

UPS Releases 2Q 2020 Earnings

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UPS (NYSE:UPS) today announced second-quarter 2020 consolidated revenue increased to \$20.5 billion, a 13.4% increase from the second quarter of 2019. Net income was \$1.8 billion for the quarter; adjusted net income was \$1.9 billion, 8.8% above the same period in 2019. Operating profit was \$2.2 billion, and adjusted operating profit was \$2.3 billion, up 7.4% compared to last year's second quarter.

Diluted earnings per share was \$2.03 and adjusted diluted earnings per share was \$2.13, up 8.7% from the same period last year. GAAP results included a pre-tax transformation charge of \$112 million, equivalent to \$0.10 per share. In the prior year period, GAAP results included a pre-tax charge for transformation costs of \$21 million, equivalent to \$0.02 per share.

"Our results were better than we expected, driven in part by the changes in demand that emerged from the pandemic, including a surge in residential volume, COVID-19 related healthcare shipments and strong outbound demand from Asia," said Carol Tomé, UPS chief executive officer. "UPSers are keeping the world moving during this time of need and I want to thank our team for their hard work and outstanding efforts to serve our customers, our communities and each other."

Outlook

UPS is not providing revenue and diluted earnings per share guidance due to the uncertainty around the timing and pace of the economic recovery. The company is unable to predict the extent of the business impact or the duration of the coronavirus pandemic, or reasonably estimate its operating

performance in future quarters.

"Using the scale and flexibility of our global integrated network, we successfully managed operational challenges throughout the quarter. Moving forward we are focusing on efficiency and revenue quality to improve U.S. operating margins longer term," said Brian Newman, UPS chief financial officer. "Our liquidity and cash position remain strong, allowing us to invest in enabling capabilities through this time of unprecedented business disruption."

Conference Call Information

UPS CEO Carol Tomé and CFO Brian Newman will discuss second-quarter results with investors and analysts during a conference call at 8:30 a.m. ET, July 30, 2020. That call will be open to others through a live Webcast. To access the call, go to www.investors.ups.com and click on "Earnings Webcast." Additional financial information is included in the detailed financial schedules being posted on www.investors.ups.com under "Financials" and as filed with the SEC as an exhibit to our Current Report on Form 8-K.

Source: [UPS](https://www.investors.ups.com)