



1Q26

Earnings Call

April 28, 2026



UPS Speakers



CAROL B. TOMÉ

Chief Executive Officer



BRIAN DYKES

Chief Financial Officer



PJ GUIDO

Investor Relations Officer



Forward-Looking Statements and Non-GAAP Reconciliations

Forward-Looking Statements

This presentation and our filings with the Securities and Exchange Commission contain and in the future may contain “forward-looking statements”. Statements other than those of current or historical fact, and all statements accompanied by terms such as “will,” “believe,” “project,” “expect,” “estimate,” “assume,” “intend,” “anticipate,” “target,” “plan,” and similar terms, are intended to be forward-looking statements.

From time to time, we also include written or oral forward-looking statements in other publicly disclosed materials. Such statements may relate to our intent, belief, forecasts of, or current expectations about our strategic direction, prospects, future results, or future events; they do not relate strictly to historical or current facts. Management believes that these forward-looking statements are reasonable as and when made. However, caution should be taken not to place undue reliance on any forward-looking statements because such statements speak only as of the date when made and the future, by its very nature, cannot be predicted with certainty.

Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations or anticipated results. These risks and uncertainties include, but are not limited to: changes in general economic conditions in the U.S. or internationally, including as a result of changes in the global trade policy, new or increased tariffs, government shutdowns, or geopolitical uncertainty, tensions and/or conflicts in or arising from various countries and regions, including the European Union, Ukraine, the Russian Federation, the Middle East and the Trans-Pacific region; significant competition on a local, regional, national and international basis; changes in our relationships with our significant customers; our ability to attract and retain qualified employees; strikes, work stoppages or slowdowns by our employees; increased or more complex physical or operational security requirements; a significant cybersecurity incident, or increased data protection regulations; our ability to maintain our brand image and corporate reputation; impacts from global climate change; interruptions in or impacts on our business from natural or man-made events or disasters including terrorist attacks, epidemics or pandemics; exposure to changing economic, political, regulatory and social developments in international and emerging markets; our ability to realize the anticipated benefits from acquisitions, dispositions, joint ventures or strategic

alliances; the effects of changing prices of energy, including gasoline, diesel, jet fuel, other fuels and interruptions in supplies of these commodities; changes in exchange rates or interest rates; our ability to accurately forecast our future capital investment needs; increases in our expenses or funding obligations relating to employee health, retiree health and/or pension benefits; our ability to manage insurance and claims expenses; changes in business strategy, government regulations or economic or market conditions that may result in impairments of our assets; potential additional U.S. or international tax liabilities; increasingly stringent regulations related to climate change; potential claims or litigation related to labor and employment, personal injury, property damage, business practices, environmental liability and other matters; and other risks discussed in our filings with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K for the year ended December 31, 2025 and subsequently filed reports. You should consider the limitations on, and risks associated with, forward-looking statements and not unduly rely on the accuracy of predictions contained in such forward-looking statements. We do not undertake any obligation to update forward-looking statements to reflect events, circumstances, changes in expectations or the occurrence of unanticipated events after the date of those statements, except as required by law.

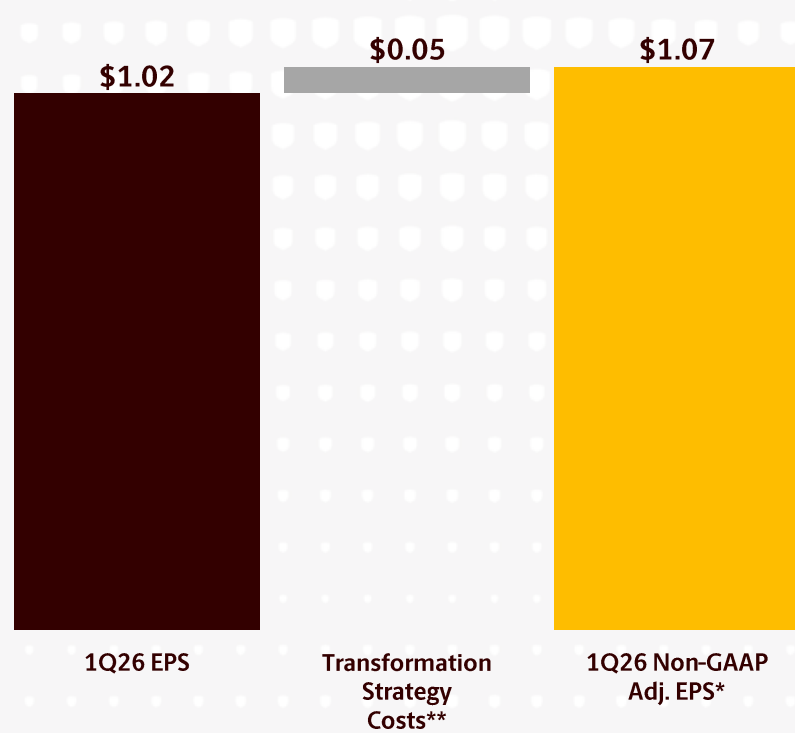
Information, including comparisons to prior periods, may reflect adjusted results. See the appendix for reconciliations of adjusted results and other non-GAAP adjusted financial measures.

The Company routinely posts important information, including news releases, announcements, materials provided or displayed at analyst or investor conferences, and other statements about its business and results of operations, that may be deemed material to investors on the Company’s Investors Relations website at www.investors.ups.com. The Company uses its website as a means of disclosing material, nonpublic information and for complying with the Company’s disclosure obligations under Regulation FD. Investors should monitor the Company’s Investor Relations website in addition to following the Company’s press releases, filings with the SEC, public conference calls and webcasts. We do not incorporate the contents of any website into this or any other report we file with the SEC.

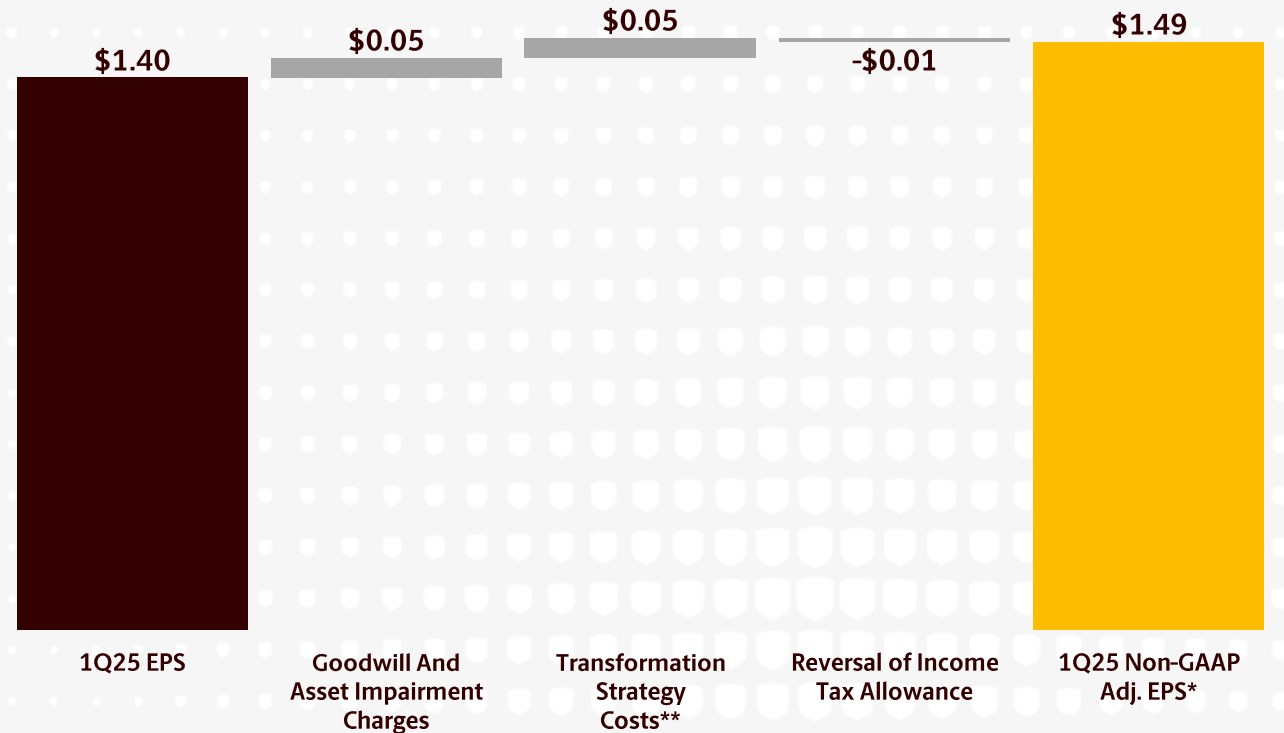


Diluted EPS

1Q26



1Q25



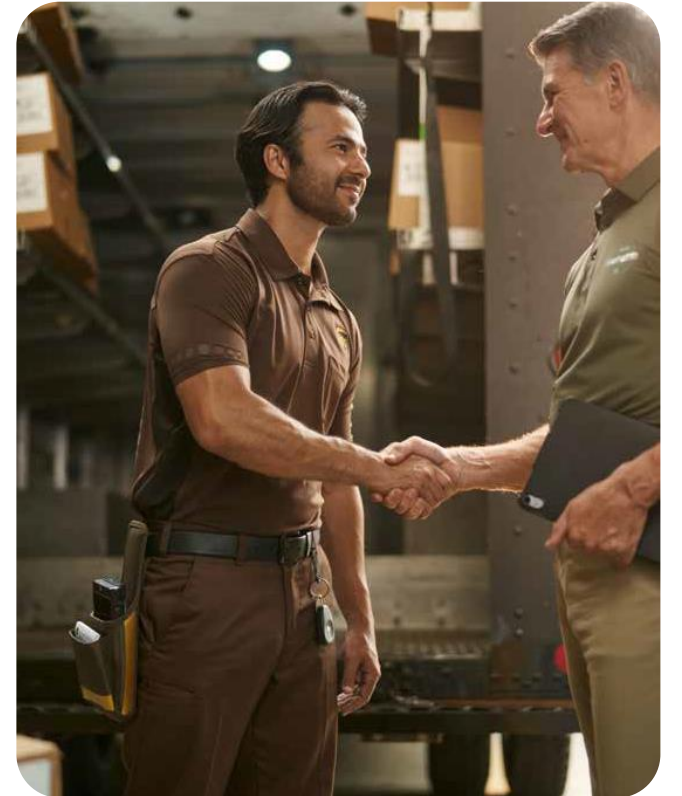


CAROL B. TOMÉ
Chief Executive Officer





**THANK YOU
FOR ALL
YOU DO
UPSERS**



The first quarter of 2026 marked a critical transition period for our company



Further reduced Amazon volume by ~500K ADV and closed an additional 23 buildings



Transitioned a portion of Ground Saver volume to USPS for last mile delivery



Launched our voluntary Driver Choice Program; on track to achieve our \$3.0 billion cost out target



Scaled back leased aircraft to replace retired MD-11 capacity as we took delivery of new aircraft



Capitalized on trade lane shifts resulting from 2025 trade policy changes



Our underlying business performed exceptionally well in 1Q26

1Q26 Consolidated Results

	1Q26	1Q25	Change Y/Y
Revenue (Ms)	\$21,202	\$21,546	(\$344)
Non-GAAP Adj. Operating Profit (Ms)*	\$1,322	\$1,763	(\$441)
Non-GAAP Adj. Operating Margin*	6.2%	8.2%	(200 bps)
Non-GAAP Adj. Diluted EPS*	\$1.07	\$1.49	(\$0.42)

“Our results were considerably better than our financial plan and targets, but it is worthwhile calling out that while we planned for it, our first-quarter performance deviated from seasonal norms, due to certain cost pressures. These pressures are largely behind us. We expect to return to consolidated revenue and operating profit growth and expand operating margin in the second quarter of this year.”

Carol B. Tomé, CEO



Our #1 priority is to move the right packages and right mix of volume through our network



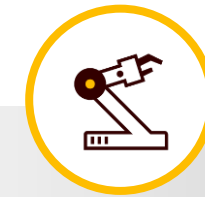
Right Packages

Prioritizing premium volume and revenue quality



Innovative and Differentiated Capabilities

RFID, cold chain, Roadie, Happy Returns, DAP and much more



Higher Productivity

Creating strategic capacity to fuel premium volume growth



Prioritizing premium volume is a global strategy

- Speeding up our European ground network to win premium commercial volume
- Opened a major expansion to our Incheon Airport hub in South Korea
- In Taiwan, opened our largest, most advanced logistics center in the region
 - Speeding up service across Asia Pacific and to/from Europe
 - Enabling global supply chains, particularly premium sections like manufacturing, high tech and healthcare
- Global healthcare portfolio:
 - Gained market share every year since 2021
 - Generated our first \$3.0 billion healthcare revenue quarter in 1Q26, with all three segments delivering Y/Y revenue growth



Reaffirming 2026 consolidated financial goals

Full Year 2026 Consolidated

Revenue	~\$89.7 billion
Non-GAAP adj. operating margin*	~9.6%





BRIAN DYKES

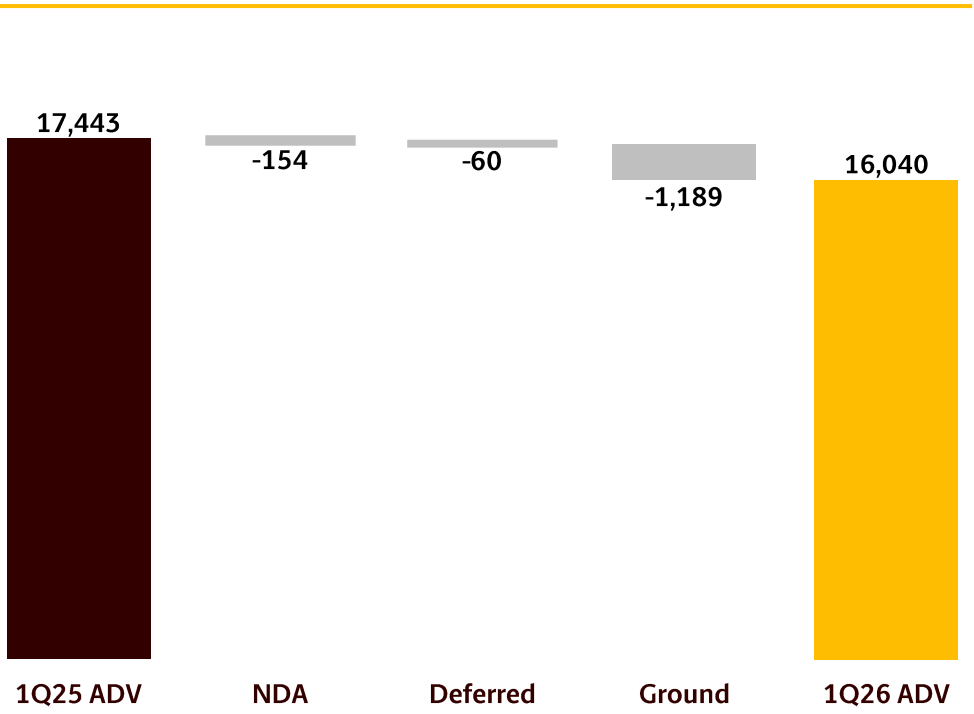
Chief Financial Officer



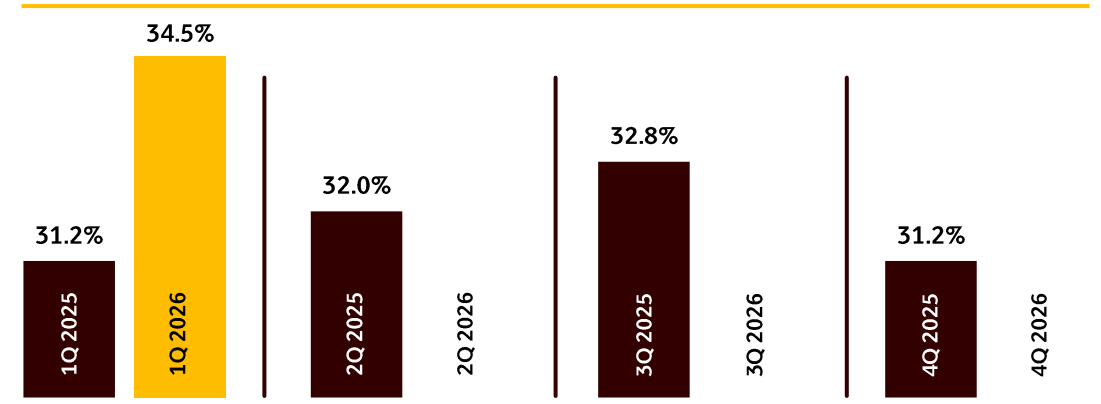
Our strategic actions drove SMB ADV growth

SMB was 34.5% of total U.S. volume, marking the highest SMB penetration in our history

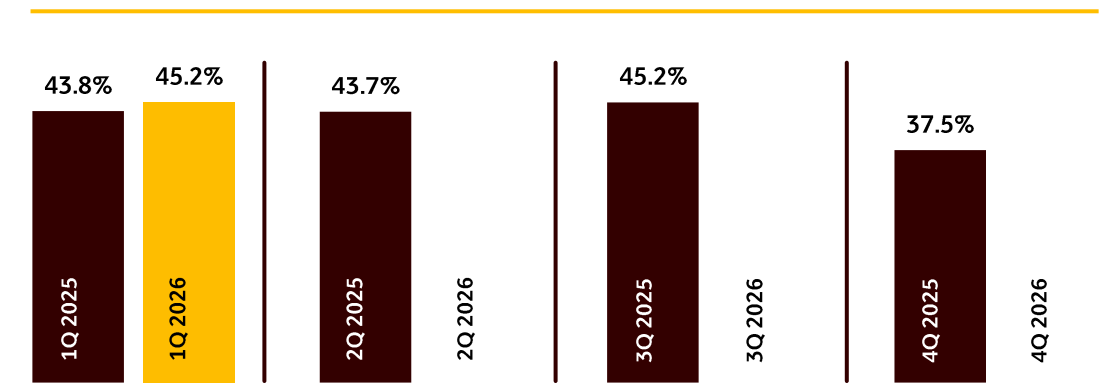
ADV Change (-8.0% Y/Y)



SMB % of Total Volume (Y/Y)



B2B % of Total Volume (Y/Y)

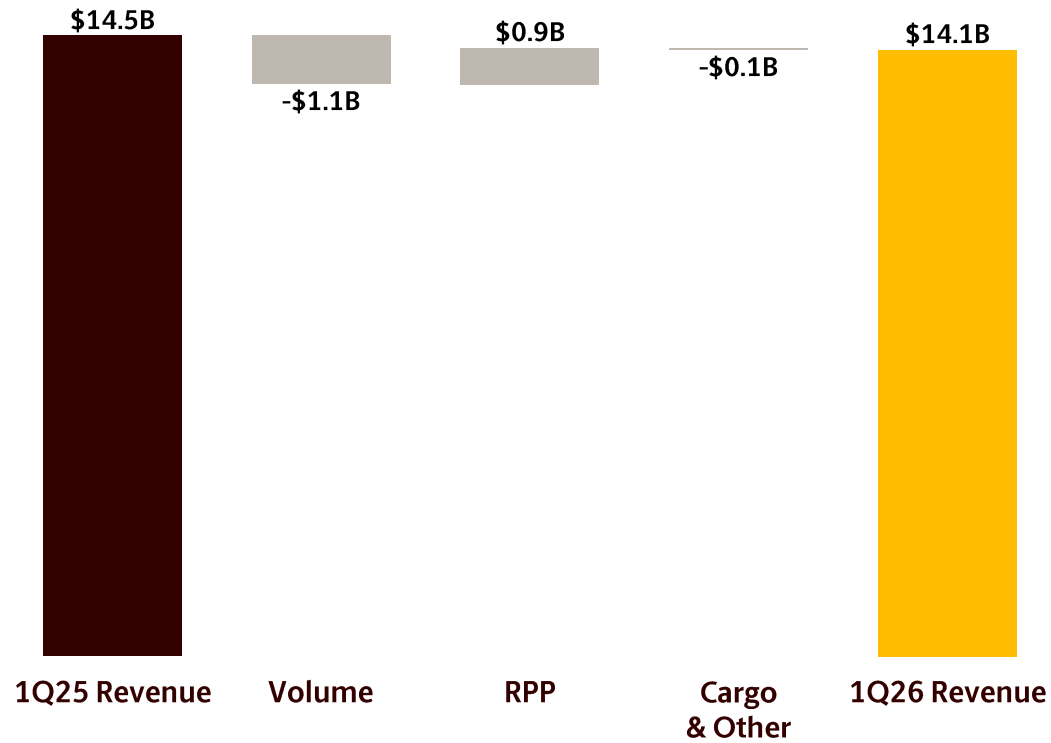


Our continued focus on a more premium volume mix has delivered several consecutive quarters of product and customer mix improvement, reinforcing our strategy is working



Strong revenue-per-piece growth of 6.5% Y/Y largely offset lower volume

Revenue Change (-2.3% Y/Y)



Revenue per piece (RPP) increased 6.5% Y/Y:

- Base rates and package characteristics increased the RPP growth rate 340 basis points
- Customer and product mix improvements increased the RPP growth rate 200 basis points
- Remaining 110 basis point increase was due to changes in fuel price



Delivered \$565M in non-GAAP adj. operating profit* in 1Q26

1Q26 U.S. Domestic Results

	1Q26	1Q25	Change Y/Y
Revenue (Ms)	\$14,125	\$14,460	(\$335)
Non-GAAP Adj. Operating Profit (Ms)*	\$565	\$1,011	(\$446)
Non-GAAP Adj. Operating Margin*	4.0%	7.0%	(300 bps)

Cost pressures are largely behind us as we move into the final months of the execution of our Amazon glidedown and network reconfiguration initiatives

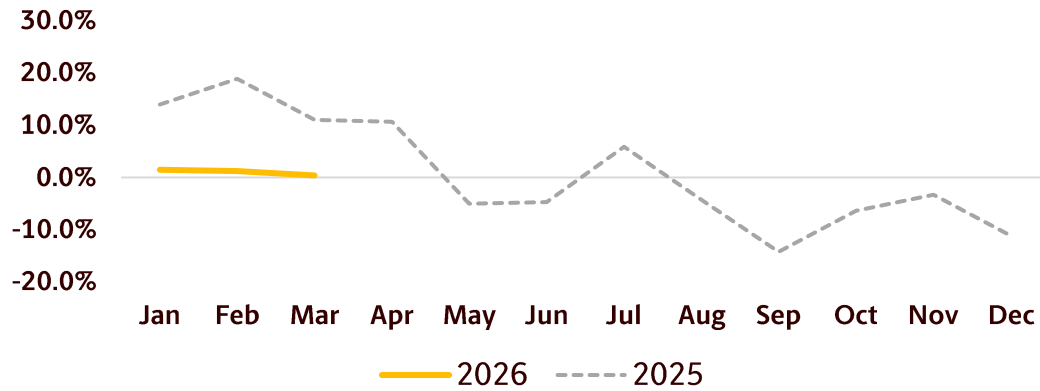
Total non-GAAP adj. operating expense* nearly flat Y/Y

- Higher productivity and progress on the Amazon glidedown partially offset short-term cost pressures of \$350M, including:
 - Temporary third-party lease expense to cover retired MD-11 capacity
 - Transition costs and excess operational staffing related to Ground Saver
 - Cost from inclement weather and an increase in casualty expense
- Non-GAAP adj. cost per piece* increased 9.5%
- Non-GAAP adj. operating margin* of 4.0%, including a 250 basis point negative impact from short-term cost pressures



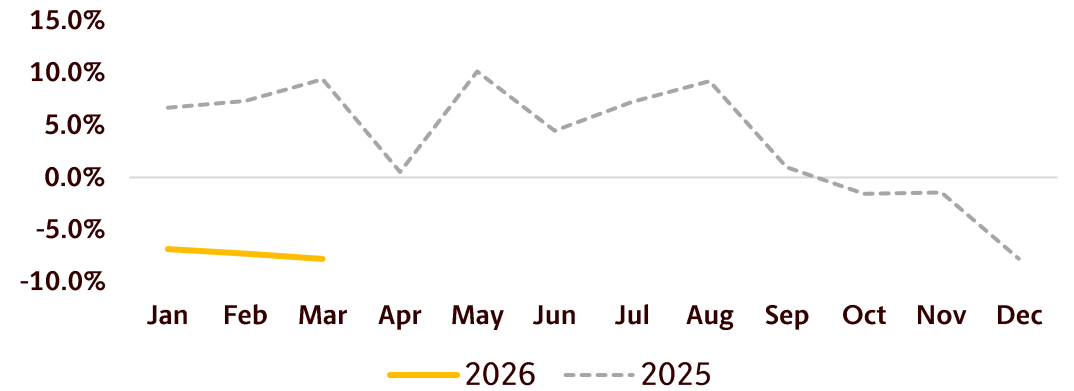
Despite the declines in U.S. inbound lanes, outside of the U.S. we see some slight improvement in volume trends

Total Asia* Monthly ADV (Y/Y)

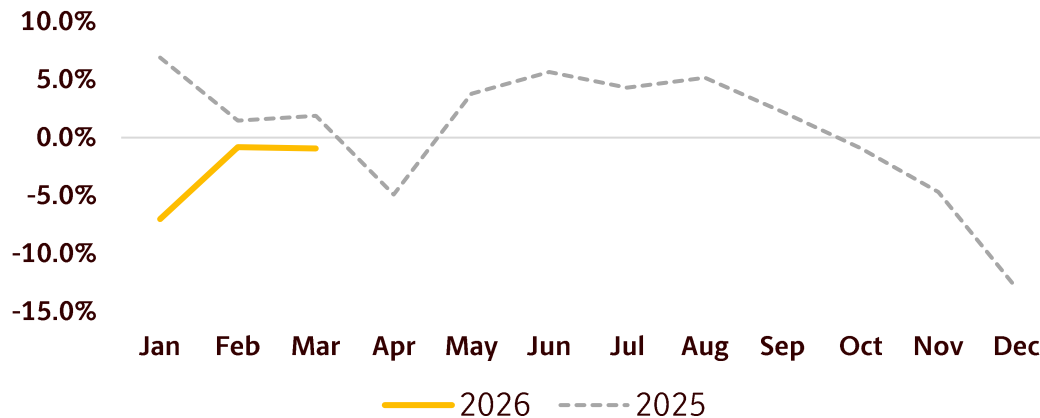


*Lunar New Year was in February 2026 and January 2025

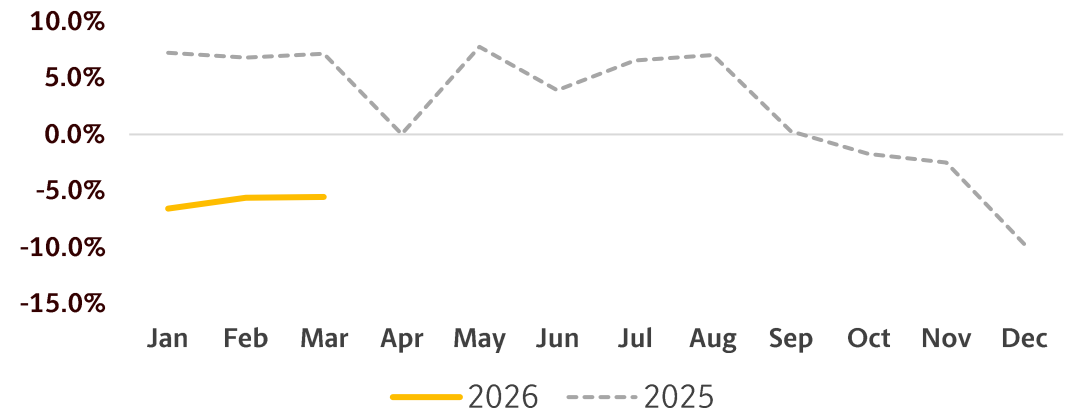
Total Europe Monthly ADV (Y/Y)



Total Americas Monthly ADV (Y/Y)



Total International Monthly ADV (Y/Y)



Revenue growth across all regions, driven by strong revenue quality and our focus on premium markets

1Q26 International Results

	1Q26	1Q25	Change Y/Y
Revenue (Ms)	\$4,540	\$4,373	\$167
Non-GAAP Adj. Operating Profit (Ms)*	\$551	\$654	(\$103)
Non-GAAP Adj. Operating Margin*	12.1%	15.0%	(290 bps)

- Generated revenue of \$4.5B, up 3.8% Y/Y, driven by strong revenue-per-piece growth
- Non-GAAP adj. operating profit* was \$551M, down \$103M Y/Y, primarily due to trade policy changes
- Non-GAAP adj. operating margin* of 12.1%



Strong progress made during 1Q, highlighted by doubling non-GAAP adj. operating profit* Y/Y

1Q26 Supply Chain Solutions Results

	1Q26	1Q25	Change Y/Y
Revenue (Ms)	\$2,537	\$2,713	(\$176)
Non-GAAP Adj. Operating Profit (Ms)*	\$206	\$98	\$108
Non-GAAP Adj. Operating Margin*	8.1%	3.6%	450 bps

- Logistics revenue was down Y/Y, driven by Mail Innovations, partially offset by revenue growth in healthcare logistics
- Reflecting market conditions, Air and Ocean Forwarding revenue was down Y/Y
- UPS Digital, which includes Roadie and Happy Returns, delivered another consecutive quarter of revenue growth, with revenue up 19.9% Y/Y
- Non-GAAP adj. operating margin* of 8.1%, up 450 basis points Y/Y



We are on track to achieve our targeted \$3.0 billion in savings in 2026

- Total operational hours in 1Q26 paced down with volume
- By the end of the quarter, we reduced operational positions by nearly 25,000 Y/Y
- Initiated our Driver Choice Program, which is expected to reduce full-time driver positions by ~7,500 over time
- Closed 23 buildings in 1Q26 and plan to close an additional 27 buildings this year



Reaffirming full year 2026 consolidated financial targets



Full Year 2026 Consolidated Guidance

- Revenue ~\$89.7B
- Non-GAAP adj. operating margin* ~9.6%
- Non-GAAP adj. diluted EPS ~Flat Y/Y
- Capital expenditures ~\$3.0B
- Pension contribution \$1.3B
- Free cash flow* including DCP ~\$5.5B
- Dividends, pending BOD approval ~\$5.4B

2Q26 Guidance

Full Year 2026 Guidance



U.S. Domestic

Revenue Up LSD Y/Y
 Non-GAAP adj. operating margin* ~7.5% - 8.5%

Revenue Flat Y/Y
 Non-GAAP adj. operating margin* Flat Y/Y



International

Revenue Up LSD Y/Y
 Non-GAAP adj. operating margin* ~13% - 14%

Revenue Up LSD Y/Y
 Non-GAAP adj. operating margin* Mid-teens%



Supply Chain Solutions

Revenue Up LSD Y/Y
 Non-GAAP adj. operating margin* ~9.5% - 10.5%

Revenue Up HSD Y/Y
 Non-GAAP adj. operating margin* LDD%





Questions & Answers





Appendix



Reconciliation of GAAP and Non-GAAP Financial Measures

Reconciliation of GAAP and Non-GAAP Adjusted Financial Measures

We supplement the reporting of our financial information determined under generally accepted accounting principles ("GAAP") with certain non-GAAP adjusted financial measures. Management views and evaluates business performance on both a GAAP basis and by excluding costs and benefits associated with these non-GAAP adjusted financial measures. As a result, we believe the presentation of these non-GAAP adjusted financial measures better enables users of our financial information to view and evaluate underlying business performance from the same perspective as management.

Non-GAAP adjusted financial measures should be considered in addition to, and not as an alternative for, our reported results prepared in accordance with GAAP. Our non-GAAP adjusted financial measures do not represent a comprehensive basis of accounting and therefore may not be comparable to similarly titled measures reported by other companies.

Forward-Looking Non-GAAP Adjusted Financial Measures

From time to time when presenting forward-looking non-GAAP adjusted financial measures, we are unable to provide quantitative reconciliations to the most closely correlated GAAP measure due to the uncertainty in the timing, amount or nature of any adjustments, which could be material in any period.

Transformation Strategy Costs

We exclude the impact of charges related to activities within our transformation strategy. Our transformation strategy activities have spanned several years and are designed to fundamentally change the spans and layers of our organization structure, processes, technologies and the composition of our business portfolio. Our transformation strategy has included initiatives within our Transformation 2.0, Fit to Serve and *Network Reconfiguration and Efficiency Reimagined* programs.

Various circumstances precipitated these initiatives, including identification and prioritization of certain investments, developments and changes in competitive landscapes, inflationary pressures, consumer behaviors, and other factors including post-COVID normalization and volume diversions attributed to our 2023 labor negotiations.

Our transformation strategy includes the following programs and initiatives:

Transformation 2.0: We reduced spans and layers of management, reviewed and refined our business portfolio and invested in certain technologies to reduce costs, increase visibility and reduce reliance on legacy systems. Costs associated with Transformation 2.0 consisted primarily of compensation and benefit costs related to reductions in our workforce and fees paid to third-party consultants. This initiative was completed in 2025.

Fit to Serve: We undertook our Fit to Serve initiative to right-size our business to create a more efficient operating model that was more responsive to market dynamics through a workforce reduction, primarily within management. The initiative was completed in 2025.

Network Reconfiguration and Efficiency Reimagined: Our Network of the Future initiative is intended to enhance the efficiency of our network through automation and operational sort consolidation in our U.S. Domestic Package network. In connection with our strategic execution of planned volume declines from our largest customer, we began our *Network Reconfiguration* initiative, which is an expansion of Network of the Future, and has led, and could continue to lead, to further reductions in our facilities, vehicles, aircraft and workforce, as well as an end-to-end process redesign. We launched our *Efficiency Reimagined* initiatives to undertake the end-to-end process redesign effort which will align our organizational processes to the network reconfiguration.

Through these initiatives we have reduced our operational workforce and closed certain daily operations at leased and owned buildings. We continue to review expected changes in volume in our integrated air and ground network to identify

additional workforce reductions and buildings for closure. In the first three months of 2026, we achieved approximately \$600 million of program cost savings, and expect to achieve approximately \$3 billion in full year-over-year cost savings from this initiative in 2026.

In connection with these *Network Reconfiguration and Efficiency Reimagined* programs, we expect non-GAAP adjusted operating expense to exclude between \$1.3 and \$1.5 billion in cost during 2026, primarily related to employee separation benefits and third-party consulting fees of which \$1.2 billion will be related to the Driver Choice Program. As of March 31, 2026 we had incurred program costs to date of \$599 million, including \$55 million in 2026. These initiatives are expected to conclude by 2027.

We do not consider the related costs to be ordinary because each program involves separate and distinct activities that may span multiple periods and are not expected to drive incremental revenue, and because the scope of the programs exceeds that of routine, ongoing efforts to enhance profitability. These initiatives are in addition to ordinary, ongoing efforts to enhance our business performance.

Goodwill and Asset Impairments

We exclude the impact of goodwill and certain asset impairment charges. We do not consider these charges when evaluating the operating performance of our business units, making decisions to allocate resources or in determining incentive compensation awards.

Reversal of Income Tax Valuation Allowance

We previously recorded non-GAAP adjustments for transactions that resulted in capital loss deferred tax assets not expected to be realized. As a result of property sales during 2025, these capital losses were fully realized within the 2025 financial reporting period. We supplement our presentation with non-GAAP adjusted financial measures that exclude the impact of the reversals of the valuation allowances against these deferred tax assets as we believe such treatment is consistent with how the valuation allowance was initially established.

Non-GAAP Adjusted Cost per Piece

We evaluate the efficiency of our operations using various metrics, including non-GAAP adjusted cost per piece. Non-GAAP adjusted cost per piece is calculated as non-GAAP adjusted operating expenses in a period divided by total volume for that period. Because non-GAAP adjusted operating expenses exclude costs or charges that we do not consider a part of underlying business performance when monitoring and evaluating the operating performance of our business units, making decisions to allocate resources or in determining incentive compensation awards, we believe this is the appropriate metric on which to base reviews and evaluations of the efficiency of our operational performance.

Free Cash Flow

We calculate free cash flow as cash flows from operating activities less capital expenditures, proceeds from disposals of property, plant and equipment, and plus or minus the net changes in other investing activities. We believe free cash flow is an important indicator of how much cash is generated by our ongoing business operations and we use this as a measure of incremental cash available to invest in our business, meet our debt obligations and return cash to shareowners.

Reconciliations

United Parcel Service, Inc.
Reconciliation of GAAP and Non-GAAP Adjusted Measures
(unaudited)

Three Months Ended
March 31,

<i>(amounts in millions)</i>	2026	2025		2026	2025
Operating Profit (GAAP)	\$ 1,267	\$ 1,666	Operating Margin (GAAP)	6.0 %	7.7 %
Transformation Strategy Costs:			Transformation Strategy Costs:		
<i>Transformation 2.0</i>	—	16	<i>Transformation 2.0</i>	— %	0.1 %
<i>Fit to Serve</i>	—	19	<i>Fit to Serve</i>	— %	0.1 %
<i>Network Reconfiguration and Efficiency Reimagined</i>	55	23	<i>Network Reconfiguration and Efficiency Reimagined</i>	0.2 %	0.1 %
Total Transformation Strategy Costs	55	58	Total Transformation Strategy Costs	0.2 %	0.3 %
Goodwill and Asset Impairment Charges ⁽¹⁾	—	39	Goodwill and Asset Impairment Charges ⁽¹⁾	— %	0.2 %
Non-GAAP Adjusted Operating Profit	\$ 1,322	\$ 1,763	Non-GAAP Adjusted Operating Margin	6.2 %	8.2 %

⁽¹⁾ Reflects impairment charges for long-lived assets for a business within Supply Chain Solutions in 2025.



Reconciliations

United Parcel Service, Inc.
Reconciliation of GAAP and Non-GAAP Adjusted Measures
(unaudited)

Three Months Ended
March 31

<i>(amounts in millions)</i>	2026	2025		2026	2025
Other Income (Expense) (GAAP)	\$ (143)	\$ (143)	Income Before Income Taxes (GAAP)	\$ 1,124	\$ 1,523
Goodwill and Asset Impairment Charges ⁽¹⁾	—	19	Transformation Strategy Costs:		
Non-GAAP Adjusted Other Income (Expense)	\$ (143)	\$ (124)	<i>Transformation 2.0</i>	—	16
			<i>Fit to Serve</i>	—	19
			<i>Network Reconfiguration and Efficiency Reimagined</i>	55	23
			Total Transformation Strategy Costs	55	58
			Goodwill and Asset Impairment Charges ⁽¹⁾	—	58
			Non-GAAP Adjusted Income Before Income Taxes	\$ 1,179	\$ 1,639

⁽¹⁾ Reflects impairment charges for long-lived assets for a business within Supply Chain Solutions as well the write-down of an equity method investment in 2025.



Reconciliations

United Parcel Service, Inc.
Reconciliation of GAAP and Non-GAAP Adjusted Measures
(unaudited)

Three Months Ended
March 31,

<i>(amounts in millions)</i>	2026	2025
Income Tax Expense (GAAP)	\$ 260	\$ 336
Transformation Strategy Costs:		
<i>Transformation 2.0</i>	—	4
<i>Fit to Serve</i>	—	4
<i>Network Reconfiguration and Efficiency Reimagined</i>	13	6
Total Transformation Strategy Costs	13	14
Goodwill and Asset Impairment Charges ⁽¹⁾	—	9
Reversal of Income Tax Valuation Allowance ⁽²⁾	—	10
Non-GAAP Adjusted Income Tax Expense	\$ 273	\$ 369

⁽¹⁾ Reflects impairment charges for long-lived assets for a business within Supply Chain Solutions in 2025.

⁽²⁾ Reflects the partial reversal of an income tax valuation allowance.



Reconciliations

United Parcel Service, Inc.
Reconciliation of GAAP and Non-GAAP Adjusted Measures
(unaudited)

Three Months Ended
March 31,

<i>(amounts in millions)</i>	2026	2025		2026	2025
Net Income (GAAP)	\$ 864	\$ 1,187	Diluted Earnings Per Share (GAAP)	\$ 1.02	\$ 1.40
Transformation Strategy Costs:			Transformation Strategy Costs:		
<i>Transformation 2.0</i>	—	12	<i>Transformation 2.0</i>	—	0.01
<i>Fit to Serve</i>	—	15	<i>Fit to Serve</i>	—	0.02
<i>Network Reconfiguration and Efficiency Reimagined</i>	42	17	<i>Network Reconfiguration and Efficiency Reimagined</i>	0.05	0.02
Total Transformation Strategy Costs	42	44	Total Transformation Strategy Costs	0.05	0.05
Goodwill and Asset Impairment Charges ⁽¹⁾	—	49	Goodwill and Asset Impairment Charges ⁽¹⁾	—	0.05
Reversal of Income Tax Valuation Allowance ⁽²⁾	—	(10)	Reversal of Income Tax Valuation Allowance ⁽²⁾	—	(0.01)
Non-GAAP Adjusted Net Income	\$ 906	\$ 1,270	Non-GAAP Adjusted Diluted Earnings Per Share	\$ 1.07	\$ 1.49

⁽¹⁾ Reflects impairment charges for long-lived assets for a business within Supply Chain Solutions as well the write-down of an equity method investment in 2025.

⁽²⁾ Reflects the partial reversal of an income tax valuation allowance.



Reconciliations

United Parcel Service, Inc.
Reconciliation of GAAP and Non-GAAP Adjusted Measures by Segment
(unaudited)

	Three Months Ended March 31,										
	2026			2025			2026			2025	
	Operating Expenses		% Change	Operating Profit		% Change	Operating Margin				
U.S. Domestic Package											
GAAP	\$ 13,610	\$ 13,481	1.0 %	\$ 515	\$ 979	(47.4)%	3.6 %	6.8 %			
<i>Adjusted for:</i>											
Transformation Strategy Costs	(50)	(32)		50	32		0.4 %	0.2 %			
Non-GAAP Adjusted Measure	\$ 13,560	\$ 13,449	0.8 %	\$ 565	\$ 1,011	(44.1)%	4.0 %	7.0 %			
International Package											
GAAP	\$ 3,993	\$ 3,732	7.0 %	\$ 547	\$ 641	(14.7)%	12.0 %	14.7 %			
<i>Adjusted for:</i>											
Transformation Strategy Costs	(4)	(13)		4	13		0.1 %	0.3 %			
Non-GAAP Adjusted Measure	\$ 3,989	\$ 3,719	7.3 %	\$ 551	\$ 654	(15.7)%	12.1 %	15.0 %			
Supply Chain Solutions											
GAAP	\$ 2,332	\$ 2,667	(12.6)%	\$ 205	\$ 46	345.7 %	8.1 %	1.7 %			
<i>Adjusted for:</i>											
Transformation Strategy Costs	(1)	(13)		1	13		— %	0.5 %			
Goodwill and Asset Impairment Charges	—	(39)		—	39		— %	1.4 %			
Non-GAAP Adjusted Measure	\$ 2,331	\$ 2,615	(10.9)%	\$ 206	\$ 98	110.2 %	8.1 %	3.6 %			



Reconciliations

United Parcel Service, Inc.
Reconciliation of Free Cash Flow (Non-GAAP measure)
(unaudited)

(amounts in millions):

	Three Months Ended	
	March 31,	
	2026	2025
Cash flows from operating activities	\$ 2,224	\$ 2,318
Capital expenditures	(1,031)	(876)
Proceeds from disposals of property, plant and equipment	82	65
Other investing activities	5	(20)
Free Cash Flow (Non-GAAP measure)	<u>\$ 1,280</u>	<u>\$ 1,487</u>

Certain amounts are calculated based on unrounded numbers.



Reconciliations

United Parcel Service, Inc.
Reconciliation of GAAP and Non-GAAP Adjusted Measures - U.S. Domestic Cost Per Piece
(unaudited)

	Three Months Ended		% Change
	March 31,		
	2026	2025	
Operating Days	62	62	
Average Daily U.S. Domestic Package Volume (in thousands)	16,040	17,443	
U.S. Domestic Package Cost Per Piece (GAAP)	\$ 13.40	\$ 12.22	9.7 %
Transformation Strategy Costs	(0.05)	(0.03)	
U.S. Domestic Package Non-GAAP Adjusted Cost Per Piece	\$ 13.35	\$ 12.19	9.5 %

Note: Cost per piece excludes expense associated with cargo and other activity.

