

USPS Preliminary Financial Information (Unaudited)

October 2011

(\$ Millions)

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:					
Mail and Services Revenue	\$5,711	\$5,609	\$6,015	1.8%	-5.0%
Government Appropriations	14	13	14	8.7%	-4.9%
Total Operating Revenue	\$5,725	\$5,622	\$6,029	1.8%	-5.0%
Operating Expenses:					
Personnel Compensation and Benefits	\$4,253	\$4,234	\$4,241	0.4%	0.3%
Workers Compensation Caseload Expense	110	107	101	2.7%	8.9%
Transportation	538	530	532	1.5%	1.2%
Supplies and Services	163	163	161	-0.2%	1.1%
Other Expenses	550	554	554	-0.8%	-0.7%
Total Controllable Operating Expenses	\$5,614	\$5,588	\$5,589	0.4%	0.4%
Controllable Operating Income (Loss)	\$112	\$34	\$440		
PSRHBF Expenses	\$467	\$467	\$458	0.0%	1.8%
Workers Compensation (a)	(231)	7	(315)	NM	NM
Net Operating Income (Loss)	(\$124)	(\$440)	\$297		
Interest Income	\$2	\$2	\$2	5.3%	-1.6%
Interest Expense	\$17	\$16	\$16	5.4%	6.8%
Net Income (Loss)	(\$139)	(\$454)	\$283		

Other Operating Statistics:					
Mail Volume: (Millions)					
Total Mailing Services Volume	14,645	14,626	16,343	0.1%	-10.4%
Total Shipping Services Volume	166	162	124	2.5%	34.6%
Total Mail Volume	14,811	14,788	16,467	0.2%	-10.1%
Total Workhours (Millions)	94	94	97	0.2%	-3.0%
Total Career Employees	554,528				
Total Non-Career Employees	89,852				

a) This represents non-cash adjustments; the impact of discount and inflation rate changes and the actuarial revaluation of existing cases.

The Postal Accountability and Enhancement Act (PL 109-435) requires the Postal Service to provide quarterly and annual financial reports in accordance with the rules and regulations promulgated by the SEC for such reports. The data on this page represents preliminary financial information for the month of October 2011 required by the Postal Regulatory Commission to be reported on a monthly basis. This data has not been subjected to all closing procedures and reviews required to present interim quarterly financial statements in accordance with generally accepted accounting principles (GAAP), nor does it constitute a full set of financial statements or contain all the necessary disclosures for a presentation in accordance with GAAP. If a full set of financial statements and related disclosures were included with this data, it might influence the user's conclusions about the Postal Service's financial position, results of operations, and cash flows. Accordingly, this financial data is not designed for those who are not informed about such matters. This data has not been audited, reviewed, or compiled by our independent auditor.

Mail Volume and Mail Revenue (Source: Postal Service Revenue Pieces and Weights Reports)

October 2011

(Thousands)

	Year-to-Date		
	Actual	SPLY	% SPLY
Mailing Services:			
<i>First Class:</i>			
Volume*	5,963,210	6,463,634	-7.7%
Revenue	\$2,570,301	\$2,813,372	-8.6%
<i>Standard Mail:</i>			
Volume*	7,992,026	9,118,512	-12.4%
Revenue	\$1,694,749	\$1,887,610	-10.2%
<i>Periodicals:</i>			
Volume*	591,544	648,853	-8.8%
Revenue	\$153,853	\$171,710	-10.4%
<i>Package Services:</i>			
Volume*	57,395	64,228	-10.6%
Revenue	\$129,263	\$131,961	-2.0%
Total Mailing Services:			
Volume*	14,644,744	16,343,116	-10.4%
Revenue **	\$4,863,949	\$5,293,303	-8.1%
Total Shipping Services:			
Volume*	166,489	123,716	34.6%
Revenue	\$863,201	\$737,937	17.0%
Postal Service Totals			
Volume*	14,811,233	16,466,832	-10.1%
Revenue	\$5,727,151	\$6,031,241	-5.0%

* Note: The sampling portion of the RPW system is designed to be statistically valid on a quarterly and annual basis.

** Total Mailing Services Revenue on this report includes investment and interest income.

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USPS Preliminary Expenses (Unaudited)

October 2011

(\$ Millions)

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:					
Salaries & Benefits					
City Delivery	\$1,425	\$1,421	\$1,428	0.3%	-0.2%
Mail Processing	764	757	790	0.9%	-3.3%
Customer Services and Retail	509	508	531	0.1%	-4.1%
Rural Delivery	522	503	489	3.8%	6.8%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	811	816	796	-0.6%	1.9%
Total Salaries & Benefits	\$4,031	\$4,005	\$4,034	0.6%	-0.1%
Other Personnel Related Expenses					
Retiree Health Benefits Current Premiums	\$209	\$216	\$192	-3.5%	8.6%
Worker's Compensation Caseload Expenses	110	107	101	2.7%	8.9%
All Other Personnel Related Expenses	13	13	16	4.4%	-15.8%
Total Other Personnel Related Expenses	\$332	\$336	\$308	-1.3%	7.5%
Controllable Personnel Compensation and Benefits	\$4,363	\$4,341	\$4,342	0.5%	0.5%
PSRHBF Expenses	\$467	\$467	\$458	0.0%	1.8%
Workers' Compensation (a)	(231)	7	(315)	NM	NM
Total Personnel Compensation and Benefits	\$4,598	\$4,815	\$4,486	-4.5%	2.5%
Non-Personnel Expenses:					
Transportation	\$538	\$530	\$532	1.5%	1.2%
Supplies and Services	163	163	161	-0.2%	1.1%
Depreciation and Amortization	183	199	192	-8.0%	-4.9%
Rent	81	91	89	-10.6%	-8.4%
Utilities and Heating Fuel	51	50	56	2.3%	-9.3%
Vehicle Maintenance Service	77	69	67	12.2%	15.4%
Information Technology	24	22	20	11.6%	19.9%
Rural Carrier Equipment Maintenance Allowance	50	43	44	17.2%	15.1%
Other	83	82	86	2.3%	-2.7%
Total Non-Personnel Expenses	\$1,251	\$1,247	\$1,247	0.3%	0.3%
Total Operating Expenses	\$5,849	\$6,062	\$5,732	-3.5%	2.0%
Interest Expense	17	16	16	5.4%	6.8%
Total Expenses	\$5,866	\$6,078	\$5,748	-3.5%	2.0%

a) This represents non-cash adjustments; the impact of discount and inflation rate changes and the actuarial revaluation of existing cases.

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USPS Preliminary Workhours (Unaudited)**October 2011****(Thousands)**

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours					
City Delivery	32,585	32,824	33,958	-0.7%	-4.0%
Mail Processing	18,102	17,931	18,789	1.0%	-3.7%
Customer Services	12,157	12,132	12,734	0.2%	-4.5%
Rural Delivery	15,233	14,539	14,654	4.8%	3.9%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	16,419	16,866	17,247	-2.7%	-4.8%
Total Workhours	94,495	94,292	97,382	0.2%	-3.0%

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Numbers may not add due to rounding. Percentages calculated using unrounded numbers.

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