
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 13, 2006

YRC Worldwide Inc.

(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 66211
(Address of principal executive offices) (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

YRC Worldwide Inc. (“YRC Worldwide” or the “company”) has released its results of operations and financial condition for the three- and twelve- months ended December 31, 2005, filed as Exhibit 99.1 to this Form 8-K.

On January 26, 2006, the company previously released its results of operations for the three- and twelve-months ended December 31, 2005 by filing a news release announcing those results on Form 8-K. In that release, the company originally stated that its reported diluted earnings per share (“EPS”) was \$5.12 for the twelve-months ended December 31, 2005 and \$1.34 for the three-months ended December 31, 2005. In that release, the company also originally stated that diluted adjusted EPS was \$5.28 for the twelve-months ended December 31, 2005 and \$1.39 for the three-months ended December 31, 2005.

In the results of operations filed with this Form 8-K, the company has revised its reported diluted EPS to \$5.07 for the twelve-months ended December 31, 2005 and to \$1.30 for the three-months ended December 31, 2005. In addition, the company has revised its diluted adjusted EPS to \$5.25 for the twelve-months ended December 31, 2005 and to \$1.37 for the three-months ended December 31, 2005.

The revision to previously released results was entirely related to the treatment of specific foreign currency accounting entries for Reimer Express, a Canadian subsidiary of Roadway Express. The revision was made to other nonoperating expenses when finalizing the company’s consolidated financial statements and had no impact on operating income.

The company has corrected its process in accounting for these currency entries and does not expect this change to impact future earnings. Consistent with the guidance that the company provided on January 26, 2006, YRC Worldwide expects full year 2006 EPS to be between \$6.15 and \$6.30, with first quarter 2006 EPS between \$1.00 and \$1.05.

Additionally, the company’s gross capital expenditures for 2005 were \$305 million rather than the \$350 million estimate provided on the company’s January 27, 2006 earnings conference call. When including USF gross capital expenditures for the full year 2005, YRC Worldwide had total gross capital expenditures of \$380 million rather than the \$425 million estimate provided on the earnings call.

The preceding disclosures contain references to ‘reported’ and ‘adjusted’ EPS. The reported numbers include property gains, one-time charges related to the acquisition of USF Corporation, a Roadway pre-acquisition foreign currency adjustment, and executive severance, while adjusted numbers exclude these items. The company adjusts for these items when evaluating operating performance to more accurately compare the results of its core operations among periods. In 2005, the company also excluded the impact of an increase to its effective tax rate as it primarily related to a change in the accounting treatment of Roadway deferred taxes established at the acquisition date. This is not expected to impact the tax rate in future periods. For a complete reconciliation from reported EPS to adjusted EPS, refer to the Supplemental Financial Information included in this Form 8-K under Exhibit 99.1.

This Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words “expects” and similar expressions are intended to identify forward-looking statements. It is important to note that the company’s actual future results, revenue and EPS could differ materially from those projected in the forward-looking statements because of a number of factors, including (without limitation), inflation, inclement weather, price and availability of fuel, sudden changes in the cost of fuel or the index upon which the company bases its fuel surcharge, competitor pricing activity, expense volatility, including (without limitation) expense volatility due to changes in rail service or pricing for rail service, ability to capture cost reductions, including (without limitation) those cost reduction opportunities arising from acquisitions, the company’s ability to improve productivity results at its Roadway Express subsidiary and its resulting effects on efficiencies, service and yield, a downturn in general or regional economic activity, changes in equity and debt markets, effects of a terrorist attack, and labor relations, including (without limitation), the impact of work rules, any obligations to multi-employer health, welfare and pension plans, wage requirements and employee satisfaction.

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 Financial Statements.

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.

YRC Worldwide Inc.
(Registrant)

Date: February 13, 2006

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

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

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS
YRC Worldwide Inc. and Subsidiaries
(Amounts in thousands except per share data)

	December 31, 2005	December 31, 2004
	(Unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 82,361	\$ 106,489
Accounts receivable, net	1,164,383	778,596
Prepaid expenses and other	230,888	168,356
	<u>1,477,632</u>	<u>1,053,441</u>
PROPERTY AND EQUIPMENT:		
Cost	3,607,415	2,672,289
Less - accumulated depreciation	1,401,623	1,249,571
	<u>2,205,792</u>	<u>1,422,718</u>
OTHER ASSETS:		
Goodwill	1,234,065	632,141
Intangibles, net	713,677	468,310
Other assets	103,023	50,559
	<u>\$5,734,189</u>	<u>\$3,627,169</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 393,934	\$ 307,089
Wages, vacations, and employees' benefits	522,882	427,731
Other current and accrued liabilities	372,988	210,519
Asset backed securitization ("ABS") borrowings	374,970	—
Current maturities of contingently convertible notes	—	250,000
Current maturities of long-term debt	—	4,400
	<u>1,664,774</u>	<u>1,199,739</u>
OTHER LIABILITIES:		
Long-term debt, less current portion	1,113,085	403,535
Deferred income taxes, net	387,220	319,839
Claims and other liabilities	632,622	489,865
	<u>2,132,927</u>	<u>1,213,239</u>
SHAREHOLDERS' EQUITY:		
Common stock, \$1 par value per share	60,450	51,303
Preferred stock, \$1 par value per share	—	—
Capital surplus	1,172,139	694,504
Retained earnings	838,614	550,484
Accumulated other comprehensive loss	(27,610)	(33,159)
Unamortized equity awards	(17,485)	(10,479)
Treasury stock, at cost (3,158 and 2,066 shares)	(89,620)	(38,462)
	<u>1,936,488</u>	<u>1,214,191</u>
Total liabilities and shareholders' equity	<u>\$5,734,189</u>	<u>\$3,627,169</u>

STATEMENTS OF CONSOLIDATED OPERATIONS
YRC Worldwide Inc. and Subsidiaries
For the Three and Twelve Months Ended December 31
(Amounts in thousands except per share data)
(Unaudited)

	Three Months		Twelve Months	
	2005	2004	2005	2004
OPERATING REVENUE	\$2,483,100	\$1,774,137	\$8,741,557	\$6,767,485
OPERATING EXPENSES:				
Salaries, wages and employees' benefits	1,389,651	1,064,447	5,111,113	4,172,144
Operating expenses and supplies	435,428	273,118	1,438,426	1,011,864
Purchased transportation	304,605	206,070	991,157	752,788
Depreciation and amortization	69,714	44,722	250,562	171,468
Other operating expenses	132,076	78,287	406,348	302,167
Gains on property disposals, net	(5,042)	(3,957)	(5,388)	(4,547)
Acquisition and executive severance charges	2,952	—	13,029	—
Total operating expenses	2,329,384	1,662,687	8,205,247	6,405,884
OPERATING INCOME	153,716	111,450	536,310	361,601
NONOPERATING (INCOME) EXPENSES:				
Interest expense	20,618	9,506	63,371	43,954
Write off of deferred debt issuance costs	—	—	—	18,279
Other	2,164	999	676	1,705
Nonoperating expenses, net	22,782	10,505	64,047	63,938
INCOME BEFORE INCOME TAXES	130,934	100,945	472,263	297,663
INCOME TAX PROVISION	54,087	37,600	184,133	113,336
NET INCOME	\$ 76,847	\$ 63,345	\$ 288,130	\$ 184,327
AVERAGE SHARES OUTSTANDING-BASIC	57,864	48,617	54,358	48,149
AVERAGE SHARES OUTSTANDING-DILUTED	59,376	51,170	56,905	49,174
BASIC EARNINGS PER SHARE	\$ 1.33	\$ 1.30	\$ 5.30	\$ 3.83
DILUTED EARNINGS PER SHARE	\$ 1.30	\$ 1.24	\$ 5.07	\$ 3.75

STATEMENTS OF CONSOLIDATED CASH FLOWS
YRC Worldwide Inc. and Subsidiaries
For the Twelve Months Ended December 31
(Amounts in thousands)

	2005	2004
	(Unaudited)	
OPERATING ACTIVITIES:		
Net cash from operating activities	\$ 497,677	\$ 435,718
INVESTING ACTIVITIES:		
Acquisition of property and equipment	(304,718)	(201,818)
Proceeds from disposal of property and equipment	48,283	37,529
Acquisition of companies, net of cash acquired	(753,892)	(10,463)
Investment in affiliate	(46,043)	—
Other	12,075	4,494
Net cash used in investing activities	(1,044,295)	(170,258)
FINANCING ACTIVITIES:		
ABS borrowings, net	374,970	(71,500)
Issuance (repayment) of long-term debt	190,561	(175,044)
Debt issuance costs	(4,245)	(2,938)
Proceeds from exercise of stock options	11,203	15,859
Treasury stock repurchase	(49,999)	—
Other	—	(514)
Net cash provided by (used in) financing activities	522,490	(234,137)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(24,128)	31,323
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	106,489	75,166
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 82,361	\$ 106,489

SUPPLEMENTAL FINANCIAL INFORMATION
YRC Worldwide Inc. and Subsidiaries
For the Three Months Ended December 31
(Amounts in thousands except per share data)
(Unaudited)

	Three Months		
	2005	2004	%
Operating revenue:			
Yellow Transportation	\$ 886,541	\$ 824,491	7.5
Roadway Express	865,072	822,227	5.2
YRC Regional Transportation	584,381	69,470	n/m
Meridian IQ	153,485	59,861	n/m
Corporate and other	(6,379)	(1,912)	
Consolidated	2,483,100	1,774,137	
Reported operating income (loss):			
Yellow Transportation	64,547	55,728	15.8
Roadway Express	62,600	54,840	14.2
YRC Regional Transportation	30,138	8,668	n/m
Meridian IQ	4,245	1,484	n/m
Corporate and other	(7,814)	(9,270)	
Consolidated	153,716	111,450	
Adjustments to operating income by segment ^a:			
Yellow Transportation	(4,275)	(2,329)	
Roadway Express	(1,193)	(1,668)	
YRC Regional Transportation	3,363	40	
Meridian IQ	(26)	—	
Corporate and other	41	—	
Consolidated	(2,090)	(3,957)	
Adjusted operating income (loss) ^a:			
Yellow Transportation	60,272	53,399	12.9
Roadway Express	61,407	53,172	15.5
YRC Regional Transportation	33,501	8,708	n/m
Meridian IQ	4,219	1,484	n/m
Corporate and other	(7,773)	(9,270)	
Consolidated	\$ 151,626	\$ 107,493	
Reported operating ratio:			
Yellow Transportation	92.7%	93.2%	
Roadway Express	92.8%	93.3%	
YRC Regional Transportation	94.8%	87.5%	
Consolidated	93.8%	93.7%	
Adjusted operating ratio:			
Yellow Transportation	93.2%	93.5%	
Roadway Express	92.9%	93.5%	
YRC Regional Transportation	94.3%	87.5%	
Consolidated	93.9%	93.9%	
Reconciliation of reported diluted earnings per share (EPS) to adjusted diluted EPS:			
Reported diluted EPS	\$ 1.30	\$ 1.24	
Gains on property disposals	(0.05)	(0.05)	
Acquisition charges	0.03	—	
Pre-acquisition foreign currency adjustment ^d	0.02	—	

Change in effective tax rate ^c	0.07	—
Contingent convertible dilution impact	—	0.05
	<u> </u>	<u> </u>
Adjusted diluted EPS	\$ 1.37	\$ 1.24

SUPPLEMENTAL FINANCIAL INFORMATION
YRC Worldwide Inc. and Subsidiaries
For the Twelve Months Ended December 31
(Amounts in thousands except per share data)
(Unaudited)

	Twelve Months		
	2005	2004	%
Operating revenue:			
Yellow Transportation	\$3,421,310	\$3,180,590	7.6
Roadway Express	3,321,064	3,119,927	6.4
YRC Regional Transportation	1,570,828 ^b	260,572	n/m
Meridian IQ	447,563 ^b	213,199	n/m
Corporate and other	(19,208)	(6,803)	
Consolidated	8,741,557	6,767,485	
Reported operating income (loss):			
Yellow Transportation	255,329	191,546	33.3
Roadway Express	209,122	158,334	32.1
YRC Regional Transportation	85,794 ^b	33,897	n/m
Meridian IQ	15,167 ^b	3,738	n/m
Corporate and other	(29,102)	(25,914)	
Consolidated	536,310	361,601	
Adjustments to operating income by segment ^a:			
Yellow Transportation	(7,108)	(3,113)	
Roadway Express	1,159	(1,466)	
YRC Regional Transportation	8,838	32	
Meridian IQ	(37)	—	
Corporate and other	4,789	—	
Consolidated	7,641	(4,547)	
Adjusted operating income (loss) ^a:			
Yellow Transportation	248,221	188,433	31.7
Roadway Express	210,281	156,868	34.0
YRC Regional Transportation	94,632	33,929	n/m
Meridian IQ	15,130	3,738	n/m
Corporate and other	(24,313)	(25,914)	
Consolidated	\$ 543,951	\$ 357,054	
Reported operating ratio:			
Yellow Transportation	92.5%	94.0%	
Roadway Express	93.7%	94.9%	
YRC Regional Transportation	94.5%	87.0%	
Consolidated	93.9%	94.7%	
Adjusted operating ratio:			
Yellow Transportation	92.7%	94.1%	
Roadway Express	93.7%	95.0%	
YRC Regional Transportation	94.0%	87.0%	
Consolidated	93.8%	94.7%	
Reconciliation of reported diluted EPS to adjusted diluted EPS:			
Reported diluted EPS	\$ 5.07	\$ 3.75	
Gains on property disposals	(0.06)	(0.06)	
Acquisition charges	0.10	—	
Executive severance	0.04	—	

Pre-acquisition foreign currency adjustment ^d	0.02	—
Change in effective tax rate ^c	0.08	—
Contingent convertible dilution impact	—	0.03
Write off debt issuance costs - nonoperating	—	0.24
	<u> </u>	<u> </u>
Adjusted diluted EPS	\$ 5.25	\$ 3.96

- a Management excludes these items when evaluating operating income and segment performance to more accurately compare the results of our core operations among periods. This measurement should not be construed as a better measurement than operating income as defined by generally accepted accounting principles. Adjustments presented in the 2005 period herein consist of property gains and losses, acquisition related charges and executive severance charges. Adjustments presented in the 2004 period herein consist of property gains and losses.
- b Includes the revenue and operating income of USF operating companies since May 25, 2005, the date of acquisition.
- c Management excluded the impact of an increase to its effective tax rate as it primarily related to a change in the accounting treatment of Roadway deferred taxes established at the acquisition date. This is not expected to impact the tax rate in future periods.
- d Management excluded the portion of a foreign currency adjustment related to the Roadway financial statements prior to the acquisition. As the company can no longer apply purchase accounting to increase goodwill related to this acquisition, the adjustment was recorded directly to the income statement. This adjustment, recorded in other nonoperating expenses on the Statements of Consolidated Operations, was not related to 2005 performance.