



Universal Express, Inc.



EXECUTIVE SUMMARY

Universal Express Contact

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Industries

Private Postal Trade Association



Consumer Luggage Delivery



Discounted International Shipping



International Territory Sales

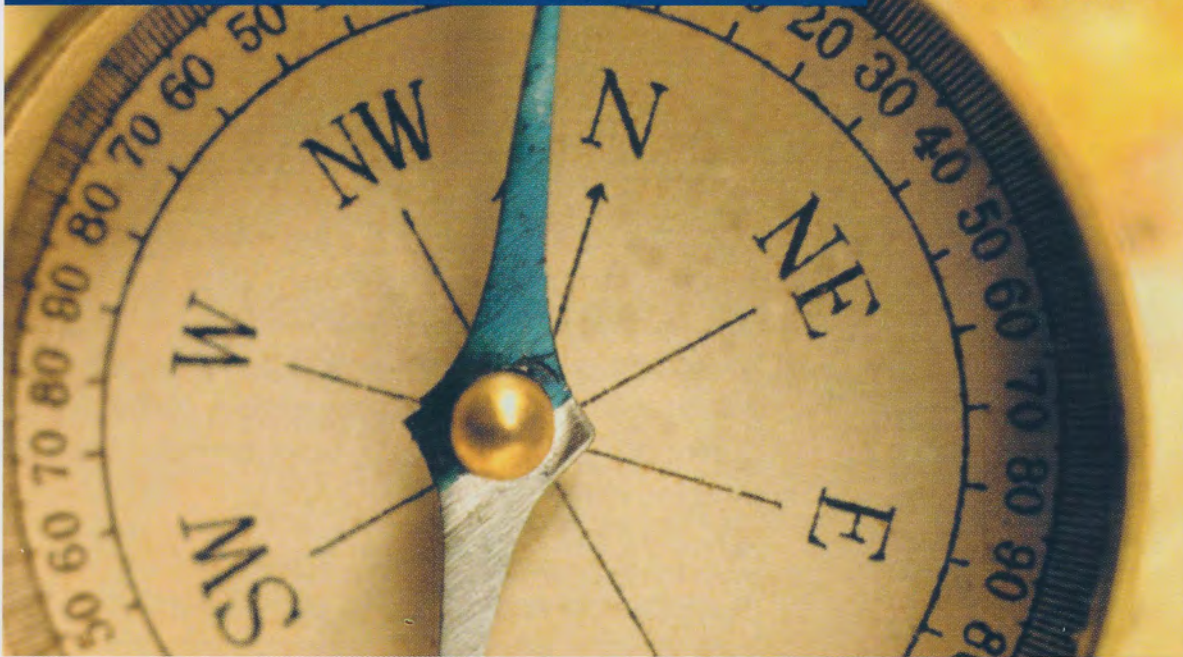


Equipment Leasing



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Marketplace

A different global economy has grown over the past decade. With Internet and Catalog sales increasing, it now mandates an inexpensive and responsive final mile Domestic and International delivery network. USXP's Private Postal Network, coupled with its warehouse and niche shipping capabilities, has been created by Universal's family of companies thus creating that innovative final mile network.

The business of Universal Express has undergone visionary expansion in the last decade. These changes will support its growing private postal network utilizing the 20,000 potential North American postal retail stores presently grossing over \$8 billion in sales. Strong strategic relationships are currently being established with companies and manufacturers (page 6), which should empower our over 8000 present members of the Private Postal Network.



EXECUTIVE OVERVIEW

Members of this Private Postal Network provide the public with a complement to the U.S. Post Office for many retail and business postal services. In addition, these Postal Service Centers offer individuals and business customers a variety of personal and business services as well as merchandise.

These private postal and business service centers form a highly fragmented cottage industry. USXP believes that since this industry generates over \$8 billion in sales and presently consists of more than 20,000 independent operators, there is a market opportunity for the development of an association with the goal of unifying and organizing the independent and franchised postal stores nationwide. These members are electronically connected to other members and to the Private Postal Network Headquarters via their website. This website is scheduled to be introduced to the general public.

The Company believes that many companies will eventually need an affordable distribution system to deliver what their consumers purchase. Universal Express believes it has indeed positioned itself to be a contender in the global economy for the next decade with the creation of its additional subsidiaries, Luggage Express and Virtual Bellhop (Universal Express' Logistical luggage delivery services), WorldPost (Universal Express' Logistic international delivery system) and Universal Express Capital's lease financing.



Private Postal Network

pbcnetwork.com

The Private Postal Network is an association formed to create a very much-needed partnership between previously unconnected shipping and packaging storeowners. This concept has been accomplished many times before in American industries, most notably by FTD's maturation of the independent florists across America and Interflora's unification and development of florists in Europe. The Private Postal Network provides independent storeowners with a variety of cost effective services and products to help increase their profitability, while they are still able to maintain their local or franchised identities. The Private Postal Network mission statement is to provide consumers with a feeling of quality assurance when they choose to visit a member location and to have the owners of these locations utilize the various association services offered for them and their customers to augment their profitability.

The Service Division of Private Postal Network

International Shipping:	Worldpost.com
Corrugated & Packaging:	Packaging Technologies
Lamination and Photo ID's:	D&K Laminex
Customized Rubber Stamps:	TheStampMaker.com
Equipment Leasing:	Advantage Leasing
Promotional Items:	International Promotion Group
Key Machines and Supplies:	LV Sales
Secure Document Delivery:	NetEx
Moving Supplies:	All Boxes Direct
Car Rental:	Hertz Rent-A-Car
Customized Corrugated:	Cactus Corrugated
ATM Machines:	E-Trade
Business and Office Supplies:	PBCNBizSupplies.com
Parcel Insurance:	Universal Parcel Insurance Co.
CreditCard Processing:	Nova Information Systems & Card Read
Check Processing:	Echeck2000.com
Payroll and Tax Processing:	PayChex
Air Miles Incentive Program:	American Airlines
Travel and Entertainment:	Reslinx
Shredder Cushioning Systems:	Pac-Mate
Air Purification Systems:	Air-Tech
Free Software:	Freesoft Promotions
Internet Access:	PBC Private Label Services



A Division of Universal Express Logistics

WorldPost

worldpostnetwork.com

To understand WorldPost's International Delivery Territory opportunity one must begin with an explanation of Skyworld's history and its past relationship to Universal Express.

SkyWorld International Couriers, Inc. is the U.S. member of the SkyNet Worldwide Express Network, an alliance of independently owned and operated express courier services operating in 268 cities in 120 countries. SkyWorld developed and owns the SkyNet Trademark in the U.S. and most countries in Latin America. The SkyNet Network provides global delivery and logistics services to multinational firms. The Network currently delivers over 650,000 packages per month. It is the world's largest independently owned courier network and the 5th largest express courier network behind the integrated U.S. express carriers such as FedEx, UPS and DHL.

Unlike the major integrators who operate their own aircraft and thus offer rigid standardized pick up and delivery schedules, SkyNet Network members offer flexible, customized International services to meet the clients' specific distribution needs. Instead of operating its own fleet, SkyNet

INDIVIDUAL COMPANIES

offers express International air courier service and expedited air cargo through regularly scheduled commercial airlines to transport time sensitive documents, parcels, freight and mail. SkyNet provides on demand a scheduled pick up and delivery courier and freight services in the U.S. and in foreign countries throughout the world. It provides 24 to 72 hour delivery throughout the world.

Hubs operated by SkyNet Network members in London, Dubai, Johannesburg, Brussels, Singapore and Sydney allow the swift delivery of documents and parcels to almost any destination in the world within 72 hours.

Universal Express purchased and then after one year later sold SkyWorld to a Lanchile subsidiary importantly retaining discounted international rates for its PBC members and customers along with the rights to sell



WorldPost territory business opportunities throughout North America. A WorldPost territory can today be bought for as little as \$80,000. The purchaser is trained at Miami SkyNet and at Universal's PBC and WorldPost offices also located in Florida. The purchaser of this territory has just been put into the lucrative international shipping business with PBC postal stores to help him begin his new business. He then has a discounted envelope and rate chart and an override on the other services of participating postal stores in his territory. The purchaser has aligned himself with over 268 international shipping partners and his rates are on the average of 20-50% below the traditional carriers.

According to industry averages, the Postal stores alone ship approximately \$600,000,000 annually in international packages. Any percentage of that volume, coupled with over 600 locations scheduled to be sold @ \$80,000 (\$48,000,000) indicates a potential growth subsidiary.

The strategic synergy between WorldPost and USXP's Postal Store Association enhance its unusual position in the shipping and service industry.

Universal Express' strategy of developing the Private Postal Network and WorldPost simultaneously is unique to the shipping industry. These postal locations can now create an inexpensive localized international delivery network for themselves rather than only offering the more expensive traditional carriers to their customers.



Universal Express

usxp.com

The executive office of Universal Express, Inc. (USXP) is located in the Rockefeller Center, New York, N.Y. The administrative office of USXP is located in Boca Raton, Florida.



A Division of Universal Express Logistics

Virtual Bellhop

virtualbellhop.com

Virtual Bellhop is the leading service provider specializing in luggage logistics. Through advanced technology, the internet and the existing service infrastructures of strategic partners, Virtual Bellhop facilitates and manages the movement of door to door baggage and other items for leisure and business travelers.

With over 75 years of logistical corporate and entrepreneurial experience in relevant core businesses, Virtual Bellhop has created a powerful logistical business model driven by multi channel distribution and multi market demand. Virtual Bellhop has established



unique strategic relationships with travel service providers and distribution partners.

There are significant market opportunities not limited to the one billion plus checked bags presently being moved each year. In addition, increased carry-on restrictions and security measures can upset time critical business trips as well as add loss or to damage luggage concerns, offering airline space saving and reduced employee overhead which will allow the creation of a new revenue stream for re-selling or marketing Virtual Bellhop services.

Making travel easier and more enjoyable through luggage free travel is defined by Virtual Bellhop. The very difficult process of transporting baggage from doorstep to destination and back again will be replaced by Virtual Bellhop's vision of luggage free travel in the future.

Whether it be through partners like hotels, airlines, cruise lines, credit card companies, airline or travel agencies, or simply their neighborhood postal store, then plan to introduce Americans to luggage free travel.

Luggage Express

usxpluggageexpress.com



A Division of Universal Express Logistics

Luggage Express, the postal store exclusive service, has identified a significant niche in the travel industry – the transportation of passenger's luggage to and from airports. According to the Port Authority, the airports in the New York area alone (JFK, LaGuardia and Newark) processed 84 million passengers in 1997 (a number that is increasing yearly) with 148,680,000 items of check-in luggage (an average of 1.77 pieces per passenger). Nationwide over 1.5 billion suitcases are presently being checked by domestic passengers.

There is no branded consumer accepted commercial luggage transportation service anywhere else in America. USXP's Private Postal Network provides over 8000 no-cost warehouse locations.

The service includes luggage collection from home, hotel or business and delivery to consumer's end destination. Immediate benefits to the travelers include: convenience, relief with large and heavy luggage items, avoiding long baggage check-in lines and minimizing pre-flight waiting time, as well as delays at retrieval carousels at journey's end.

The inbound service includes collection by local postal stores of passenger's luggage and then delivery by major carriers to the final destination. Arrangements for international customs clearance will also be part of the service.

Another passenger benefit is the enhanced insurance at an additional cost if desired and safety of the passenger's luggage through a protective plastic wrap-around on each item.

At the same time, there are significant benefits to the airlines, which include: customer satisfaction, easier check-in, a secure alternative to curbside check-in, less congestion in the departure hall with less luggage to screen, and it should minimize departure delays. Negotiations are currently underway with airlines to offer the luggage service for free to first-class and business class passengers.

Luggage Express plans to charge approximately \$80 per piece of dropped off luggage or a minimum of \$95 per pick-up. The average couple, traveling for 10-14 days, with 3 pieces of luggage will presently spend \$2500-3000 for such a trip. The addition of \$240 is minimal for the added convenience of not having to stand in line for 2 hours prior to departure and no movement of luggage issues.

Luggage Express, may conduct luggage sales through travel agents, which will offer the service to their clients when their tickets are booked. The service will be advertised directing passengers to call an 800 number for pick-up. It is estimated that 30% of the luggage business will be derived from travel agents or travel website efforts.

While USXP cannot be definite as to the market penetration that it will achieve, the FAA expects the number of airline passengers to double by 2005, making domestic luggage exceed 3 billion suitcases.

The short-term goal of USXP is to go international with its 268 worldwide partners once it has reached a 1% domestic market penetration, utilizing its postal business center warehouse network presently located in all 50 states in its initial program.

USXP has trademarked both the name and patented the procedure to protect its ideas and efforts. Its website (usxpluggageexpress.com) is expected to be easy to remember and will fully explain the services to the public.





Universal Express Capital Corp.

usxpcapital.com

The USXP family of companies has broadened the nature of its core business by entering the financial services industry via the subsidiary of Universal Express Capital Corp. A full service, asset based transportation/equipment lessor. Universal Express Capital provides capital acquisition funding, in the form of lease financing, to the national business community as well as within the framework of Universal Express other affiliates and subsidiaries.



Leasing is widely recognized as the intelligent choice for financing the purchase of income producing equipment for all industries. Universal Express Capital's dedicated team of professionals has forged strategic alliances with various manufacturing firms within an identified spectrum of markets.

In light of the many financial mergers and acquisitions in conjunction with an indecisive international banking climate, tighter lending requirements have provided funding opportunities to non-banking groups, such as Universal Express Capital Corp. A minimum annual projection of lease originations of \$24,000,000 shall provide a strong growth subsidiary for USXP. Universal Express Capital's management team has a strong production and service background providing a foundation for revenues well in excess of projections.

Universal Express - ATM Master Card®

Universal Express further exhibits it's product diversification by providing the USXP ATM stored value (MasterCard) to consumers nationwide. With a growing percentage of the population needing a simple and inexpensive alternative to traditional bank accounts combined with the continuing technological advancements of a "cash-less" society, Universal Express now provides consumers with the banking services they want without the banking hassles.

Distributing this product through the Private Postal Network exposes the Universal ATM stored value (MasterCard) to the wide range of consumers patronizing the 15,000 postal stores nationwide while enhancing store owners revenue via sales, funds loading charges, and recurring usage fee structures associated with the cards. A myriad of credit, finance, and marketing applications will be offered to USXP cardholders.

10-Year Historical Developments Second 10-Year Goals

PHASE I

1989-1993

- Create Private Postal Center Association (APAC)
- Obtain Strategic Partners
- Offer Discounted Delivery Service
- Stabilize and funding of Public Company (PKGP)
- Acquire Cash-Flow Subsidiaries and related Services
- Raise Monies
- Original Corporate Names– Packaging Plus Services, Inc. (PKGP) & Association of Packagers and Carriers (APAC)

PHASE II

1993-1999

- Begin To Brand Programs with store owners
- Introduce Brands to the General Public
- Mature the Private Postal Industry (PBC)
- Expand All Strategic Programs
- Launch Luggage, Mortgage and International Shipping Territory Sales
- Maximize Revenue Streams
- Capitalize on Sales of Subsidiaries
- Change Names to Universal Express, Inc. (USXP) and Postal Business Center Network (PBC)

PHASE III

2000-2010

- Brand Association with consumers
- Create and Focus on Profitability of Programs
- Mature Luggage, Territory Sales
- Acquire New Subsidiaries
- Evolve Names to Universal Express Group & Private Postal System (PPN)
- Move to another public trading exchange



AGE: 18 years

SYMBOL: USXP

STOCKHOLDERS: 15,000+

FULLY REPORTING: Yes

COMPETITION:

The company believes that the maturation of the Private Postal Network will strengthen the profitable atmosphere of this cottage private postal industry. Lack of financial strength and market penetration have prevented some excellent franchisors and independent stores from properly promoting their services. The ability of this Network to create a nationally accepted private postal industry that the American public will embrace and trust should create a viable industry. The Company feels it can convince through financial discounts the independent and nationwide franchisors that they must self-regulate for consumer acceptance and seize this opportunity to become part of this new cooperative partnership and private postal system.

INTERNATIONAL OPPORTUNITY:

The opportunities to expand corporate scope are limitless due to shipping, logistical distribution needs and growth of services throughout the world.



Universal Express, Inc. and Subsidiaries

YEAR	2002E	2003E	2004E	2005E	2006E	2007E	2008E
PBC Network	\$1,500,000	\$2,600,000	\$3,720,000	\$4,864,000	\$5,036,800	\$5,036,800	\$5,036,800
World Post	\$3,052,800	\$3,340,800	\$3,875,328	\$4,495,380	\$5,214,641	\$6,048,984	\$7,016,821
Luggage Express / Virtual Bellhop	\$26,019,000	\$37,170,000	\$44,604,000	\$52,038,000	\$58,282,560	\$60,279,467	\$60,167,170
Universal Express Capital	\$28,800,000	\$39,600,000	\$48,000,000	\$56,400,000	\$62,400,000	\$69,600,000	\$64,800,000
Total Revenues	\$59,371,800	\$82,710,800	\$100,199,328	\$117,797,380	\$130,934,001	\$140,965,251	\$137,020,791
C.O.G.S.	\$(46,310,004)	\$(66,168,640)	\$(81,161,456)	\$(94,237,904)	\$(104,747,201)	\$(111,362,548)	\$(106,876,217)
S.G. & A.	\$(8,312,052)	\$(11,579,512)	\$(14,027,906)	\$(16,491,633)	\$(18,330,760)	\$(19,735,135)	\$(19,182,911)
EBITDA	\$4,749,744	\$4,962,648	\$5,009,966	\$7,067,843	\$7,856,040	\$9,867,568	\$10,961,663



Universal Express, Inc.	usxp.com
Universal Express Capital Corp.	usxpcapital.com
Universal Express Logistics	usxplogistics.com
<ul style="list-style-type: none"> • Worldpost Network • Virtual Bellhop • Luggage Express 	<ul style="list-style-type: none"> worldpostnetwork.com virtualbellhop.com usxpluggageexpress.com
<ul style="list-style-type: none"> Private Postal Network • Postal Business Center Network 	<ul style="list-style-type: none"> privatepostalnetwork.com pbcnetwork.com

Universal Express, Inc. Corporate FlowChart

