



A Note on the IPO ...

October 18, 1999

UPS has announced its intention to offer stock to the public, but some details on that initial public offering still are being finalized. During October, existing UPS shareowners are voting on the plan to offer stock publicly. Although UPS may issue periodic updates on this Web site, all documents filed by the company with the SEC are available electronically through www.sec.gov.

Statement on Shareowner Lawsuit

10/18/99 WILMINGTON, Del. -- A judge on the Delaware Chancery Court has denied a motion for preliminary injunction requested by a UPS shareowner, who sought to block a scheduled shareowners' meeting considering a plan to offer UPS stock to the public.

The judge's ruling followed oral arguments on Monday, Oct. 18, 1999, and is fully consistent with the company's previously stated view that the legal action was without merit. UPS is extremely gratified by the court's ruling.

The merger transaction now being pursued by UPS to facilitate a public offering was carefully considered by the UPS Board of Directors and both the directors and the company's senior management believe it to be in the best interests of the company and its shareowners and fair to all involved.

In presenting the company's arguments on Monday, UPS counsel informed the court that UPS already has received votes from more than 80% of the existing shareowners approving the plans for a public offering. The UPS special shareholders' meeting to approve the reorganization necessary to proceed with the planned public offering will go forward as scheduled on Oct. 25.