyYellow users surpassed 60,000. Unlike many companies, our commitment to technology remains strong even in a weak economy. This commitment has given us an edge in the marketplace, and the opportunity to capture even greater rewards from our technology investment. We also made significant progress in managing our portfolio to improve shareholder value:

- We changed the name of Yellow Freight System, our largest subsidiary, to Yellow Transportation.

- We created SCS Transportation, Inc. to serve as a holding company for Saia and Jevic.

- We launched Meridian IQ, a new transportation management solutions company.

Let's look at each operating subsidiary in more detail.

"Yellow Transportation continues to be a leader in service quality, reliability and safety - which represent the most important indicators of future success."

YELLOW TRANSPORTATION

Our brand identity saw a subtle but important evolution this past year. Early in our history, we were named Yellow Transit, a regional provider. We evolved into Yellow Freight System in 1963, reflecting our status as a transportation services provider with national coverage.

In each case, we changed the part of the name that helps describe what we do, while retaining the part of the name that has become our brand. Our new name - Yellow Transportation - is consistent with that approach, because it better defines the comprehensive nature of our service portfolio, while leveraging the brand equity established since the company was formed in 1924. Yellow Transportation continues to be a leader in service quality, reliability and safety - which represent the most important indicators of future success. The promise of that brand still is delivered by our people, who focus on exceeding customer expectations through our "Yes We Can" attitude.

We also made significant progress on a major network re-engineering effort that improved our competitive position versus regional providers in the two- and three-day service markets. The network enhancements enabled us to reduce transit times and improve service quality for our industry-leading Standard Ground(TM) national service, and led to the introduction of Standard Ground Regional Advantage(TM) service. Thanks to this re-engineering, the average time a shipment is in our system continued to decline while, at the same time, service reliability improved.

Exact Express(TM), our guaranteed, expedited, time-definite service, has grown every year since its introduction in 1998. Exact Express revenue grew 6 percent in 2001, while most competitors in the expedited services market reported declines in volume. We made significant system upgrades, resulting in a faster and more convenient process to arrange expedited shipments. These enhancements are in keeping with our commitment to continuously improve and grow value-added segments of our business.

We also continue to reap the benefits of our ISO certification. We were the first transportation services provider to receive ISO 9001 certification of our operating system company wide. Certification is granted by the International Organization for Standardization, an independent accrediting body that is considered the world's foremost authority on quality. More and more, customers are requiring ISO certification of their transportation services providers as a condition of doing business.

SCS TRANSPORTATION

In March of 2001, we completed the integration of our western subsidiaries into Saia, our largest regional company. These transitions have proven

"Saia did a great job and had the strongest financial performance for the year of all our operating companies."

difficult for many companies. However, this integration was virtually seamless to customers, due primarily to effective planning in the areas of technology, operations and customer communication. As a result, Saia improved service in terms of on-time performance and reduced transit times.

Saia did a great job and had the strongest financial performance for the year of all our operating companies. Operating income was up about 50 percent in a dismal economy.

Jevic faced a difficult year in 2001, with the economy and stronger competition having an impact on earnings. However, despite these factors, Jevic improved service performance, while also aggressively managing variable costs. Because of these efforts, Jevic is well positioned to improve performance as the economy rebounds.

Also, as part of our strategy to separate the regional companies, we formed a new holding company for Jevic and Saia. The new company is SCS Transportation, Inc. SCS stands for supply chain solutions, recognizing the roles these companies play in helping customers meet their distribution challenges. Both Jevic and Saia will continue to do business under their well-established brand names.

Assuming favorable market conditions, we expect to spin off SCS Transportation to shareholders in 2002.

MERIDIAN IQ

Over the last few years, we have continued to expand our non-asset transportation services, including unique technology and capabilities at Transportation.com and Yellow Transportation. As part of our effort to better meet our customers' needs, we have taken the next logical step by combining this technology and these capabilities into a single business - Meridian IQ. This alignment allows us to offer our customers one source for their global shipment management and execution needs.

The services offered by Meridian IQ include domestic and international forwarding, and multi-modal brokerage - growing businesses within the Yellow family of companies. In addition, Meridian IQ will offer a unique new service called Transportation Solutions Management. This service consists of three core capabilities - web-native technology, transportation consulting, and network management - providing our customers a portfolio of capabilities that are flexible, fast, and easy to implement.

One of the most important elements of our non-asset strategy is its complementary relationship with Yellow Transportation. Meridian IQ provides services to existing Yellow Transportation customers, while using the Yellow Transportation network to deliver many of those services. In turn, Meridian IQ will bring new business opportunities to Yellow Transportation. We expect Meridian IQ to become a substantial part of the Yellow portfolio in the next few years, with our national longhaul network providing a unique competitive advantage.

THE FUTURE

The theme of this annual report is our core purpose - Making global commerce work by connecting people, places, and information. On these pages, you will see examples of how our people bring those words to life. Because we are a service company, our people are the business. They provide our customers the positive experiences that keep them coming back to the family of Yellow Companies for solutions to their transportation needs.

Our forecast for 2002 calls for a return to a more normal growth rate in the second half of the year. We are well positioned, and even a modest improvement in the economy will make us a stronger and much more profitable company.

Finally, it is important that we continue to differentiate our company in the marketplace by demonstrating to our customers that we provide superior value. Going forward, our job will be to concentrate on the fundamentals of providing service that is on-time and defect-free. We believe that the best thing we can do to ensure our success is to not just meet customer expectations but exceed them each and every day - one customer at a time.

/s/ WILLIAM D. ZOLLARS
William D. Zollars

Chairman of the Board,
President and Chief Executive Officer
Yellow Corporation

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CONNECTING PEOPLE

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We are in a service business. So, when customers take the time to let us know they were impressed with our service, it is music to our ears. - It's great to know we made a positive connection. Successful service providers have a knack for connecting with customers. And, through our high-quality service, we also connect our customers with their customers. Making those connections, and building strong relationships, is a cornerstone of our success. - Every day, our customer service representatives connect with customers by answering questions, providing information, and helping them arrange for pick-ups and deliveries. Our account executives connect with customers by providing a portfolio of transportation solutions. Our professional drivers, many of whom are on a first-name basis with their customers, connect by being flexible, dependable, and responsive to their needs. - These are just a few examples of the thousands of people in the Yellow family of companies who contribute to our reputation as a world-class company.

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Did you know...

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[PHOTO OF THE 2001 CIO 100 AWARD]

Our people helped Yellow continue to receive recognition from independent, unbiased sources for our technological expertise. In August, we were named to the CIO-100 for the third consecutive year, along with best-in-class organizations like Intel(R) and IBM(R). We also were named the top transportation services provider in the InformationWeek 500. In addition, the number of registered customers using our web site to transact business grew to more than 60,000.

`   [PHOTO OF DRIVER, DISPATCHER & ACCOUNT EXECUTIVE]

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From left, FRANK SPELL, driver, SHARON RYAN, dispatcher, and TOM KERCE, account executive, Charleston, SC

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"I want to express our appreciation for the service we get from your people here in Charleston, South Carolina. All of our experiences have been nothing but positive. Sharon Ryan is on top of every situation, and seems to have a solution for any problem. Frank Spell is courteous and always on time. In two years, he has never been late and has really become a part of our company's team. Tom Kerce is by far the most professional person I have met in 14 years in transportation. Here and nationwide you are doing an excellent job. Thank you." Jason Pagliaro, Paint Paddle Products, Charleston, SC

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CONNECTING PEOPLE

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[PHOTO OF SAIA TRUCK]

"I have dealt with a lot of sales representatives...but I can honestly say the person I can count on, when I need help...is Vivian. If I have any question, Vivian comes through every time. She tells me about new services, and offers me ways to save my company time and money. Because of her, I believe Saia stands for Service, Attitude, Ingenuity and Achievement. Thank you for having a wonderful member of your team in the New Orleans area." BRIAN STOCK, ICI PAINTS, METAIRIE, LA

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VIVIAN TWILBECK, Saia business development executive, New Orleans, LA

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[TWILBECK PHOTO]

[SIMON PHOTO]

RAY SIMON, St. Cloud, MN, was the Grand Champion in the 2001 National Truck Driving Championships. He's the only three-time winner in the history of the competition, and he entered only three times.

[CUDMORE PHOTO]

GERALD CUDMORE, Watertown, SD, was the three-axle national champion in 2001.

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Yellow has two national truck driving champions in RAY SIMON and GERALD CUDMORE (inset).

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"We're exceedingly proud of our professional drivers, represented by Ray and Gerald, who have proven they are among the very best drivers in the transportation-services industry. Their performance provides an example of excellence and leadership to their colleagues, our customers, and the general public." William D. Zollars, Chairman, President and CEO, Yellow Corporation

* Photos this page courtesy of Transport Topics, 2001

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CONNECTING PLACES

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There's no getting around it. If you produce a product, you need a reliable, efficient, and dependable way to move it from place to place - from where it is manufactured or stored to locations where it can be sold. - And more often than not, savvy shippers rely on Yellow to handle that crucial piece of their supply-chain puzzle - Every day, our people, our equipment, and our transportation partners, connect places in nearly every corner of the world. We make it happen through the use of state-of-the-art technology combined with professional people, and a strong commitment to customer service. Because of those efforts, our customers have peace of mind their shipments will arrive safely, on-time, and damage-free. - Whether we are providing an expedited shipment across an international border, tracking a shipment as it proceeds to its destination cross country, or providing a charitable shipment for a humanitarian organization, we take our responsibility seriously. Coast-to-coast, city-to-city, country-to-country, or somewhere in between, these are the connections between places on which customers have come to rely.

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Did you know...

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[EXACT EXPRESS LOGO]

One of the ways we connect places is with Exact Express(TM), our expedited, time-definite, guaranteed service. We made a number of system improvements to make it faster and easier for customers to arrange for Exact Express shipments-and it showed. Exact Express revenue grew by 6 percent in 2001, a year in which many expeditors saw their business decline.

[NIELSEN PHOTO]

MIKE NIELSEN, center manager, Des Moines Customer Service Center

[MORSCH PHOTO]

DR. GARY MORSCH, president, Heart to Heart International, visiting the Isabella Geriatric Center in New York.

"Only an e-mail away! That's how easy it has been for Heart to Heart International to receive transportation support from Yellow Corporation. Every time we have a transportation need in the United States, we just send an e-mail to Mike Nielsen. He promptly and professionally has arranged every request. Our products, such as over-the-counter medicines and personal hygiene products, are desperately needed by social service agencies across the country. Yellow and Heart to Heart together are helping these agencies do what they do best, and that is helping people in need. Yellow is doing its part as a corporate citizen and we send our sincere thanks." Dr. Gary Morsch, President, Heart to Heart International

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CONNECTING PLACES

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[PHOTO OF JEVIC TRUCK]

"We had a situation recently that showed us what a remarkable company Jevic really is. One of our customers absolutely had to have a shipment the next day. Jevic made sure delivery was on time...and the shipment tracked across country. Jevic is superb. I want to thank everyone involved. Jevic more than justified my trust in their care, speed, and incredible service."

PATRICIA GEIGER, CEO, ARTEMIS INDUSTRIES, AKRON, OH

"I wanted to take a minute to congratulate one of your Yellow Transportation employees for her excellent customer service. I recently had a problem getting a very time-sensitive shipment out of Guadalajara, Mexico. Kathy Brumer Was instrumental in getting the shipment delivered...in record time." Ginger Baker, President, Tuesday Welders Metalworks, Dale, TX

KATHY BRUMER, customer service representative,
Des Moines Customer Service Center

[BRUMER PHOTO]

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CONNECTING INFORMATION

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[THOMPSON PHOTO]

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REBECCA THOMPSON
help desk analyst

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When people think of Yellow, the images that most often come to mind are tractors and trailers - tools of the trade for providing world-class transportation services. - True, goods could not be delivered without trucks, and people to load and drive them. A less visible, but critical component of our success, is our ability to collect and manage information. - Simply put, global commerce cannot function without a modern, efficient transportation system that connects information in a way that benefits the enterprises that ship and receive goods. Companies adept at connecting information on behalf of their customers have a decided edge in the marketplace. That is how we help our customers schedule shipments, manage inventories, and optimize their supply chains. - Our status as a world-class transportation services provider hinges on our ability to satisfy our customers, operate our network at optimum efficiency, and connect information to drive internal processes. - Through the blend of our technologies, our equipment, and our employees, we provide our customers unprecedented accuracy, convenience and timeliness. We provide a world-class web site that is attracting more users every day, many of whom use our site to manage every phase of their transportation experience. - Yellow has made a strong commitment to technology as a key strategy in enhancing profitability and shareholder value. Our technological expertise, and ability to connect information in a meaningful way, makes us stronger today and prepares us for the future.

"I wanted to express my appreciation for the YellowLive(TM) feature on your web site. I had a couple of simple questions to resolve and tried your application with much success. It is taking me longer to type this e-mail than it did to conduct my entire inquiry. Thanks for doing a great job." Beth Davis, Charlotte, NC

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JENNY WEIR, customer service representative, communicates with a customer via YellowLive Chat
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[WEIR PHOTO]

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CONNECTING INFORMATION

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[PHOTO OF MYYELLOW WEBSITE PAGE]

"I discovered MyYellow while browsing through the Yellow web site. I have watched it develop into a web site that absolutely helps my day go more smoothly, and consequently, makes my job a little easier. If it were up to me, all our business would move through Yellow and MyYellow." Laura J. Levine, Mitsubishi Chemical America, Chesapeake, VA

"I recently read that the Yellow web site was chosen as the best in the transportation industry. I wanted to let you know that the only reason I use Yellow as often as i do is because of the features/services I get with MyYellow. No other company comes close. keep up the good work." Kelly Tennant, Central Products, Indianapolis, IN

Pictured below: back, from left, John Randle, Amber Deer, Roy Moore, Ernest Anthony, Todd Williams; front, Jayshri Saha and Luevina Huskey

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YELLOW TECHNOLOGIES people help develop high-tech solutions that set us apart in the marketplace

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[PHOTO OF YELLOW TECHNOLOGIES EMPLOYEES]

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
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RESULTS OF OPERATIONS
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SIGNIFICANT ACCOUNTING POLICIES

In the opinion of management, the accounting policies that generally have the most significant impact on the financial position or the results of operations include: claims and insurance accruals, depreciation and capitalization of assets, and goodwill. These accounting policies, and others, are described in further detail in the Notes to Consolidated Financial Statements.

2001 VS. 2000

Operating revenue for Yellow Corporation (the company) totaled $3.3 billion in 2001, down 8.7 percent from 2000 revenue of $3.6 billion. Operating income for the year was $57.4 million (including unusual item charges of $12.1 million), down from $152.5 million in 2000 (including unusual item benefits of $12.2 million). The unusual item charges in 2001 consisted of integration and reorganization costs and property gains and losses. The unusual item benefits in 2000 consisted of property gains partially offset by integration costs. Net income and income from continuing operations in 2001 was $15.3 million, or $.62 per share (all iper sharei references are diluted), compared to income from continuing operations of $69.3 million in 2000, or $2.79 per share. The company recorded a $1.3 million after-tax charge in 2000 for discontinued operations or ($.05) per share to settle pending liabilities associated with the 1999 bankruptcy of Preston Trucking Company (Preston Trucking). Including this charge, net income for 2000 was $68.0 million, or $2.74 per share.

Yellow Freight System, Inc. was renamed Yellow Transportation, Inc. (Yellow Transportation) in January 2002. Yellow Transportation revenue for 2001 was $2.5 billion, down 10.3 percent from $2.8 billion in 2000. Operating income for 2001 was $55.9 million (including reorganization costs of $2.8 million) down from $141.8 million in 2000 (including unusual item benefits of $13.5 million). The unusual item benefits in 2000 primarily related to a $20.7 million pretax gain on the sale of real estate property in New York and a $6.5 million pretax loss on an obsolete computer aided dispatch/mobile data terminal technology application. The 2001 operating ratio (operating expenses divided by net revenue) was 97.8 compared to 94.9 in 2000.

The revenue decline at Yellow Transportation was primarily a result of 13.5 percent lower shipment volume due to the weak economy, partially offset by a 2.9 percent improvement in revenue per hundred weight. A general rate increase averaging 4.9 percent went into effect August 1, 2001 on approximately half of the revenue base not covered by contracts. This increase, partially offset by discounting and a decreasing fuel surcharge, was the primary factor for the improved revenue per hundred weight.

Yellow Transportation completed implementation of a new high-speed network started in 2000. Standard Ground Regional Advantage service makes Yellow competitive with regional carriers in two- and three-day service lanes. The new network has created operational efficiencies and the service has generated positive feedback from customers. This portion of the business is performing better than other segments of the business and attention will be focused on leveraging these networks in 2002.

Effective cost management and lower business volumes allowed Yellow Transportation to reduce operating expenses by approximately 75 percent of the decrease in revenue for 2001. Lower business volumes and an aggressive, proactive program of staff reductions in both the labor and management ranks resulted in 7.0 percent lower salaries, wages and benefits expense, more than off-setting contractual pay rate and benefit cost increases. Further savings were achieved by curtailing discretionary spending and modifying operating procedures to improve load average and increase direct loading.

The financial and operational statistics of Saia Motor Freight Line, Inc. (Saia) have been restated to reflect the merger of WestEx and Action Express into Saia, which was effective March 2, 2001. Saia revenue for 2001 was $485 million, up .7 percent from $482 million in 2000. Saia had operating income of $11.4 million in 2001 (including integration costs of $6.7 million), compared to $11.9 million in 2000 (including western regional companies' operating loss of $4.7 million). The operating ratio at Saia was 96.3 in 2001 (excluding integration costs) compared to 97.5 in 2000.

Saia increased revenue primarily due to improved pricing (revenue per hundred weight was up 7.5 percent over last year), mostly offset by decreased tonnage (total tonnage was down 6.4 percent over last year) as a result of weak economic conditions. Yield benefited from a 5.9 percent general rate increase on August 1, 2001 for non-contract customers and a continued shift to higher yielding less-than-truckload (LTL) business.

Operating expenses at Saia before integration costs

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decreased slightly from last year as a result of effective cost management, improved productivity and lower business volume. Salaries, wages and benefits expense decreased 1.4 percent from last year primarily due to workforce reductions as a result of the integration and lower business volumes in 2001. Improvements in productivity offset higher workers' compensation and health care costs as well as pay increases. Reductions in fuel cost and vehicle maintenance costs were mostly offset by higher purchased transportation costs to reduce empty miles.

Jevic Transportation, Inc. (Jevic), had revenue of $286 million, down 6.8 percent from $307 million in 2000. Operating income was $6.0 million in 2001, down from $14.3 million in 2000. The operating ratio at Jevic was 97.9 in 2001 compared to 95.3 in 2000.

The revenue decrease at Jevic was primarily due to 7.7 percent lower tonnage as a result of a manufacturing recession, weakness in the truckload (TL) market and increased competition. The tonnage decline was partially offset by improved yield as a result of favorable LTL mix changes. Cost reduction efforts and lower business volume allowed Jevic to reduce total operating expenses by 4.3 percent from last year. Salaries, wages and benefits expense was down 2.1 percent from last year as a result of lower employee levels and productivity improvements, partially offset by higher group health insurance and other fringe cost increases. The remaining operating expenses were reduced a similar percent as revenue due to effective variable and discretionary cost controls as well as lower fuel prices.

The company had a 65 percent interest in Meridian IQ, (formerly Transportation.com), a provider of domestic and international forwarding, multi-modal brokerage and transportation management services. In the third quarter of 2001, the company completed its acquisition of the 35 percent ownership in Transportation.com that it did not previously own from its venture capital partners. From the date of acquisition through December 31, 2001, the company incurred operating losses of $5.7 million related to Transportation.com. Prior to the date of acquisition, the company accounted for their investment in Transportation.com as an unconsolidated joint venture under the equity method of accounting. Accordingly, nonoperating expenses include losses from Transportation.com of $5.7 million in 2001, compared to $3.3 million in 2000.

Corporate and business development expenses for the company were approximately $10.2 million in 2001 compared to $11.0 million in 2000. Nonoperating expenses were $28.8 million in 2001 compared to $30.8 million in 2000. Interest expense and off balance sheet financing costs were $24.5 million in 2001 compared to $29.5 million in 2000 due to lower average debt levels and lower interest rates and financing costs on the company's variable rate debt.

The consolidated effective tax rate was 46.3 percent in 2001 compared to 43.0 percent in 2000. The increase in effective rate is due to the impact of nondeductible business expenses and goodwill on lower income before income taxes. The notes to the consolidated financial statements provide an analysis of the income tax provision and the effective tax rate.

2000 VS. 1999

Operating revenue for the company totaled $3.6 billion in 2000, an 11.2 percent increase over 1999 revenue of $3.2 billion. Operating income for the year was $152.5 million (including unusual item benefits of $12.2 million), up from $107.5 million in 1999 (including net property losses of $0.3 million). The unusual item benefits in 2000 consisted of property gains partially offset by integration costs. Income from continuing operations in 2000 was $69.3 million, or $2.79 per share, compared to $50.9 million in 1999, or $2.02 per share. The company recorded a $1.3 million after-tax charge in 2000 for discontinued operations, or ($.05) per share, to settle pending liabilities associated with the 1999 bankruptcy of Preston Trucking. Including this charge, net income for 2000 was $68.0 million, or $2.74 per share.

Yellow Transportation operating income for 2000 was $141.8 million (including unusual item benefits of $13.5 million), up from $85.4 million in 1999. The unusual item benefits in 2000 primarily related to a $20.7 million pretax gain on the sale of real estate property in New York and a $6.5 million pretax loss on an obsolete computer aided dispatch/mobile data terminal technology application. Yellow Transportation revenue was $2.8 billion in 2000, up 6.4 percent from $2.6 billion in 1999. The 2000 operating ratio was 94.9, an improvement of 1.8 points over the 1999 operating ratio of 96.7.

The increase in 2000 revenue was a result of yield improvement (increase in revenue per ton) and operational efficiencies. During 2000, Yellow Transportation began a network re-engineering process that enabled the company to significantly increase its two and three-day regional service in the Upper Midwest, Northeastern U.S. and Eastern half of Canada. The new Standard Ground Regional Advantage service was created from a network re-engineering effort that began in 2000 in the Cleveland, OH and Buffalo, NY areas. Yellow Transportation has improved shipment pickup and delivery handling processes and added hundreds more metro-to-metro schedules that cut delivery times by one to two days. Yellow Transportation revenue increased as a result of a general rate increase averaging 5.9 percent that went into effect August 1, 2000 on approximately half of the revenue base not covered by contracts and as a result of its fuel surcharge program. Yellow Transportation had no significant change in year over year LTL tonnage. Year over year LTL shipments were down 1.5 percent, however, year over year LTL revenue per ton was up 6.7 percent.

Yellow Transportation cost per ton increased approximately 5.4 percent in 2000 due to cost increases primarily in salaries, wages and benefits and fuel costs. The salaries, wages and benefits increase over the prior year was due primarily to higher levels of incentive compensation attributable to the company's improved operating performance. Yellow Transportation also experienced increased levels of health and other employee benefit related expenses. Other operating expenses increased from the prior year primarily as a result of fuel costs. Fuel costs, which are about six percent of revenue, increased approximately 38 percent over the prior year.

Saia had operating income of $11.9 million in 2000 compared to $17.4 million in 1999. The year over year decline in operating income was due substantially to the western regional companies' operating loss of $4.7 million, which were integrated with Saia. Saia revenue grew 5.6 percent to $482 million, up from $457 million in 1999. The operating ratio in 2000 was 97.5 compared to 96.2 in 1999. Year over year LTL tonnage increased 3.5 percent and year over year LTL shipments increased 1.4 percent. Revenue per ton increased 3.8 percent over the prior year. Saia initiated a 5.9 percent price increase on September 1, 2000 for its non-contract customers. Additionally, Saia revenue increased as a result of a fuel surcharge program.

Saia cost per ton increased 5.2 percent, primarily due to increased claims and insurance costs (40 percent higher than 1999), fuel costs (30 percent higher than 1999) and health care costs. In addition, due to competitive market conditions, wage rates increased in excess of five percent. However, strong variable expense controls and productivity gains in other areas offset increased fuel prices, casualty claims and higher wage and benefit rates.

Jevic, which was acquired on July 9, 1999, had operating income of $14.3 million in 2000 compared to $10.1 million for the partial year of 1999. Jevic revenue was $307 million in 2000 and $138 million for the partial year of 1999. The operating ratio was 95.3 in 2000 compared to 92.7 for the partial year of 1999.

On a full year over year basis, Jevic revenue increased 10.4 percent, tonnage increased 3.3 percent and shipments increased 8.5 percent. The full year operating ratio for 1999 was 92.5. Revenue per ton increased 6.8 percent over the prior year, however cost per ton increased approximately 10 percent.

Jevic experienced increased competition, higher fuel prices, unusually severe northeast winter weather and a late-year economic slowdown. Because Jevic is a hybrid LTL and TL carrier, fuel is a more significant component of operating expense, more than ten percent in 2000. Average fuel cost increased more than 30 percent over 1999. The higher fuel costs were only partially offset by the Jevic fuel surcharge program.

The company had a 65 percent interest in Meridian IQ, (formerly Transportation.com), a provider of domestic and international forwarding, multi-modal brokerage and transportation management services. In the first half of 2000, the company recorded operating expense of approximately $3.5 million in business development expenses related to Meridian IQ. Beginning in the second half of 2000, the company began accounting for their investment in Meridian IQ as an unconsolidated joint venture under the equity method of accounting. The company's proportionate share of business development expenses of Meridian IQ for the second half of the year was approximately $3.3 million and is reflected as nonoperating expense.

Corporate and business development expenses for the company were approximately $11.0 million compared to $2.3 million in 1999. The increase over the prior year includes $3.5 million in business development expenses related to Meridian IQ, a $2.7 million charge for costs related to the Saia, WestEx and Action integration and an increase in self-insurance retention reserves. Nonoperating expenses were $30.8 million in 2000 compared to $18.2 million in 1999. Interest expense and off balance sheet financing costs were $29.5 million in 2000, up from

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$21.4 million in 1999 due to higher average debt levels associated with the July 1999 Jevic acquisition and increased interest rates and financing costs on the company's variable rate debt. There was no change in the company's effective tax rate, which was 43.0 percent in both 2000 and 1999. The notes to the consolidated financial statements provide an analysis of the income tax provision and the effective tax rate.

1999 VS. 1998

Operating revenue for the company totaled $3.2 billion in 1999, an 11.2 percent increase over 1998 revenue of $2.9 billion. Operating income for the year was $107.5 million, an increase of 28.9 percent over 1998 operating income of $83.4 million. Income from continuing operations in 1999 was $50.9 million or $2.02 per share compared to income from continuing operations of $40.1 million or $1.49 per share in 1998.

Yellow Transportation 1999 operating income was $85.4 million, a 27.7 percent increase over 1998 operating income of $66.9 million. Operating revenue was $2.6 billion for 1999, up 4.8 percent from $2.5 billion in 1998. The 1999 operating ratio was 96.7 compared to 97.3 in 1998.

The increase in 1999 revenue was a net result of higher prices, mix changes and volume increases. Yellow Transportation had year over year increases in LTL tonnage of 2.4 percent and LTL shipments of 2.1 percent, as well as a 3.2 percent increase in LTL revenue per ton. Yellow Transportation benefited from a general rate increase averaging 5.5 percent that went into effect on September 1, 1999 on approximately half of the revenue base not covered by contracts. A fuel surcharge was also reactivated at mid-year 1999 in order to offset rising diesel fuel prices. Performance in 1998 was adversely impacted by the loss of business due to customer concerns over the possibility of a work stoppage in connection with negotiations on a new National Master Freight Agreement with the International Brotherhood of Teamsters. A contract was ratified on April 7, 1998.

Yellow Transportation cost per ton increased 3.2 percent in 1999 due to cost increases in salaries wages and benefits, fuel costs and purchased transportation that were partially offset by increased volume and decreased maintenance related costs and depreciation expense. Salaries, wages and employee benefits as a percentage of revenue increased due to scheduled wage and benefit increases and higher levels of incentive compensation for Yellow Transportation employees. Claims and insurance expense decreased slightly from the prior year, despite the increase in shipments and an increase in total miles of 1.4 percent. Yellow Transportation maintained the use of rail transportation at 27.3 percent in 1999 unchanged from 1998. However, rail cost increases as well as other purchased transportation service contributed to an overall increase in purchased transportation expense. Diesel fuel prices rose in 1999, however a fuel-hedging program substantially offset this cost increase.

Saia had operating income of $17.4 million in 1999 compared to $23.6 million in 1998. Saia revenue grew 11.9 percent in 1999 to $457 million compared to $408 million in 1998. 1999 operating performance was below 1998 levels due to softer revenue for the early part of 1999 in Texas and Gulf Coast regions with economies tied to the petroleum industry. LTL tonnage increased 11.6 percent and LTL revenue per ton increased 1.0 percent. However, revenue and tonnage trends improved during the last quarter of 1999 due in part to company initiatives to significantly improve service levels. Saia also experienced increased wage and benefit expense resulting in an operating ratio of 96.2 in 1999 compared to 94.2 in 1998.

Saia cost per ton increased 3.6 percent due primarily to cost increases in salaries, wages and benefits. Depreciation increased due to the addition of revenue equipment in 1998 and 1999. Increased purchase transportation and rentals during 1999 allowed Saia to manage temporary surges in business levels. These increases were partially offset by favorable insurance claims expense compared to the prior year. A fuel surcharge was also reactivated at mid-year 1999 in order to offset rising diesel fuel prices. Saia initiated a 4.5 percent general rate increase on October 1, 1999 on its non-contract customers.

Jevic was acquired on July 9, 1999 and is operated as a separate subsidiary of the company. Jevic reported operating income of $10.1 million and revenue of $138 million resulting in an operating ratio of 92.7 for the partial year 1999. Operating results for 1999 reflect only contributions since the July 9 acquisition date.

On a full year-to-year basis, Jevic revenue increased 22.6 percent in 1999 and tonnage increased 18.7 percent. Jevic revenue per ton increased 3.1 percent in 1999 and cost per ton increased 3.2 percent. Jevic initiated a price increase of 5.7 percent on November 15, 1999.

Corporate and other business development expenses were $2.3 million in 1999 compared to $7.0 million in 1998. Nonoperating expenses were $18.2 million in 1999 compared to $13.8 million in 1998. The increase in nonoperating expenses is primarily the result of increased financing costs associated with the Jevic acquisition. The effective tax rate was 43.0 percent in 1999 compared to 42.4 percent in 1998. The increase in effective rate is attributable to increased nondeductible expenses, including goodwill amortization associated with the Jevic acquisition.

DISCONTINUED OPERATIONS

In the second quarter 1998, the company sold Preston Trucking, its northeast regional LTL segment to a management group of three senior officers of Preston Trucking. In 1999, Preston Trucking filed for bankruptcy protection. In 2000, the company recorded a $1.3 million charge net of $0.7 million tax benefit to settle pending liabilities associated with the bankruptcy.

FINANCIAL CONDITION

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. At December 31, 2001, the company had borrowings of $85 million and at December 31, 2000, the company had borrowings of $60 million against the $300 million bank credit agreement, which expires in April 2004. This facility is also used to provide letters of credit that reduce available borrowings under the credit agreement. At December 31, 2001, the company had approximately $85 million outstanding in surety bonds. These bonds, issued by insurance companies, serve as collateral support primarily for workers' compensation programs in states where the company is self-insured. The price and availability of surety bonds fluctuates over time with general conditions in the insurance market. A lack of availability of surety bonds could result in the need for the company to issue additional letters of credit. Approximately $125 million remained available under the bank credit agreement at year-end 2001 versus $151 million available at year-end 2000.

Capacity of $18 million remained under the ABS agreement at year-end 2001 versus $23 million available at year-end 2000. Access to the ABS facility is dependent on the company having adequate eligible receivables, as defined under the agreement, available for sale subject to a maximum facility limit of $200 million. The agreement permits the sale of accounts receivable to a wholly owned special purpose corporation which in turn sells an undivided interest to a third party affiliate of a bank. The receivables are removed from the company's balance sheet when sold and the related ABS debt is not reflected in the company's balance sheet as the third party affiliate of the bank that holds the debt is not consolidated in the accompanying consolidated balance sheet. Funds raised by this method are less expensive to the company than issuing commercial paper.

The company has investment grade credit ratings, with stable outlooks, from both Moody's and Standard & Poor's. Management expects the company to maintain investment grade status for the foreseeable future. However, in the unlikely event the company was to be rated below investment grade, no ratings-driven triggers exist that would have an immediate or material adverse impact on the liquidity of the company.

Working capital increased from a negative $189 million at year-end 2000 to a negative $57 million at year-end 2001. Working capital is reduced through the Yellow Transportation ABS agreement. Including the effects of the $35 million decrease in the ABS facility and the $63 million decrease in current classification of debt, working capital increased $132 million year over year. The company can operate with negative working capital because of the quick turnover of its accounts receivable and its ready access to sources of short-term liquidity.

Projected net capital expenditures for 2002 are $115 million, a decrease from 2001 net capital expenditures of $121 million. Net capital for both periods pertains primarily to replacement of revenue equipment at all subsidiaries and additional investments in information technology, land and structures. Net capital expenditures in 2001 totaled $121 million, a decrease from $135 million in 2000. 1999 capital expenditures include $165 million for the acquisition of Jevic. Actual and projected net capital expenditures are summarized in the following table (in millions):

	Projected 2002	Actual 2001	2000	1999
Land and structures:				
Additions	$ 18	$ 18	$ 21	$ 16
Sales	(2)	(4)	(28)	(6)
Revenue equipment	76	67	110	97
Technology and other	23	20	27	42
Transportation.com investment	-	20	5	-
Jevic acquisition	-	-	-	165
Total	$ 115	$ 121	$ 135	$ 314

In the third quarter of 2001, the company completed its acquisition of the 35 percent ownership in Transportation.com that it did not own from its venture partners. The purchase price was approximately $14.3 million.

On July 9, 1999 the company completed a cash tender offer for all of the common stock of Jevic Transportation, Inc. at $14 share. The aggregate purchase price of the stock, including vested stock options and transaction costs, was approximately $160.8 million, net of anticipated tax benefits relating to the cost of the stock options. Including the assumption of debt, the total transaction cost was approximately $200 million.

Both acquisitions were financed under the existing $300 million credit facility and ABS agreement.

At year-end 2001 total balance sheet debt was $220 million compared to $205 million at year-end 2000.

These facilities provide adequate capacity to fund working capital and capital expenditures requirements.

Management believes its current financial condition and access to capital is adequate for current operations including funding anticipated capital expenditures and future growth opportunities.

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 December 31, 2001, approximately 70 percent of the debt and off balance sheet financing was at variable rates with the balance at fixed rates. The company entered into a $50 million interest rate swap agreement in December 2000 to hedge a portion of its variable rate debt. The company also acquired interest rate swaps on a portion of variable rate debt assumed in the Jevic acquisition. The interest rate swaps hedge a portion of the exposure the company has to variable interest rates. The company has hedged approximately 24 percent of its variable rate debt. The detail of the company's debt structure, including off balance sheet financial instruments is more fully described on page 39 of the notes to financial statements.

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.

The revenue, operating expenses, assets and liabilities of the 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 and the company does not enter into any financial instruments associated with these risks.

CONTINUED

The following table provides information about the company's financial instruments as of December 31, 2001 and 2000. The table presents principal cash flows (in millions) and related weighted average interest rates by contractual maturity dates. Medium term notes included in fixed rate debt maturing within one year, and intended to be refinanced are classified as long-term in the consolidated balance sheet. For interest rate swaps the table presents notional amounts and weighted average interest rates by contractual maturity. Weighted average variable rates are based on the LIBOR rate as of December 31, 2001.

	Expected Maturity Date						December 31			
							2001		2000	
	2002	2003	2004	2005	2006	Thereafter	Total	Fair Value	Total	Fair Value
Fixed Rate Debt	$ 22.4	$19.5	$16.3	$13.5	$ 8.7	$28.4	$108.8	$114.2	$117.7	$121.9
Average Interest Rate	7.34%	6.29%	6.78%	7.06%	6.79%	7.02%				
Variable Rate Debt	$ 6.0	$ 5.1	$85.2	$ 8.9	$ -	$ 6.0	$111.2	$111.2	$ 87.7	$ 87.7
Average Interest Rate	2.36%	4.22%	3.69%	3.97%	-%	6.05%				
Off Balance Sheet n										
Asset Backed										
Securitization	$141.5						$141.5	$141.5	$177.0	$177.0
Effective Financing Rate	2.13%									
Interest Rate Derivatives (Variable To Fixed):										
Notional Amount	$ 5.8	$50.1	$ 0.2	$ 0.2	$ 0.2	$ 4.3	$ 60.8	$ 63.8	$ 62.3	$ 62.2
Average Pay Rate (Fixed)	5.70%	6.06%	7.65%	7.65%	7.65%	7.65%				
Average Receive Rate (Variable)	3.15%	1.90%	4.03%	4.03%	4.03%	4.03%				

OTHER

The company provides a "pay for performance" incentive compensation plan that rewards employees based on financial goals of operating income and return on capital as well as personal goals. Consolidated results include pay for performance accruals for nonunion employees of $7.1 million, $41.5 million and $33.1 million in 2001, 2000 and 1999 respectively.

Another component of pay for performance is the company's stock option programs which are discussed on page 42 of notes to the consolidated financial statements.

Yellow Corporation Board of Directors authorized share repurchase programs of the company's outstanding common stock, with aggregate purchases of up to $10 million in 2001 and $25 million in 2000. The company purchased 1,629,300 treasury shares in 2000 and 855,500 treasury shares in 1999. No shares were repurchased during 2001, although authorization remains to repurchase up to $10 million.

In 2001, the Financial Accounting Standards Board (FASB) issued Statement No. 142, Goodwill and Other Intangible Assets, that will be adopted by the company on January 1, 2002. Statement No. 142 requires that at least annually, the company assess goodwill impairment by applying a fair value based test and that goodwill no longer be subject to amortization, resulting in an increase in annualized operating income and net income of $3.3 million. The company estimates the impact of this new standard could result in an impairment charge of

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approximately $75 million and would be recorded as a cumulative effect of change in accounting principle. The notes to consolidated financial statements contain additional information regarding adoption of this statement.

Also in 2001, the FASB issued Statement No. 143, Accounting for Asset Retirement Obligations and Statement No. 144, Accounting for the Impairment or Disposal of Long-lived Assets. Statement No. 143 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred. Statement No. 144 addresses financial accounting and reporting for impairment or disposal of long-lived assets, superceding FASB Statement 121 and APB Opinion No. 30. Statements No. 143 and 144 are effective for the company as of January 1, 2003 and 2002, respectively. The company is currently assessing, but has not yet determined, the complete impact the adoption of these statements will have on its financial position or results of operations.

OUTLOOK

Consistent with the views of most economists, the company expects it will be the second half of 2002 before meaningful economic improvement materializes. The pricing environment is expected to be competitive, yet stable, over the course of 2002. Given the experience with successful yield and cost management initiatives, all Yellow operating companies are well positioned for strong improvement as the economy rebounds.

At Yellow Transportation, approximately 80 percent of the employees are represented by the International Brotherhood of Teamsters under a 5-year contract that expires in March 2003. Contract discussions are underway and negotiations toward a new National Master Freight Agreement will accelerate as 2002 progresses.

The pricing and availability of most forms of insurance have been recently impacted by the events of September 11 and by several well-publicized bankruptcies of large companies. The company expects continued access to appropriate insurance coverage; however, the premiums paid for this coverage are projected to increase significantly. In 2001, insurance premiums represented less than one-half percent of consolidated revenue. Given the size and financial strength of the company, the additional premium expenses are not expected to have a material adverse impact on financial position or results of operations.

SCS Transportation was formed in early 2002 as a holding company for Saia and Jevic. The formation of this holding company represents progress toward the strategic objective of separating the regional companies from Yellow. Assuming favorable market conditions, the company expects to spin-off SCS Transportation to shareholders during 2002.

FORWARD LOOKING STATEMENTS

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.

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FINANCIAL SUMMARY

Yellow Corporation and Subsidiaries

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AMOUNTS IN THOUSANDS EXCEPT PER SHARE DATA

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	2001 (a), (b)
FOR THE YEAR	
Operating revenue	$3,276,651
Income from operations	57,353
Depreciation and amortization	126,143
Interest expense	16,431
Income from continuing operations	15,301
Net income (loss) including discontinued operations	15,301
Net cash from operating activities	84,853
Capital expenditures, net	121,184
AT YEAR-END	
Net property and equipment	865,572
Total assets	1,285,777
Total debt (excluding off balance sheet debt)	220,026
Total debt (including off balance sheet debt)	361,526
Shareholders' equity	490,989
MEASUREMENTS	
Diluted per share data:	
Income from continuing operations	.62
Net income (loss)	.62
Shareholders' equity per share	20.14
Debt to capital ratio (excluding off balance sheet debt)	31%
Debt to capital ratio (including off balance sheet debt)	42%
Return on average shareholders' equity - continuing operations	3.2%
Return on average assets - continuing operations	1.2%
Common stock price range:	
High	27.57
Low	15.50
Average number of employees	30,000

(a) In the third quarter of 2001, the company completed its acquisition of Transportation.com. The results of operations include Transportation.com from the acquisition date.

(b) Income from operations includes a net pretax charge of $12.1 million for unusual items.

2000	1999	1998	1997
(c)	(d)	(e)	
$ 3,588,140	$ 3,226,847	$ 2,900,577	$ 2,898,414
152,529	107,506	83,396	98,677
126,883	110,310	103,856	108,225
19,491	15,303	11,685	13,546
69,302	50,915	40,077	52,740
68,018	50,915	(28,669)	52,435
227,113	250,036	154,575	119,984
134,837	313,692	95,633	79,566
888,578	866,772	702,802	692,159
1,308,477	1,325,583	1,105,685	1,270,812
205,437	276,407	157,065	165,705
382,437	411,407	200,065	183,705
459,776	409,380	371,252	445,851
2.79	2.02	1.49	1.84
2.74	2.02	(1.06)	1.83
18.65	16.37	13.90	15.77
31%	40%	30%	27%
45%	50%	35%	29%
15.9%	13.0%	9.8%	12.5%
5.3%	4.2%	3.4%	4.2%
22.13	19.63	29.88	34.13
13.81	14.38	9.69	14.13
32,900	31,200	29,700	29,000

(c) Income from operations includes a net pretax benefit of $12.2 million for unusual items.
(d) In July 1999, the company acquired Jevic Transportation, Inc. The results of operations include Jevic from the acquisition date.
(e) In 1998, the company sold Preston Trucking Company, Inc. All selected financial data has been restated to disclose Preston Trucking as a discontinued operation.

CONSOLIDATED BALANCE SHEETS

Yellow Corporation and Subsidiaries December 31, 2001 and 2000

AMOUNTS IN THOUSANDS EXCEPT PER SHARE DATA

	2001	2000
ASSETS		
CURRENT ASSETS:		
Cash	$ 20,694	$ 25,799
Accounts receivable, less allowances of $14,504 and $15,835	208,267	222,926
Fuel and operating supplies	14,274	15,455
Prepaid expenses	69,175	49,225
Total current assets	312,410	313,405
PROPERTY AND EQUIPMENT:		
Land	115,446	113,929
Structures	597,612	585,960
Revenue equipment	1,115,173	1,130,868
Technology equipment and software	172,614	168,446
Other	132,561	129,734
	2,133,406	2,128,937
Less - Accumulated depreciation	1,267,834	1,240,359
Net property and equipment	865,572	888,578
Goodwill, net of amortization	101,722	94,392
Other assets	6,073	12,102
Total assets	$1,285,777	$1,308,477

	2001	2000
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Checks outstanding in excess of bank balances	$ 70,660	$ 64,068
Accounts payable	57,683	76,814
Wages, vacations, and employees' benefits	130,806	173,332
Deferred income taxes, net	6,511	3,013
Claims and insurance accruals	57,471	69,663
Other current and accrued liabilities	39,796	46,518
Current maturities of long-term debt	6,281	68,792
Total current liabilities	369,208	502,200
OTHER LIABILITIES:		
Long-term debt	213,745	136,645
Deferred income taxes, net	92,817	92,413
Claims, insurance and other	119,018	117,443
Total other liabilities	425,580	346,501
Commitments and contingencies		
SHAREHOLDERS' EQUITY:		
Series A $10 Preferred stock, $1 par value-authorized 750 shares	-	-
Preferred stock, $1 par value-authorized 4,250 shares	-	-
Common stock, $1 par value-authorized 120,000 shares, issued 31,028 and 29,959 shares	31,028	29,959
Capital surplus	41,689	23,304
Retained earnings	537,496	522,195
Accumulated other comprehensive income	(6,252)	(2,710)
Treasury stock, at cost (6,163 shares)	(112,972)	(112,972)
Total shareholders' equity	490,989	459,776
Total liabilities and shareholders' equity	$ 1,285,777	$ 1,308,477

The notes to consolidated financial statements are an integral part of these balance sheets.

STATEMENTS OF CONSOLIDATED OPERATIONS

Yellow Corporation and Subsidiaries for the years ended December 31

AMOUNTS IN THOUSANDS EXCEPT PER SHARE DATA

	2001	2000	1999
OPERATING REVENUE	$ 3,276,651	$ 3,588,140	$ 3,226,847
OPERATING EXPENSES:			
Salaries, wages and employees' benefits	2,074,458	2,210,505	2,041,590
Operating expenses and supplies	535,762	583,594	490,446
Operating taxes and licenses	107,156	112,329	100,602
Claims and insurance	77,250	80,619	70,227
Depreciation and amortization	126,143	126,883	110,310
Purchased transportation	286,436	333,846	305,840
Unusual items	12,093	(12,165)	326
Total operating expenses	3,219,298	3,435,611	3,119,341
INCOME FROM OPERATIONS	57,353	152,529	107,506
NONOPERATING (INCOME) EXPENSES:			
Interest expense	16,431	19,491	15,303
Interest income	(1,210)	(1,140)	(1,207)
Loss on equity method investment	5,741	3,329	-
Other, net	7,866	9,161	4,131
Nonoperating expenses, net	28,828	30,841	18,227
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	28,525	121,688	89,279
INCOME TAX PROVISION	13,224	52,386	38,364
INCOME FROM CONTINUING OPERATIONS	15,301	69,302	50,915
Loss from discontinued operations, net	-	(1,284)	-
NET INCOME	$ 15,301	$ 68,018	$ 50,915
AVERAGE COMMON SHARES OUTSTANDING-BASIC	24,376	24,649	25,003
AVERAGE COMMON SHARES OUTSTANDING-DILUTED	24,679	24,787	25,168
BASIC EARNINGS (LOSS) PER SHARE:			
Income from continuing operations	$ .63	$ 2.81	$ 2.04
Loss from discontinued operations	-	(.05)	-
Net income	$ .63	$ 2.76	$ 2.04
DILUTED EARNINGS (LOSS) PER SHARE:			
Income from continuing operations	$ .62	$ 2.79	$ 2.02
Loss from discontinued operations	-	(.05)	-
Net income	$ .62	$ 2.74	$ 2.02

The notes to consolidated financial statements are an integral part of these statements.

STATEMENTS OF CONSOLIDATED CASH FLOWS

Yellow Corporation and Subsidiaries for the years ended December 31

AMOUNTS IN THOUSANDS

	2001	2000	1999
OPERATING ACTIVITIES:			
Net income	$ 15,301	$ 68,018	$ 50,915
Noncash items included in net income:			
Depreciation and amortization	126,143	126,883	110,310
Loss from discontinued operations	-	1,284	-
Loss on equity method investment	5,741	3,329	-
Deferred income tax provision	15,864	11,824	11,106
(Gains) losses from property disposals, net	(133)	(14,876)	326
Changes in assets and liabilities, net:			
Accounts receivable	54,264	(5,864)	(54,915)
Accounts receivable securitizations, net	(35,500)	42,000	92,000
Accounts payable and checks outstanding	(14,214)	10,843	(18,366)
Other working capital items	(92,055)	(6,530)	54,510
Claims, insurance and other	(1,419)	(10,649)	3,419
Other, net	10,861	851	731
Net cash from operating activities	84,853	227,113	250,036
INVESTING ACTIVITIES:			
Acquisition of property and equipment	(113,186)	(164,804)	(159,275)
Proceeds from disposal of property and equipment	12,132	35,081	10,090
Acquisition of subsidiaries	(14,300)	-	(164,507)
Other	(5,830)	(5,114)	-
Net cash used in investing activities	(121,184)	(134,837)	(313,692)
FINANCING ACTIVITIES:			
Unsecured bank credit lines, net	25,000	(40,000)	100,000
Repayment of long-term debt	(10,412)	(31,045)	(25,564)
Proceeds from exercise of stock options	16,638	6,984	1,103
Treasury stock purchases	-	(24,997)	(14,824)
Net cash from (used in) financing activities	31,226	(89,058)	60,715
NET INCREASE (DECREASE) IN CASH	(5,105)	3,218	(2,941)
CASH, BEGINNING OF YEAR	25,799	22,581	25,522
CASH, END OF YEAR	$ 20,694	$ 25,799	$ 22,581
SUPPLEMENTAL CASH FLOW INFORMATION:			
Income taxes paid, net	$ 5,268	$ 47,813	$ 16,447
Interest paid	$ 16,628	$ 19,761	$ 14,569

The notes to consolidated financial statements are an integral part of these statements.

STATEMENTS OF CONSOLIDATED SHAREHOLDERS' EQUITY

Yellow Corporation and Subsidiaries

AMOUNTS IN THOUSANDS

	Total	Common Stock	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock
BALANCE, DECEMBER 31, 1998	$ 371,252	$ 29,356	$ 14,948	$ 403,262	$ (3,163)	$ (73,151)
Net income	50,915	-	-	50,915	-	-
Foreign currency translation adjustments	841	-	-	-	841	-
Total comprehensive income	51,756					
Exercise of stock options, including tax benefits	1,103	75	1,028	-	-	-
Treasury stock purchases	(14,824)	-	-	-	-	(14,824)
Other	93	6	87	-	-	-
BALANCE, DECEMBER 31, 1999	409,380	29,437	16,063	454,177	(2,322)	(87,975)
Net income	68,018	-	-	68,018	-	-
Foreign currency translation adjustments	(388)	-	-	-	(388)	-
Total comprehensive income	67,630					
Exercise of stock options, including tax benefits	7,646	516	7,130	-	-	-
Treasury stock purchases	(24,997)	-	-	-	-	(24,997)
Other	117	6	111	-	-	-
BALANCE, DECEMBER 31, 2000	459,776	29,959	23,304	522,195	(2,710)	(112,972)
Net income	15,301	-	-	15,301	-	-
Foreign currency translation adjustments	(616)	-	-	-	(616)	-
Changes in the fair value of interest rate swaps	(2,926)	-	-	-	(2,926)	-
Total comprehensive income	11,759					
Exercise of stock options, including tax benefits	19,349	1,063	18,286	-	-	-
Other	105	6	99	-	-	-
BALANCE, DECEMBER 31, 2001	$ 490,989	$ 31,028	$ 41,689	$ 537,496	$ (6,252)	$(112,972)

The notes to consolidated financial statements are an integral part of these statements.

PRINCIPLES OF CONSOLIDATION AND
SUMMARY OF ACCOUNTING POLICIES

The accompanying consolidated financial statements include the accounts of Yellow Corporation and its wholly-owned subsidiaries (the company). All significant intercompany accounts and transactions have been eliminated in consolidation. Management makes estimates and assumptions which affect the amounts reported in the financial statements and footnotes. Actual results could differ from those estimates.

The company provides transportation services primarily to the less-than-truckload (LTL) market throughout North America. Principal operating subsidiaries are Yellow Transportation, Inc., formerly Yellow Freight System, Inc. (Yellow Transportation), Saia Motor Freight Line, Inc. (Saia), Jevic Transportation, Inc. (Jevic) and Meridian IQ, LLC (Meridian IQ), formerly Transportation.com. The company integrated WestEx, Inc. and Action Express, Inc. into Saia, effective March 2001.

In the third quarter of 2001, Yellow Corporation acquired the 35 percent ownership in Transportation.com that it did not own from its venture capital partners. The company began consolidating Transportation.com subsequent to the acquisition. Prior to the acquisition date, the company accounted for its 65 percent ownership interest under the equity method of accounting in accordance with EITF 96-16 due to substantive participating rights of the minority investors. Losses on the company's investment were recorded in nonoperating expenses, until the acquisition date.

Major accounting policies and practices used in the preparation of the accompanying financial statements not covered in other notes to consolidated financial statements are as follows:

- Cash includes demand deposits and highly liquid investments purchased with original maturities of three months or less.

- Fuel is carried at average cost. The company has used heating oil financial instruments to manage a portion of its exposure to fluctuating diesel prices. Under the agreements, the company received or made payments based on the difference between a fixed and a variable price for heating oil. These agreements provided protection from rising fuel prices, but limited the ability to benefit from price decreases below the purchase price of the agreements. Such agreements were in place during 1999 and until August, 2000 when all agreements were completed and no new agreements have been entered into subsequently. At December 31, 1999, the company had agreements for 40.7 million gallons at a cost averaging $.46 per gallon. Gains and losses on the agreements were recognized as a component of fuel expense when the corresponding fuel was purchased.

- The company utilizes interest rate swap contracts to hedge a portion of its variable rate debt. The company acquired certain interest rate contracts in connection with the 1999 Jevic acquisition, which hedge principally LIBOR based floating rate debt. In December 2000, the company entered into a 3 year interest rate swap agreement with a notional amount of $50 million under which the company pays a fixed rate of 6.06 percent and receives a variable three month LIBOR rate. This interest rate contract has been designated as a hedge of the company's exposure to a portion of its off balance sheet variable rate ABS financing. At December 31, 2001 approximately 70 percent of the company's debt and off balance sheet financing was variable rate and the company had interest rate contracts for fixed rates on approximately one fourth of this variable rate debt. These interest rate contracts had notional amounts totaling $60.8 million and $62.3 million at December 31, 2001 and December 31, 2000, respectively. The company recorded a $34 thousand loss in 2001 and no loss in 2000 in other net nonoperating expense representing the ineffectiveness of the correlation between the hedge and the off balance sheet financing. At December 31, 2001, the company recorded $2.9 million unrealized loss on the interest rate contracts as a decrease to accumulated other comprehensive income. The differentials paid under the contracts designated as hedges are recognized as adjustments to interest expense or financing costs as appropriate, and approximated $800,000 in 2001.

- Property and equipment are carried at cost less accumulated depreciation. Depreciation is computed using the straight-line method based on the following service lives:

	Years
Structures	10 - 40
Revenue equipment	3 - 14
Technology equipment and software	3 - 5
Other	3 - 15

- Maintenance and repairs are charged to operations currently; replacements and improvements are capitalized.

- The company's investment in technology equipment and software consists primarily of advanced customer service and freight management communications equipment and related software.

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- - The company capitalizes certain costs associated with developing or obtaining internal-use software. Capitalizable costs include external direct costs of materials and services utilized in developing or obtaining the software, payroll and payroll-related costs for employees directly associated with the project. For the years ended December 31, 2001, 2000 and 1999, the company capitalized $3.6 million, $4.5 million and $6.7 million, respectively, primarily payroll-related costs.

- - Unusual items includes property gains or losses on disposition of property, integration and reorganization costs. Integration charges were $6.7 million in 2001 and $2.7 million in 2000 associated with the integration of Action Express and WestEx into Saia. Integration charges consisted of severance, costs associated with disposition of duplicate facilities, costs of relogoing the WestEx and Action fleet and losses on the liquidation of receivables of the merged entities. Reorganization costs were $4.8 million in 2001 and primarily associated with the reorganization of Yellow Transportation and Transportation.com. These charges included employee separation costs, lease termination and rent costs and loss on disposition of assets. Net gains (losses) from operating property dispositions totaled $0.1 million in 2001, $14.6 million in 2000, and ($0.3) million in 1999.

- - Claims and insurance accruals, both current and long- term, reflect the estimated cost of claims for workers' compensation, cargo loss and damage, and bodily injury and property damage not covered by insurance. These costs are included in claims and insurance expense except for workers' compensation which is included in employees' benefits expense.

Reserves for workers' compensation are primarily based upon actuarial analyses prepared by independent actuaries and are discounted to present value using a risk-free rate at the date of occurrence. The risk-free rate is the U.S. Treasury rate for maturities that match the expected pay-out of workers' compensation liabilities. The process of determining reserve requirements utilizes historical trends and involves an evaluation of claim frequency, severity and other factors but not certain future administrative costs. The effect of future inflation for costs is implicitly considered in the actuarial analyses. Adjustments to previously established reserves are included in operating results.

At December 31, 2001 and 2000, estimated future payments for workers' compensation claims aggregated $107.0 million and $110.5 million, respectively. The present value of these estimated future payments was $87.4 million at December 31, 2001, and $91.4 million at December 31, 2000.

- - Revenue is recognized on a percentage completion basis while expenses are recognized as incurred.

- - The exercise of stock options under the company's various stock option plans gives rise to compensation included in the taxable income of the stock recipient and deducted by the company for federal and state income tax purposes. The compensation results from increases in the fair value of the company's common stock after the date of grant. The compensation is not recognized in expense in the accompanying financial statements. The related tax benefits increase capital surplus directly.

- - Comprehensive income for the three years ended December 31, 2001 includes foreign currency translation adjustments and changes in the fair value of interest rate swaps which are net of tax (benefit) expense of ($2.2) million in 2001, ($0.2) million in 2000, and $0.2 million in 1999.

- - Goodwill at December 31, 2001 and 2000, net of accumulated amortization of $13 million and $10 million respectively, is being amortized on a straight-line basis over 20-40 years. In 2001, the company used an estimate of business unit's undiscounted cash flows over the remaining life of the goodwill in measuring whether goodwill was recoverable. On June 30, 2001, the Financial Accounting Standards Board (FASB) issued Statement No. 142, Goodwill and Other Intangible Assets, that will be 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 $3.3 million. The company estimates the impact of this new statement could result in an impairment charge of approximately $75 million and would be recorded as a cumulative effect of change in accounting principle. The impairment charge relates to Jevic which has been adversely impacted by the downturn in the economy and increased and intense competition, subsequent to its 1999 acquisition by the company.

- - Certain reclassifications have been made to the prior year consolidated financial statements to conform with current presentation.

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DEBT AND FINANCING

At December 31, debt consisted of the following (in thousands):

	2001	2000
Unsecured credit agreement	$ 85,000	$ 60,000
Unsecured medium term notes	77,250	84,250
Industrial development bonds	18,900	20,550
Subordinated debentures, average interest rate of 6.9%, installment payments due from 2005 to 2011	16,310	16,211
Fixed rate mortgage notes, monthly principal and interest payments, final payment of $9,707 due January 2009, interest rates ranging from 7.0% to 7.7%, collateralized by Jevic facilities (net book value of $12,398 and $13,134)	11,590	11,790
Variable rate term notes, monthly principal and interest payments, due through November 2002, collateralized by Jevic revenue equipment (net book value of $4,962 and $6,478)	5,889	7,272
Variable rate mortgage note, monthly principal and interest payments, final payment of $4,497 due November 2005, collateralized by Jevic facilities (net book value of $8,790 and $9,108)	5,045	5,169
Capital leases and other	42	195
Total debt	220,026	205,437
Current maturities	6,281	68,792
Long-term debt	$213,745	$136,645

The company has a $300 million unsecured credit agreement with a group of banks which expires April 2004. At December 31, 2001 and 2000, $85 million and $60 million in borrowings were outstanding, and letters of credit issued under the agreement were $90 million and $89 million. Available borrowings under the credit agreement were $125 million and $151 million at December 31, 2001 and 2000, respectively. The agreement may be used for additional short-term borrowings and for the issuance of standby letters of credit. Interest on borrowings is based, at the company's option, at a fixed increment over the London interbank offered rate or the agent bank's base rate, which was 2.44 percent and 6.00 percent at December 31, 2001 and 2000, respectively. Under the terms of the agreement, among other restrictions, the company must maintain a minimum consolidated net worth and total debt must be no greater than a specified ratio of earnings before interest, income taxes, depreciation and amortization and rents, as defined. At December 31, 2001 and 2000, the company was in compliance with all terms of this credit agreement.

The company also has an Asset Backed Securitization (ABS) agreement that allows it to periodically transfer undivided percentage ownership interests in a revolving pool of Yellow Transportation trade receivables to a multi-seller conduit (conduit) administered by an independent financial institution. The agreement has no stated maturity but has an underlying letter of credit with the financial institution with a 364 day maturity. The company considers the ABS facility as debt for calculations of debt capacity and credit rating purposes.

Under the terms of the agreement, the company may transfer trade receivables to a bankruptcy-remote special purpose entity (SPE) and the conduit must purchase from the SPE an undivided ownership interest of up to $200 million, in those receivables. The SPE has been structured to be legally separate from the company, but is wholly owned and consolidated by the company. The percentage ownership interest in receivables purchased by the conduit may increase or decrease over time, depending on the characteristics of the SPE's receivables, including delinquency rates and debtor concentrations. The company services the receivables transferred to the SPE and receives a servicing fee, which company management has determined approximates market compensation for these services.

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Under the terms of the agreement, the conduit pays the SPE the face amount of the undivided interest at the time of purchase. On a periodic basis, this sales price is adjusted, resulting in payments by the SPE to the conduit of an amount that varies based on the interest rate on certain of the conduit's liabilities and the length of time the sold receivables remain outstanding. During 2001 and 2000, the company had gross sales of accounts receivable of $152 million and $193 million and redemptions of $188 million and $151 million, respectively.

The company's loss on these sale of receivables to the conduit was $8.0 million in 2001, $10.1 million in 2000 and $6.1 million in 1999 and is included in other nonoperating expense in the statement of consolidated operations. From an economic perspective, the loss on sale of receivables represents a financing charge.

At December 31, 2001 and 2000, the outstanding balance of SPE receivables was $98 million and $109 million, which is net of $142 million and $177 million of receivables sold by the SPE with undivided interests to the conduit. The company's retained interest in the SPE's receivables is subordinate to, and provides credit enhancement for the conduit's ownership interest in the SPE's receivable, and is available to the conduit to pay any fees or expenses due to the conduit, and to absorb all credit losses incurred on any of the SPE's receivables.

The company maintains financing flexibility under the credit agreement and the ABS agreement. Medium term notes maturing within one year of $22 million, and intended to be refinanced, are classified as long-term. Medium term notes have scheduled maturities through 2008 with fixed interest rates ranging from 6.0 percent to 7.9 percent.

The company has loan guarantees, mortgages and lease contracts in connection with the issuance of industrial development bonds used to acquire, construct or expand terminal facilities. Interest rates on some issues are variable. Rates on these bonds and other debt currently range from 2.4 percent to 7.5 percent, with principal payments due through 2020.

The principal maturities of long-term debt for the next five years (in thousands) are as follows: 2002 - $6,281, 2003 - $24,627, 2004 - $123,482, 2005 - - $22,468, 2006 - $8,729, thereafter $34,439.

Based on the borrowing rates currently available to the company for debt with similar terms and remaining maturities, the fair value of total balance sheet debt at December 31, 2001 and 2000, was approximately $225 million and $210 million.

EMPLOYEE BENEFITS

Certain subsidiaries provide defined benefit pension plans for employees not covered by collective bargaining agreements (approximately 15 percent of total employees). The benefits are based on years of service and the employees' final average earnings. The company's funding policy is to contribute the minimum required tax deductible contribution for the year while taking into consideration any variable Pension Benefit Guarantee Corporation premium. Approximately 40 percent of the plans' assets consist of fixed income securities, 50 percent are invested in U.S. equities, and 10 percent are invested in international equities.

Effective January 1, 2000, the Board of Directors adopted an amendment to the pension plan that provides for the payment of unreduced benefits, at early retirement, for a participant whose combination of age and vested service equals 85 years or greater.

The following tables set forth the plans' funded status and components of net pension cost (in thousands):

	2001	2000
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 309,029	$ 258,867
Service cost	14,191	11,326
Interest cost	23,427	21,733
Plan amendment	1,660	543
Actuarial loss	19,472	25,352
Benefits paid	(11,744)	(8,792)
Benefit obligation at end of year	$ 356,035	$ 309,029
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 269,765	$ 257,720
Actual return on plan assets	(12,864)	(1,610)
Employer contributions	29,445	22,447
Benefits paid	(11,744)	(8,792)
Fair value of plan assets at end of year	$ 274,602	$ 269,765
Funded status	$ (81,433)	$ (39,264)
Unrecognized transition asset	(2,235)	(6,120)
Unrecognized prior service cost	13,985	13,629
Unrecognized net actuarial loss	27,382	(14,594)
Accrued benefit cost	$ (42,301)	$ (46,349)

	2001	2000	1999
Net pension cost:			
Service cost - benefits earned during the period	$ 14,191	$ 11,326	$ 9,782
Interest cost on projected benefit obligation	23,427	21,733	17,981
Actual return on plan assets	12,864	1,610	(39,418)
Amortization of unrecognized net assets	(1,080)	(1,275)	(1,799)
Net deferral	(33,569)	(22,352)	15,409
Net pension cost	$ 15,833	$ 11,042	$ 1,955
Weighted average assumptions at December 31:			
Discount rate	7.25%	7.50%	7.75%
Rate of increase in compensation levels	4.50%	4.50%	4.50%
Expected rate of return on assets	9.00%	9.00%	9.00%

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The company contributes to multi-employer health, welfare and pension plans for employees covered by collective bargaining agreements (approximately 60 percent of total employees). The health and welfare plans provide health care and disability benefits to active employees and retirees. The pension plans provide defined benefits to retired participants. The company charged to expense and contributed the following amounts to these plans (in thousands):

	2001	2000	1999
Health and welfare	$ 150,012	$ 154,730	$ 141,884
Pension	157,148	167,772	151,964
Total	$ 307,160	$ 322,502	$ 293,848

Under current legislation regarding multi-employer pension plans, a termination, withdrawal or partial withdrawal from any multi-employer plan that is in an under-funded status would render the company liable for a proportionate share of such multi-employer plans' unfunded vested liabilities. This potential unfunded pension liability also applies to the company's unionized competitors who contribute to multi-employer plans. Based on the limited information available from plan administrators, which the company cannot independently validate, the company believes that its portion of the contingent liability would be material to its financial position and results of operations. The company's unionized subsidiary has no intention of taking any action that would subject the company to obligations under the legislation.

The company's employees covered under collective bargaining agreements can also participate in a contributory 401(k) plan. There are no employer contributions to this plan.

Certain subsidiaries also sponsor defined contribution plans, primarily for employees not covered by collective bargaining agreements. The plans principally consist of contributory 401(k) savings plans and noncontributory profit sharing plans. Company contributions to the 401(k) savings plans consist of both a fixed matching percentage and a discretionary amount. The nondiscretionary company match is equal to 25 percent of the first six percent of an eligible employees contributions. The company's discretionary contributions for both the 401(k) savings plan and profit sharing plans are determined annually by the Board of Directors of each participating company. Contributions for each of the three years in the period ended December 31, 2001, were not material to the operations of the company.

The company and its operating subsidiaries each provide annual performance incentive awards to nonunion employees which are based primarily on actual operating results achieved compared to targeted operating results. Operating results in 2001, 2000 and 1999 include performance incentive accruals for nonunion employees of $7.1 million, $41.5 million and $33.1 million, respectively. Performance incentive awards for a year are primarily paid in the first quarter of the following year.

STOCK OPTIONS

The company has reserved 4.7 million shares of its common stock for issuance to key management personnel of the company and its operating subsidiaries under four stock option plans. The plans generally permit grants of nonqualified stock options and grants of stock options coupled with a grant of stock appreciation rights. The 1992 plan also permits grants of restricted stock awards.

Under the plans, the exercise price of each option equals the market price of the company's common stock on the date of grant and the options expire ten years from the date of grant. The options vest ratably, generally over a period of four years.

In addition, the company has reserved 200,000 shares of its common stock for issuance to its Board of Directors.

The company applies Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees, in accounting for its plans. No significant compensation cost was recognized in any of the three years ended December 31, 2001. The following table presents pro forma net income and diluted earnings per share, had compensation costs been recognized in accordance with Financial Accounting Standards Board Statement No. 123, Accounting for Stock-Based Compensation. The pro forma calculations, were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions.

	2001	2000	1999
Dividend yield	-%	-%	-%
Expected volatility	36.8%	36.2%	40.4%
Risk-free interest rate	4.2%	5.9%	5.9%
Expected option life (years)	3	3	3
Fair value per option	$ 6.04	$ 4.85	$ 5.42

(In millions except per share data)			
Net income	$ 15.3	$ 68.0	$ 50.9
Pro forma compensation expense, net of tax benefit	2.1	1.7	2.1
Pro forma net income	$ 13.2	$ 66.3	$ 48.8
Pro forma earnings per share - diluted	$ .53	$ 2.67	$ 1.94

At December 31, 2001, 2000 and 1999, options on approximately 1,054,000 shares, 1,421,000 shares, and 1,283,000 shares respectively were exercisable at weighted average exercise prices of $20.62, $18.12 and $17.18, respectively. The weighted average remaining contract life on outstanding options at December 31, 2001, 2000 and 1999 was 7.3 years, 7.9 years and 7.8 years. A summary of activity in the company's stock option plans is presented in the following table.

		Exercise Price	
	Shares (thousands)	Weighted Average	Range
Outstanding at December 31, 1998	3,053	$ 18.10	$ 11.50 - 27.00
Granted	751	15.97	15.00 - 18.13
Exercised	(75)	13.28	12.25 - 17.13
Cancelled	(595)	19.71	12.25 - 27.00
Outstanding at December 31, 1999	3,134	17.44	11.50 - 27.00
Granted	1,170	16.63	14.56 - 18.75
Exercised	(517)	13.54	11.50 - 18.13
Cancelled	(412)	19.13	11.50 - 27.00
Outstanding at December 31, 2000	3,375	17.55	11.50 - 27.00
Granted	42	20.30	18.25 - 21.87
Exercised	(1,063)	15.64	11.50 - 24.05
Cancelled	(83)	18.57	12.25 - 24.05
Outstanding at December 31, 2001	2,271	$ 18.46	$ 11.50 - 27.00

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ACQUISITIONS

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 partners. The cash purchase price of approximately $14.3 million was allocated primarily to goodwill ($10.3 million) and tax benefit receivable ($4.0 million). The purchase agreements provide for material contingent payments to be paid to the sellers in the event of a public offering of Meridian IQ on or before August 2006. The company has no plans for a public offering of Meridian IQ. In accordance with FASB Statement 142, no amortization of goodwill was recorded in 2001. The results of Meridian IQ have been consolidated in the company's financial statements from September 2001 through December 31, 2001.

The following unaudited pro forma financial information for the company gives effect to the Meridian IQ acquisition as if it had occurred on January 1, 2000. These pro forma results of operations have been prepared for comparative purposes only and do not purport to be indicative of the results of operations which actually would have resulted had the acquisition occurred on the date indicated, or which may result in the future. (Pro forma financial information is in millions, except per share data.)

	For The Year Ended December 31, 2001	2000
Revenue	$ 3,296.5	$ 3,594.8
Net income from continuing operations	$ 11.9	$ 65.6
Net income	$ 11.9	$ 64.3
Per Share Data:		
Net income from continuing operations	$ .48	$ 2.64
Net income	$ .48	$ 2.59

On July 9, 1999 the company completed a cash tender offer for all of the common stock of Jevic Transportation, Inc. at $14 per share. The aggregate purchase price of the stock, including vested stock options and transaction costs was approximately $160.8 million, net of an anticipated $4.3 million tax benefit relating to the cost of the stock options. Transaction costs relate primarily to legal and professional fees (in millions).

Purchase Price:	
Common stock purchased	$ 149.9
Stock options, net of tax benefit	7.0
Transaction fees	3.9
Total	$ 160.8

Including assumption of debt of approximately $45 million, the total transaction cost was approximately $200 million. The transaction was accounted for under purchase accounting and the excess of purchase price over fair value of assets acquired was allocated to goodwill and was amortized over 40 years through December 31, 2001. Accordingly, the results of operations for Jevic have been included in the company's financial statements from July 10, 1999 through December 31, 2001.

Both acquisitions were financed under the company's existing credit facilities.

DISCONTINUED OPERATIONS

In July 1999, Preston Trucking Company (a former segment of the company sold in 1998) ceased operations and commenced a liquidation of its assets under federal bankruptcy regulations. The company recorded a charge to discontinued operations of $1.3 million net of tax benefit of $0.7 million in 2000 to settle pending liabilities associated with the bankruptcy. The company does not anticipate any material change in the loss from disposition of the discontinued operations.

INCOME TAXES

The company accounts for income taxes in accordance with the liability method. Deferred income taxes are determined based upon the difference between the book and the tax basis of the company's assets and liabilities. Deferred taxes are provided at the enacted tax rates expected to be in effect when these differences reverse. Deferred tax liabilities (assets) are comprised of the following at December 31 (in thousands):

	2001	2000
Depreciation	$ 140,967	$ 134,873
Prepaids	11,191	12,828
Employee benefits	33,277	40,926
Revenue	21,082	22,620
Other	1,937	1,187
Gross tax liabilities	208,454	212,434
Claims and insurance	(48,174)	(65,153)
Bad debts	(5,287)	(5,660)
Employee benefits	(22,783)	(21,101)
Revenue	(18,346)	(16,241)
Other	(14,536)	(8,853)
Gross tax assets	(109,126)	(117,008)
Net tax liability	$ 99,328	$ 95,426

A reconciliation between income taxes at the federal statutory rate and the consolidated effective tax rate from continuing operations follows:

	2001	2000	1999
Federal statutory rate	35.0%	35.0%	35.0%
State income taxes, net	0.2	4.1	3.4
Nondeductible goodwill	3.7	0.9	0.7
Nondeductible business expenses	9.9	3.1	3.2
Foreign tax rate differential	(1.5)	0.5	0.7
Other, net	(1.0)	(0.6)	-
Effective tax rate	46.3%	43.0%	43.0%

The income tax provision from continuing operations consists of the following (in thousands):

	2001	2000	1999
Current:			
U.S. federal	$ (340)	$ 34,355	$ 23,554
State	(2,805)	6,358	4,158
Foreign	505	(151)	(454)
Current income tax provision	(2,640)	40,562	27,258
Deferred:			
U.S. federal	13,465	9,703	9,182
State	2,810	1,445	822
Foreign	(411)	676	1,102
Deferred income tax provision	15,864	11,824	11,106
Income tax provision	$ 13,224	$ 52,386	$ 38,364
Based on the income before income taxes:			
Domestic	$ 27,285	$ 122,033	$ 89,269
Foreign	1,240	(345)	10
Income before income taxes	$ 28,525	$ 121,688	$ 89,279

EARNINGS PER COMMON SHARE

		Continuing Operations		Discontinued Operations	
	Average Incremental Shares	Earnings	Earnings Per Share	Loss	Loss Per Share
1999					
Basic	25,003	$ 50,915	$ 2.04	$ -	$ -
Effect of dilutive options	165	-	(.02)	-	-
Diluted	25,168	$ 50,915	$ 2.02	$ -	$ -
2000					
Basic	24,649	$ 69,302	$ 2.81	$ (1,284)	$ (.05)
Effect of dilutive options	138	-	(.02)	-	-
Diluted	24,787	$ 69,302	$ 2.79	$ (1,284)	$ (.05)
2001					
Basic	24,376	$ 15,301	$ .63	$ -	$ -
Effect of dilutive options	303	-	(.01)	-	-
Diluted	24,679	$ 15,301	$ .62	$ -	$ -

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The impacts of certain options were excluded from the calculation of diluted earnings per share because average exercise prices were greater than the average market price of common shares. Data regarding those options is summarized below:

	2001	2000	1999
Weighted average option shares outstanding (in thousands)	611	1,500	1,666
Weighted average exercise price	$ 24.18	$ 20.79	$ 21.44

COMMITMENTS, CONTINGENCIES AND UNCERTAINTIES

The company leases certain terminals and equipment. At December 31, 2001, the company was committed under noncancelable lease agreements requiring minimum annual rentals payable as follows: 2002 - $35.1 million, 2003 - $22.3 million, 2004 - $12.0 million, 2005 - $6.7 million, 2006 - $3.8 million and thereafter, $6.6 million.

Projected 2002 net capital expenditures are $115 million, of which $24 million was committed at December 31, 2001.

The pricing and availability of most forms of insurance, including surety bonds, have been recently impacted by the events of September 11 and by several well-publicized bankruptcies of large companies. The company expects continued access to appropriate insurance coverage; however, the premiums paid for this coverage are projected to increase significantly. In 2001, insurance premiums represented less than one- half percent of consolidated revenue. Given the size and financial strength of the company, the additional premium expenses are not expected to have a material adverse impact on financial position or results of operations.

Various claims and legal actions are pending against the company. It is the opinion of management that these matters will have no significant impact upon the financial position or results of operations of the company.

BUSINESS SEGMENTS

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

The company has four reportable segments that are strategic business units offering different products and services. Yellow Transportation is a reportable segment that provides comprehensive national, regional and international transportation services. Saia, a regional LTL carrier is a reportable segment that provides overnight and second-day service in twenty-one states and Puerto Rico. Jevic, a reportable segment operating primarily in the Northeast, is a hybrid LTL/TL carrier that provides overnight and second-day service. Meridian IQ is a reportable 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. Management fees and other corporate services are charged to segments based on direct benefit received or allocated based on revenues.

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The following table summarizes the company's continuing operations by business segment (in thousands):

	Yellow Transportation	Saia	Jevic	Meridian IQ	Corporate and Other	Consolidated
2001						
Operating revenue	$2,492,332	$ 485,379	$ 286,203	$ 11,292	$ 1,445	$3,276,651
Income (loss) from operations	55,884	11,426	6,012	(5,738)	(10,231)	57,353
Identifiable assets	757,484	275,852	231,520	17,641	3,280	1,285,777
Capital expenditures, net	80,463	13,579	6,036	822	20,284*	121,184
Depreciation and amortization	76,227	25,269	23,897	698	52	126,143
2000						
Operating revenue	$2,777,772	$ 481,990	$ 307,019	$ 16,788	$ 4,571	$3,588,140
Income (loss) from operations	141,829	11,855	14,309	(4,507)	(10,957)	152,529
Identifiable assets	722,808	296,818	257,451	-	31,400	1,308,477
Capital expenditures, net	61,791	35,025	24,008	256	13,757	134,837
Depreciation and amortization	68,780	24,674	23,622	120	9,687	126,883
1999						
Operating revenue	$2,611,580	$ 456,635	$ 137,875	$ 16,124	$ 4,633	$3,226,847
Income (loss) from operations	85,412	17,355	10,073	(3,006)	(2,328)	107,506
Identifiable assets	743,681	284,013	257,099	6,456	34,334	1,325,583
Capital expenditures, net	76,882	38,984	14,032	133	183,661**	313,692
Depreciation and amortization	67,806	22,508	10,898	123	8,975	110,310

* Includes capital expenditures of $14.3 million for the acquisition of Transportation.com.

** Includes capital expenditures of $164.5 million for the acquisition of Jevic.

Meridian IQ includes the operations of Transportation.com as well as other non-asset based services. The segment data for Meridian IQ includes the partial year results of operations of Transportation.com and other non-asset based services for the periods they were part of the company's consolidated financial results. As previously discussed in the notes to consolidated financial statements, from June 2000 through August 2001, Transportation.com was accounted for under the equity method of accounting. Accordingly, nonoperating expenses include losses from Transportation.com of $5.7 million in 2001 and $3.3 million in 2000. Full year revenue for Meridian IQ was $31.1 million, $23.4 million and $16.1 million in 2001, 2000 and 1999, respectively. Full year operating losses for Meridian IQ were ($16.8) million, ($13.7) million and ($3.0) million in 2001, 2000 and 1999, respectively.

Total revenue from foreign sources totaled $26.0 million, $24.5 million and $21.4 million, in 2001, 2000 and 1999 respectively and are largely derived from Canada and Mexico.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS OF YELLOW CORPORATION:

We have audited the accompanying consolidated balance sheets of Yellow Corporation (a Delaware corporation) and Subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of operations, cash flows and shareholders' equity for each of the three years in the period ended December 31, 2001. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Yellow Corporation and Subsidiaries as of December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

ARTHUR ANDERSEN LLP
Kansas City, Missouri - January 25, 2002

SUPPLEMENTARY INFORMATION

Yellow Corporation and Subsidiaries

QUARTERLY FINANCIAL INFORMATION
(UNAUDITED)
(Amounts in thousands except per share data)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2001				
Operating revenue	$ 831,978	$ 824,770	$ 834,613	$ 785,290
Income from operations	12,443	17,635	19,237	8,038
Net income	1,746	5,656	6,478	1,421
Diluted earnings per share	.07	.23	.26	.06
2000				
Operating revenue	$ 882,086	$ 904,166	$ 918,898	$ 882,990
Income from operations	25,287	46,003	43,361	37,878
Income from continuing operations	10,477	23,511	19,553	15,761
Loss from discontinued operations	-	-	-	(1,284)
Net income	10,477	23,511	19,553	14,477
Diluted earnings (loss) per share:				
From continuing operations	.41	.92	.80	.66
From discontinued operations	-	-	-	(.05)

COMMON STOCK

Yellow Corporation stock is held by approximately 2,350 shareholders of record. The company's only class of stock outstanding is common stock, traded in over-the-counter markets. Trading activity averaged 262,000 shares per day during the year, up from 163,000 shares per day in 2000. Prices are quoted by the National Association of Securities Dealers Automatic Quotation National Market System (NASDAQ-NMS) under the symbol YELL.

The high and low prices at which Yellow Corporation common stock traded for each calendar quarter in 2001 and 2000 follow:

	High	Low
2001		
First Quarter	24.69	15.63
Second Quarter	20.15	15.50
Third Quarter	27.57	16.82
Fourth Quarter	26.45	18.00
2000		
First Quarter	19.13	15.25
Second Quarter	22.13	13.81
Third Quarter	16.88	14.25
Fourth Quarter	20.38	14.13

- ---
OFFICERS

- ---

- ---

YELLOW CORPORATION

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

William F. Martin, Jr.
Senior Vice President
Legal/Corporate Secretary

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

Gregory A. Reid
Senior Vice President and
Chief Marketing Officer

Stephen L. Bruffett
Vice President and Treasurer

YELLOW TRANSPORTATION, INC.

James L. Welch
President and Chief Operating Officer

YELLOW TECHNOLOGIES, INC.
Lynn M. Caddell
President

SCS TRANSPORTATION, INC.
H.A. Trucksess, III
President

SAIA MOTOR FREIGHT LINE, INC.
Richard D. O'Dell
President

JEVIC TRANSPORTATION, INC.
Paul J. Karvois
President

MERIDIAN IQ, LLC
James D. Ritchie
President

- --

[PHOTO OF BOARD OF DIRECTORS]

- --

LEFT TO RIGHT: Howard M. Dean, William D. Zollars, William L. Trubeck, John C. McKelvey, Carl W. Vogt, Richard C. Green, Jr., Cassandra C. Carr, Dennis E. Foster

BOARD OF DIRECTORS

WILLIAM D. ZOLLARS
Director since 1999
Chairman of the Board
President and Chief Executive
Officer of the Company

CASSANDRA C. CARR 3.
Director since 1997
Senior Executive Vice
President External Affairs,
SBC Communications, Inc.

HOWARD M. DEAN 2.
Director since 1987
Chairman, Dean Foods
Company

DENNIS E. FOSTER 1., 3.*
Director since 2000
Retired Vice Chairman,
Alltel Corporation

RICHARD C. GREEN, JR. 2.
Director since 2001
Chairman, UtiliCorp United, Inc.

JOHN C. MCKELVEY 1.*
Director since 1977
President and Chief Executive
Officer, Menninger Foundation
and Menninger Psychiatric Clinic

WILLIAM L. TRUBECK 2.*
Director since 1994
Senior Vice President
and Chief Financial Officer,
Waste Management, Inc.

CARL W. VOGT 1., 3.
Director since 1996
Of Counsel, formerly
Senior Partner
Fulbright & Jaworski LLP

WILLIAM F. MARTIN, JR.
Secretary to the Board

1. Audit Committee
2. Compensation Committee
3. Governance Committee
* Committee Chairman

YELLOW CORPORATION
P.O. Box 7563
Overland Park, KS
66207
913-696-6100
http://www.yellowcorp.com

INDEPENDENT PUBLIC ACCOUNTANTS
Arthur Andersen, LLP
Kansas City, MO

TRANSFER AGENT AND REGISTRAR
Mellon Investor Services
P.O. Box 3315
So. Hackensack, NJ
01606
800-851-9677
http://www.melloninvestor.com

ANNUAL MEETING
April 18 at 9:30 a.m.
Yellow Corporation
10990 Roe Avenue
Overland Park, KS
66211

10-K REPORT
Please write to:
Treasurer
Yellow Corporation
or see our web site

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[PHOTO OF STATUE OF LIBERTY]

Following the events of September 11, this advertisement appeared nationally. We present it here as a tribute to America's heroic response.

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OUR PRIDE IN AMERICA SHINES BRIGHTER THAN EVER.

Yellow extends our heartfelt condolences to all the victims and families affected by the attacks on America. Yellow is proud to play a small part in helping to move America forward by continuing our mission of making global commerce work in a safe and secure manner.

[YELLOW CORPORATION LOGO]
YES WE CAN.(SM)

[YELLOW CORPORATION LOGO]

P.O. Box 7563
Overland Park, KS 66207
www.yellowcorp.com

Printed in the U.S.A. #505

Exhibit (23)

Consent of Independent Public Accountants

As independent public accountants, we hereby consent to the incorporation of our reports included and incorporated by reference in this Form 10-K, into the company's previously filed Form S-8 Registration Statements, File Nos. 33-47946, 333-02977, 333-16697, 333-59255 and 333-49620.

ARTHUR ANDERSEN LLP

Kansas City, Missouri,
March 14, 2002