



UPS Logistics Group to Acquire Comlasa, Latin America Service Parts Logistics Leader

June 14, 2000

ATLANTA--(BUSINESS WIRE)--June 14, 2000--The UPS Logistics Group today announced it has entered into a definitive agreement to purchase Comlasa, a leading provider of service parts logistics in Latin America and the Caribbean.

The acquisition will allow the UPS Logistics Group, a subsidiary of United Parcel Service, Inc., (NYSE:UPS) to quickly extend its global service parts logistics capabilities to one of the fastest growing regions of the world. TSCI Holdings, Inc., which operates under the name Comlasa, is a Miami-based company that currently serves customers in 37 countries throughout the Caribbean and Latin American region.

Comlasa today provides computer-related on-site field service, repair and refurbishment depots, parts inventory management and critical parts delivery to a wide variety of multi-national corporations operating in the region. It also is the leading service provider to the airline and travel agency industries in Latin America and the Caribbean and provides hardware and software support services for leading multinational corporations and government agencies in the region.

Specific terms of the purchase agreement were not disclosed.

The agreement follows an earlier purchase of Finon Sofecom in France and announcement of the company's plans to acquire the U.S. service parts network of Burnham, based in Atlanta. Inside the United States, the UPS Logistics Group has created an infrastructure with the capability to reach 88% of all U.S. businesses within two hours, and now is expanding its quick response capabilities outside the U.S.

"Service parts logistics is one of those specialized services that defines customer satisfaction," said Dan DiMaggio, CEO of the UPS Logistics Group. "If you sell a computer or high-tech service and can't guarantee a rapid, almost instant response when something breaks down, you're going to lose customers. This is an industry that's a key part of UPS's future and by combining Comlasa with our network, we are reaching a critical mass for truly global service."

The UPS Logistics Group has a service parts(a) network that includes field support parts banks and central distribution space in more than 420 locations around the world. The network also includes high-tech repair operations. Clients include IBM, Network Appliance, Compaq, Intermec, Getronics and 3Re.com.

Completion of the transaction is subject to receipt of regulatory approval and the satisfaction of customary terms and conditions.

About the UPS Logistics Group

The UPS Logistics Group, a subsidiary of United Parcel Service, Inc., provides global supply chain services. Its key offerings are supply chain management, transportation services, supply chain technologies and service parts logistics. More information is available at www.upslogistics.com.

About Comlasa

The privately-held Comlasa, based in Miami, is an American corporation that operates in Latin America and around the Caribbean Rim. The company's network operates in 37 countries throughout the region. Comlasa employs more than 550 people and has earned a leadership position in serving the airline and travel agency industries along with major multinational corporations.

(a) UPS Logistics defines service parts logistics as the support of the repair and maintenance of high-tech equipment as it moves through its post-sales lifecycle. This includes the management of parts, repairs and refurbishments. A service parts network includes order and inventory management, distribution and technical support, often on an urgent basis.

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 involve certain risks and uncertainties, including statements regarding the intent, belief or current expectations of UPS and its management regarding the company's strategic directions, expected effects of acquisitions, prospects and future results. Certain factors may cause actual results to differ materially from those contained in the forward-looking statements, including our competitive environment, economic and other conditions in the markets in which we operate, strikes, work stoppages and slowdowns, governmental regulation, increases in aviation and motor fuel prices, cyclical and seasonal fluctuations in our operating results, the failure of this transaction to close for any reason, and other risks discussed in the company's filings with the Securities and Exchange Commission, which discussions are incorporated herein by reference.

CONTACT: The UPS Logistics Group

Lynnette McIntire, 770/206-3644

lamcintire@upslogistics.com