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UPS Board Boosts Dividend, Raises Buyback Authorization

ATLANTA--(BUSINESS WIRE)--

The Board of Directors of UPS (NYSE:UPS), citing its confidence in the company's financial position and prospects for growth, today increased the quarterly dividend to \$0.42 per share from \$0.38 per share on all outstanding Class A and Class B shares.

The dividend is payable March 6, 2007, to shareholders of record on Feb. 20, 2007.

UPS now has increased its dividend five times in the past four years, doubling the quarterly payout from the \$0.21 per share declared in February 2003. UPS has either increased or maintained its dividend every year for more than three decades.

The Board also voted to increase to \$2 billion its authorization for the repurchase of Class A and Class B shares.

UPS, which celebrates its 100th birthday in 2007, is the world's largest package delivery company and a global leader in supply chain services, offering an extensive range of options for synchronizing the movement of goods, information and funds. Headquartered in Atlanta, Ga., UPS serves more than 200 countries and territories worldwide. UPS's stock trades on the New York Stock Exchange (UPS) and the company can be found on the Web at UPS.com.

Except for historical information contained herein, the statements made in this release constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements, including statements regarding the intent, belief or current expectations of UPS and its management regarding the company's strategic directions, prospects and future results, involve certain risks and uncertainties. Certain factors may cause actual results to differ materially from those contained in the forward-looking statements, including economic and other conditions in the markets in which we operate, governmental regulations, our competitive environment, strikes, work stoppages and slowdowns, increases in aviation and motor fuel prices, cyclical and seasonal fluctuations in our operating results, and other risks

discussed in the company's Form 10-K and other filings with the Securities and Exchange Commission, which discussions are incorporated herein by reference.

Source: UPS