
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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) February 10, 2005

YELLOW ROADWAY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-12255
(Commission File Number)

48-0948788
(IRS Employer
Identification No.)

10990 Roe Avenue, Overland Park, Kansas
(Address of principal executive offices)

66211
(Zip Code)

Registrant's telephone number, including area code (913) 696-6100

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:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12(b))
 - ☐ 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))
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Item 2.02 Results of Operations and Financial Condition

Yellow Roadway Corporation has released its results of operations and financial condition for the three and twelve months ended December 31, 2004, filed as Exhibit 99.1 to this Form 8-K.

Item 9.01 Financial Statements and Exhibits

- (a) Financial statements of businesses acquired.

Not applicable

- (b) Pro forma financial information.

Not applicable

- (c) Exhibits.

99.1 Consolidated Balance Sheets as of December 31, 2004 and 2003, Statements of Consolidated Operations for the three and twelve months ended December 31, 2004 and 2003, and Statements of Consolidated Cash Flows for the twelve months ended December 31, 2004 and 2003.

Information in this Current Report that is being furnished pursuant to Item 2.02 shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information furnished pursuant to Item 2.02 in this Current Report shall not be incorporated by reference into any registration statement pursuant to the Securities Act of 1933, as amended.

SIGNATURE

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

YELLOW ROADWAY CORPORATION

(Registrant)

Date: February 10, 2005

By: /s/ Donald G. Barger, Jr.

Donald G. Barger, Jr.
Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Consolidated Balance Sheets as of December 31, 2004 and 2003, Statements of Consolidated Operations for the three and twelve months ended December 31, 2004 and 2003, and Statements of Consolidated Cash Flows for the twelve months ended December 31, 2004 and 2003.

CONSOLIDATED BALANCE SHEETS
Yellow Roadway Corporation and Subsidiaries
(Amounts in thousands except per share data)
(Unaudited)

	December 31, 2004	December 31, 2003
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 106,489	\$ 75,166
Accounts receivable, net	778,596	699,142
Prepaid expenses and other	168,356	110,128
	<u>1,053,441</u>	<u>884,436</u>
PROPERTY AND EQUIPMENT:		
Cost	2,672,289	2,538,614
Less - accumulated depreciation	1,249,571	1,135,346
	<u>1,422,718</u>	<u>1,403,268</u>
Goodwill	632,141	617,313
Intangibles, net	468,310	467,114
Other assets	50,559	91,098
	<u>\$3,627,169</u>	<u>\$3,463,229</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 307,089	\$ 260,175
Wages, vacations, and employees' benefits	427,731	351,287
Other current and accrued liabilities	210,519	178,478
Asset backed securitization ("ABS") borrowings	—	71,500
Current maturities of long-term debt	254,400	1,757
	<u>1,199,739</u>	<u>863,197</u>
OTHER LIABILITIES:		
Long-term debt, less current portion	403,535	836,082
Deferred income taxes, net	319,839	298,256
Accrued pension and postretirement	274,616	256,187
Claims and other liabilities	215,249	207,422
	<u>1,213,239</u>	<u>1,597,947</u>
SHAREHOLDERS' EQUITY:		
Common stock, \$1 par value per share	51,303	50,146
Capital surplus	694,504	653,739
Retained earnings	550,484	366,157
Accumulated other comprehensive loss	(33,159)	(23,167)
Unamortized restricted stock awards	(10,479)	(567)
Treasury stock, at cost (2,217 and 2,359 shares)	(38,462)	(44,223)
	<u>1,214,191</u>	<u>1,002,085</u>
Total liabilities and shareholders' equity	<u>\$3,627,169</u>	<u>\$3,463,229</u>

STATEMENTS OF CONSOLIDATED OPERATIONS
Yellow Roadway Corporation and Subsidiaries
For the Three Months and Twelve Months Ended December 31
(Amounts in thousands except per share data)
(Unaudited)

	Three Months		Twelve Months	
	2004	2003 ^a	2004	2003 ^a
OPERATING REVENUE	\$1,774,137	\$903,365	\$6,767,485	\$3,068,616
OPERATING EXPENSES:				
Salaries, wages and employees' benefits	1,064,447	584,379	4,172,144	1,970,440
Operating expenses and supplies	273,118	129,484	1,011,864	449,825
Operating taxes and licenses	43,939	24,038	169,374	83,548
Claims and insurance	34,348	27,698	132,793	67,670
Depreciation and amortization	44,722	25,192	171,468	87,398
Purchased transportation	206,070	104,205	752,788	318,176
Gains on property disposals, net	(3,957)	(589)	(4,547)	(167)
Acquisition charges	—	2,260	—	3,124
Total operating expenses	1,662,687	896,667	6,405,884	2,980,014
OPERATING INCOME	111,450	6,698	361,601	88,602
NONOPERATING (INCOME) EXPENSES:				
Interest expense	9,506	8,810	43,954	20,606
Write off debt issuance costs	—	—	18,279	—
Other	999	(796)	1,705	1,182
Nonoperating expenses, net	10,505	8,014	63,938	21,788
INCOME (LOSS) BEFORE INCOME TAXES	100,945	(1,316)	297,663	66,814
INCOME TAX PROVISION (BENEFIT)	37,600	(644)	113,336	26,131
NET INCOME (LOSS)	\$ 63,345	\$ (672)	\$ 184,327	\$ 40,683
AVERAGE SHARES OUTSTANDING-BASIC	48,617	32,721	48,149	30,370
AVERAGE SHARES OUTSTANDING-DILUTED	51,170	33,098	49,174	30,655
BASIC EARNINGS (LOSS) PER SHARE	\$ 1.30	\$ (0.02)	\$ 3.83	\$ 1.34
DILUTED EARNINGS (LOSS) PER SHARE	\$ 1.24	\$ (0.02)	\$ 3.75	\$ 1.33

^a Includes the results of Roadway LLC for December 12 through 31.

STATEMENTS OF CONSOLIDATED CASH FLOWS

Yellow Roadway Corporation and Subsidiaries

For the Years Ended December 31

(Amounts in thousands)

(Unaudited)

	2004	2003
OPERATING ACTIVITIES:		
Net income	\$ 184,327	\$ 40,683
Noncash items included in net income:		
Depreciation and amortization	171,468	87,398
Deferred debt issuance cost write off	18,279	—
Gains on property disposals, net	(4,547)	(167)
Deferred income tax provision, net	17,996	25,767
Changes in assets and liabilities, net:		
Accounts receivable	(70,230)	(7,430)
Accounts payable	34,284	21,294
Other working capital items	41,865	(40,053)
Claims and other	30,792	23,189
Other, net	11,484	5,055
Net cash from operating activities	435,718	155,736
INVESTING ACTIVITIES:		
Acquisition of property and equipment	(201,818)	(103,327)
Proceeds from disposal of property and equipment	37,529	4,193
Acquisition of companies	(10,463)	(513,338)
Other	4,494	—
Net cash used in investing activities	(170,258)	(612,472)
FINANCING ACTIVITIES:		
Senior secured credit facility	—	175,000
ABS borrowings, net	(71,500)	21,500
Issuance of long-term debt	—	400,000
Debt issuance costs	(2,938)	(34,734)
Repayment of long-term debt	(175,044)	(60,342)
Treasury stock purchases	—	(2,921)
Proceeds from exercise of stock options	15,859	4,685
Other	(514)	—
Net cash (used in) provided by financing activities	(234,137)	503,188
NET INCREASE IN CASH AND CASH EQUIVALENTS	31,323	46,452
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	75,166	28,714
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 106,489	\$ 75,166