

UPS Releases 4Q 2019 Earnings

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UPS (NYSE:UPS) today announced fourth-quarter 2019 adjusted earnings per share of \$2.11, an 8.8% increase over the same period last year. The company's results highlight the strong volume growth in the U.S. Domestic segment and the impact of successful execution from all segments.

"Our network improvements from transformation enabled UPS to embrace a surge in demand for air products while at the same time generate productivity improvements and positive operating leverage," said David Abney, UPS chairman and CEO. "Looking to 2020, we will continue to adapt to the changing environment, strengthen our network and create new solutions to support our strategic growth initiatives and help our customers grow and compete."

In the fourth quarter of 2019, the company incurred a non-cash, after-tax mark-to-market (MTM) pension charge of \$1.8 billion, an after-tax transformation charge of \$39 million, and U.S. Domestic after-tax legal contingency and expense charges of \$91 million, predominantly related to the New

York cigarette case. The total impact to EPS was \$2.23 per diluted share. MTM pension charges of \$1.42 per diluted share were included in the company's fourth-quarter GAAP results in the prior-year period.

For the total company in 4Q 2019:

Average daily volume levels exceeded 26.6 million packages, an increase of 7.5%, driven by high demand for air services in the U.S. Consolidated revenue increased 3.6% to \$20.6 billion, due to strong average daily volume growth during the peak holiday season.

Operating profit grew 6.4%, and 13.7% on an adjusted basis, with margin improvement across all segments.

Source: [UPS](#)