

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):  
April 21, 2005  
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United Parcel Service, Inc.  
-----  
(Exact name of registrant as specified in its charter)

<Table>			
<S>	Delaware	<C>	<C>
	-----	001-15451	58-2480149
	(State or other	-----	-----
	jurisdiction	(Commission	(IRS Employer
	of incorporation)	File Number)	Identification Number)
</Table>			

<Table>		
<S>	55 Glenlake Parkway, N.E.	<C>
	Atlanta, Georgia	30328
	-----	-----
	(Address of principal executive offices)	(Zip Code)
</Table>		

Registrant's telephone number, including area code: (404) 828-6000  
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Not applicable  
-----  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 - Results of Operations and Financial Condition.

On April 21, 2005, United Parcel Service, Inc. issued a press release containing information about the Company's results of operations for the quarter ended March 31, 2005. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01 - Financial Statements and Exhibits

(c) Exhibits

99.1 Press release dated April 21, 2005

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED PARCEL SERVICE, INC.

Date: April 22, 2005

By: /s/ D. Scott Davis

-----  
Name: D. Scott Davis  
Title: Senior Vice President, Treasurer  
and Chief Financial Officer

EXHIBIT INDEX

99.1 Press Release dated April 21, 2005

Contacts: Norman Black, Public Relations  
404-828-7593  
Teresa Finley, Investor Relations  
404-828-7359

UPS 1ST QUARTER SHOWS  
STRONG 16% INCOME GAIN

ATLANTA, April 21, 2005 - Paced by its growing international package operation, UPS (NYSE:UPS) today reported a strong 16.2% gain in net income for the first quarter of 2005.

Consolidated revenue for the three months ended March 31, 2005, rose 10.8% to \$9.89 billion, reflecting in part the addition of revenue from the recently acquired Menlo Worldwide Forwarding. International package revenue climbed 13% while U.S. package revenue rose 2.8%.

Operating profit rose 13.8% to \$1.39 billion compared to \$1.22 billion for the prior-year period. International operating profit jumped 25.6% to \$348 million, while U.S. domestic operating profit increased almost 13% to \$1.03 billion.

Operating profit for the supply chain solutions segment was reduced by integration costs from the December acquisition of Menlo Worldwide Forwarding. The former Menlo unit now is a key part of an aggressive push by UPS Supply Chain Solutions into the time-definite heavy air freight business.

UPS also announced a change to its management bonus program, moving from a fixed profit-sharing plan to a performance-based plan. This change had a positive impact on compensation expense for the quarter of \$0.045 per diluted share, and will have comparable benefits for the rest of the year. As a result, the company raised its guidance for 2005 full-year earnings growth to the range of 16-to-20% over the adjusted \$2.90 reported for 2004. (The 2004 diluted EPS on a GAAP basis was \$2.93.) Previous guidance was 13-to-17%.

For the three months ended March 31, net income totaled \$882 million, a gain of 16.2% compared to the \$759 million reported for the period in 2004. Earnings per diluted share were \$0.78, up 16.4% from the \$0.67 reported in the prior year.

Consolidated worldwide package volume for the first quarter rose by 3 million pieces to 885 million, while average daily volume increased by 38,000 packages per day to 13.82 million. Export volume was up 9.3%, while U.S. domestic volume was essentially flat at an average 12.5 million per day.

"We had a great start to the year. The first quarter set the pace for UPS to generate earnings in 2005 at the higher end of our historical range," said Scott Davis, UPS's chief financial officer. "We grew our international operating profit by more than 25% and we did a very good job of managing our costs. Our cost initiatives are taking hold and we are benefiting from the deployment of package flow technology in the U.S. operation. There is strong momentum throughout all three business units."

Highlights by segment for the first quarter included:

- International package revenue increased 13% to \$1.84 billion. Operating profit climbed 25.6% to \$348 million. Asia export volume increased 36% with export volume doubling out of China. Operating margin increased 190 basis points to 18.9%.
- U.S. domestic package revenue grew 2.8% during the period to \$6.8 billion. Operating profit rose 12.7% to \$1.03 billion and operating margin was 15.1%. Average daily volume in the

U.S. grew 0.1% for the quarter. Yields remained strong, with an increase in revenue per piece of 2.6% for all U.S. domestic products.

- Revenue for the supply chain solutions segment increased 86% to \$1.23 billion with the addition of Menlo Worldwide Forwarding. Freight services and logistics accounted for \$1.12 billion of that total. Revenue growth for the segment was on track and hit its target for the quarter. Profitability was reduced by the integration of Menlo.

"We are confident we've laid the foundation to accelerate volume growth in the U.S. going forward," added Davis. "Our efforts to better sell to

mid-sized customers are gaining traction and we made good strides in connecting more customers to UPS through electronic shipping systems."

Davis said the company expects solid growth in 2005. The international segment should maintain its exceptional performance with strong export volume growth. U.S. domestic volume growth should be 2-to-3% for the year, and the Menlo acquisition is expected to be slightly accretive to earnings for the year.

For the second quarter, UPS is projecting diluted earnings per share in a range of \$0.82 to \$0.87 compared to the \$0.72 reported during the prior-year period. The company anticipates improving volume trends in its U.S. domestic business, with 2% growth expected in the second quarter.

UPS 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 (NYSE) and the company can be found on the Web at [UPS.com](http://UPS.com).

# # #

EDITOR'S NOTE: UPS CFO Scott Davis will discuss first quarter results with investors and analysts during a conference call later today at 10:00 a.m. EDT. That conference call is open to listeners through a live Webcast. To access the call, go to [www.shareholder.com/UPS](http://www.shareholder.com/UPS) and click on "Earnings Webcast."

We supplement the reporting of our financial information determined under generally accepted accounting principles (GAAP) with certain non-GAAP financial measures, including, as applicable, "as adjusted" operating profit, operating margin, pre-tax income, net income and earnings per share. We believe that these adjusted measures provide meaningful information to assist investors and analysts in understanding our financial results and assessing our prospects for future performance. We believe these adjusted financial measures are important indicators of our recurring operations because they exclude items that may not be indicative of or are unrelated to our core operating results, and provide a better baseline for analyzing trends in our underlying businesses. Furthermore, we use these adjusted financial measures to determine awards for our management personnel under our incentive compensation plan.

For the quarters ended March 31, 2005 and 2004, we did not present operating profit, net income and earnings per share excluding the impact of any transactions that were reflected in our financial statements prepared under generally accepted accounting principles. As previously reported for the quarter ended September 30, 2004, we presented net income and earnings per share excluding the impact of a credit to tax expense due to the resolution of various tax matters. As previously reported for the quarter ended December 31, 2004, we presented operating profit, net income and earnings per share excluding the impact of a charge to pension expense due to the consolidation of data collection systems, an impairment charge on Boeing 727, 747 and McDonnell Douglas DC-8 aircraft and tax credits resulting from several items. We believe it is useful to present operating profit, net income and earnings per share excluding the impact of these items because they are expected to have minimal implications on future financial performance.

Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar

names. These adjusted financial measures should not be considered in isolation or as a substitute for GAAP operating profit, operating margin, net income and earnings per share, the most directly comparable GAAP financial measures. These non-GAAP financial measures reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the preceding reconciliations to corresponding GAAP financial measures, provide a more complete understanding of our business. We strongly encourage investors to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

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.

UNITED PARCEL SERVICE, INC.  
SELECTED FINANCIAL DATA - FIRST QUARTER  
(UNAUDITED)

<TABLE>  
<CAPTION>

	THREE MONTHS ENDED MARCH 31,		CHANGE
	2005	2004	\$
-----			
%			
-----			
<S>	<C>	<C>	<C>
(amounts in millions, except per share data)			
STATEMENT OF INCOME DATA:			
Revenue:			
U.S. domestic package	\$ 6,811	\$ 6,625	\$ 186
2.8%			
International package	1,842	1,630	212
13.0%			
Supply chain solutions	1,233	664	569
85.7%			
-----			
Total revenue	9,886	8,919	967
10.8%			
Operating expenses:			
Compensation and benefits	5,420	5,168	252
4.9%			
Other	3,081	2,534	547
21.6%			
-----			
Total operating expenses	8,501	7,702	799
10.4%			
Operating profit:			
U.S. domestic package	1,028	912	116
12.7%			
International package	348	277	71
25.6%			
Supply chain solutions	9	28	(19)
-67.9%			
-----			
Total operating profit	1,385	1,217	168
13.8%			
Other income (expense):			
Investment income	30	17	13
76.5%			
Interest expense	(37)	(39)	2
-5.1%			
-----			
Total other income (expense)	(7)	(22)	15
-68.2%			
-----			
Income before income taxes	1,378	1,195	183
15.3%			
Income taxes	496	436	60
13.8%			
-----			
Net income	\$ 882	\$ 759	\$ 123
16.2%			
=====			
Net income as a percentage of revenue	8.9%	8.5%	
Per share amounts			
Basic earnings per share	\$ 0.78	\$ 0.67	\$ 0.11
16.4%			
Diluted earnings per share	\$ 0.78	\$ 0.67	\$ 0.11
16.4%			
Weighted average shares outstanding			
Basic	1,124	1,130	

Certain prior year amounts have been reclassified to conform to the current year presentation.

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UNITED PARCEL SERVICE, INC.  
SELECTED FINANCIAL DATA - FIRST QUARTER  
(UNAUDITED)

<TABLE>  
<CAPTION>

	THREE MONTHS ENDED MARCH 31,		CHANGE
	2005	2004	\$
----- %			
-----			
<S>	<C>	<C>	<C>
<C>			
REVENUE (IN MILLIONS):			
U.S. domestic package:			
Next day air	\$ 1,500	\$ 1,481	\$ 19
1.3%			
Deferred	764	772	(8)
-1.0%			
Ground	4,547	4,372	175
4.0%			
-----			
Total U.S. domestic package	6,811	6,625	186
2.8%			
International package:			
Domestic	358	336	22
6.5%			
Export	1,366	1,192	174
14.6%			
Cargo	118	102	16
15.7%			
-----			
Total International package	1,842	1,630	212
13.0%			
Supply chain solutions:			
Freight services and logistics	1,124	563	561
99.6%			
Other	109	101	8
7.9%			
-----			
Total Supply chain solutions	1,233	664	569
85.7%			
-----			
Consolidated	\$ 9,886	\$ 8,919	\$ 967
10.8%			
=====			
Memo: Gross revenue			
Freight services and logistics	\$ 1,860	\$ 1,127	\$ 733
65.0%			
Consolidated volume (in millions)	885	882	3
0.3%			
Operating weekdays	64	64	
AVERAGE DAILY PACKAGE VOLUME (IN THOUSANDS):			
U.S. domestic package:			
Next day air	1,146	1,170	(24)
-2.1%			
Deferred	860	894	(34)
-3.8%			
Ground	10,464	10,393	71
0.7%			
-----			
Total U.S. domestic package	12,470	12,457	13
0.1%			
International package:			
Domestic	788	811	(23)

-2.8%			
Export	564	516	48
9.3%			
	-----		
Total International package	1,352	1,327	25
1.9%			
	-----		
Consolidated	13,822	13,784	38
0.3%			
	=====		
AVERAGE REVENUE PER PIECE:			
U.S. domestic package:			
Next day air	\$ 20.45	\$ 19.78	\$ 0.67
3.4%			
Deferred	13.88	13.49	0.39
2.9%			
Ground	6.79	6.57	0.22
3.3%			
Total U.S. domestic package	8.53	8.31	0.22
2.6%			
International package:			
Domestic	7.10	6.47	0.63
9.7%			
Export	37.84	36.09	1.75
4.8%			
Total International package	19.92	17.99	1.93
10.7%			
Consolidated	\$ 9.65	\$ 9.24	\$ 0.41
4.4%			
	=====		

</TABLE>

Certain prior year amounts have been reclassified to conform to the current year presentation.