UNITED STATES POSTAL SERVICE®

FINANCIAL & OPERATING STATEMENTS

Accounting Period 07, PFY 1997

March 1 - March 28, 1997

RECEIVED
MAY 15 9 35 AM '97
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Finance

POSTAL RATE COMMISSION
DOCKETED
MAY 15 1997
OFFICE OF THE SECRETARY

HIGHLIGHTS
(MILLIONS)

Accounting Period 7						Year to Date				
Actual	Var. to Budget	% Var.	SPLY	% Var to SPLY		Actual	Var. to Budget	% Var.	SPLY	% Var to SPLY
$ 4,592.5	$ 30.1	0.7	$ 4,416.1	4.0	Total Revenue	$ 32,004.5	[$ - 155.8]	[- 0.5]	$ 31,232.9	2.5
4,390.0	- 110.9	- 2.5	4,287.7	2.4	Total Expense	30,874.3	- 398.5	- 1.3	29,597.8	4.3
$ 202.5	$ 141.0	NM	$ 128.4	NM	Income\(Loss)	$ 1,130.2	$ 242.7	NM	$ 1,635.1	NM
$ 198.1	$ - 10.1	- 4.9	$ 124.0	59.8	Capital Commitments	$ 1,097.9	$ - 422.7	- 27.8	$ 585.4	87.5
125.5	[1.0]	[0.8]	124.9	0.5	Total Workhours	876.8	[7.8]	[0.9]	866.0	1.2
14,980.2	264.2	1.8	14,382.0	4.2	Mail Volume	105,060.2	383.6	0.4	101,686.9	3.3

[ ] = Unfavorable variance to budget
NM = Non-Meaningful

Actual Number Of:	Current Period	Last Period	SPLY
Post Offices	27,997	28,020	28,170
Active Postal Owned Vehicles			
Administrative	5,080	4,815	4,933
Operations	198,760	198,617	200,182
Possible City Deliveries (000)	81,584	81,563	81,076
Rural Routes	58,505	58,267	55,710
Delivery Routes	170,027	170,170	172,021
Career Employees	758,705	758,387	758,689
Casual Employees	29,705	30,785	28,177
Transitional Employees	33,169	33,520	35,894

STATEMENT OF INCOME & EXPENSE
($ MILLIONS)

Accounting Period 7						Year to date				
Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY		Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY
$ 4,584.4	$ 30.5	0.7	$ 4,407.5	4.0	Operating Revenue	$ 31,961.8	[$ - 153.1]	[- 0.5]	$ 31,156.6	2.6
4,241.8	- 108.9	- 2.5	4,145.4	2.3	Operating Expense	29,823.8	- 393.5	- 1.3	28,553.5	4.4
$ 342.6	$ 139.4	NM	$ 262.1	NM	Income From Operations	$ 2,138.0	$ 240.4	NM	$ 2,603.1	NM
8.1	[- 0.4]	[- 4.6]	8.6	- 5.1	Investment Income	42.7	[- 2.7]	[- 5.9]	76.3	- 44.0
- 25.4	2.0	- 7.3	- 28.3	- 10.1	Interest Expense	- 182.2	5.0	- 2.7	- 246.0	- 25.9
- 120.3	0.0	0.0	- 110.4	9.0	Interest on Deferred Ret. Liabilities	- 850.9	0.0	0.0	- 772.8	10.1
- 2.5	0.0	0.0	- 3.6	- 31.0	Interest Exp. for OBRA '93	- 17.4	0.0	0.0	- 25.5	- 31.8
$ 202.5	141.0	NM	$ 128.4	NM	Income (Loss)	$ 1,130.2	242.7	NM	$ 1,635.1	NM

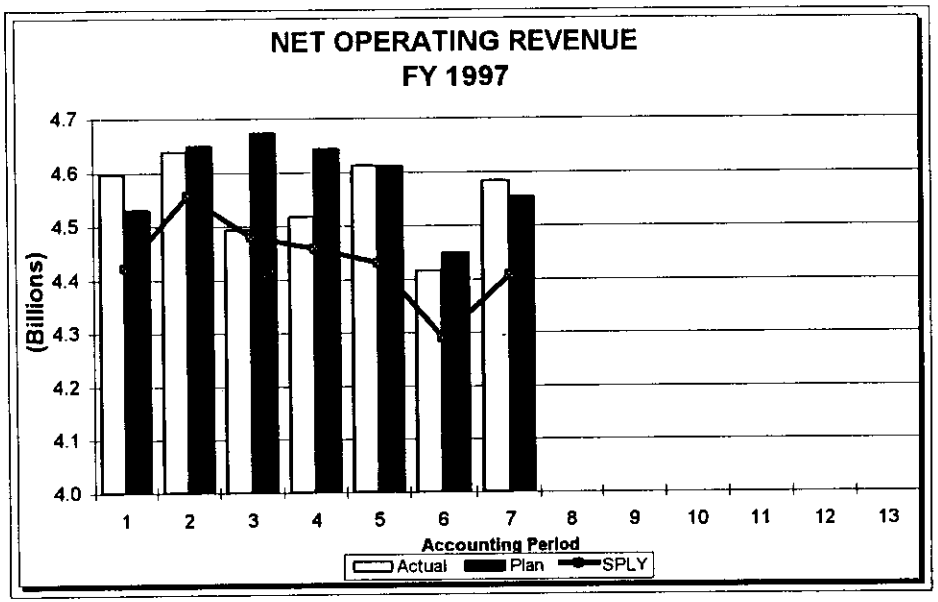
[ ]=Unfavorable variance to budget

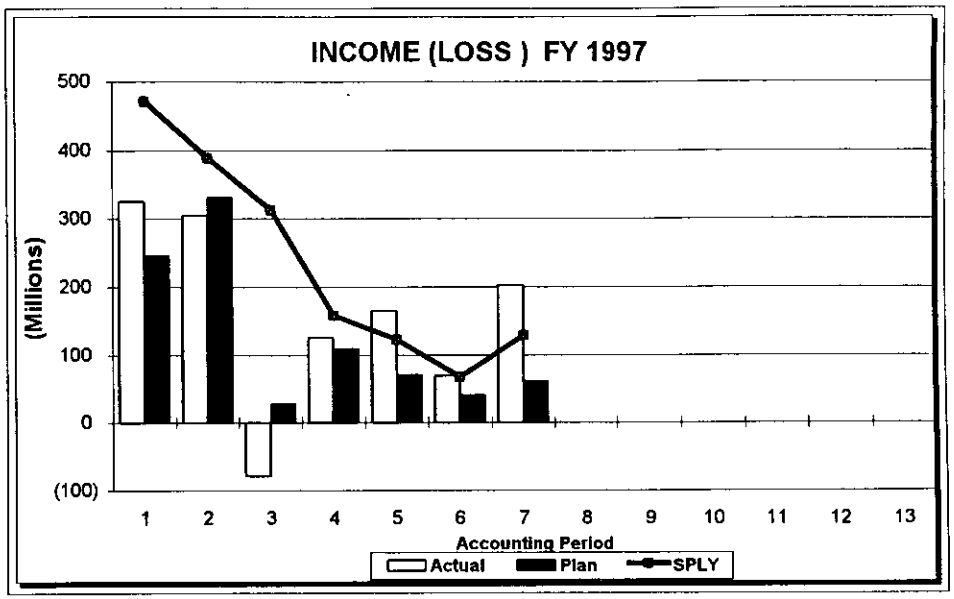
NM = Non-Meaningful

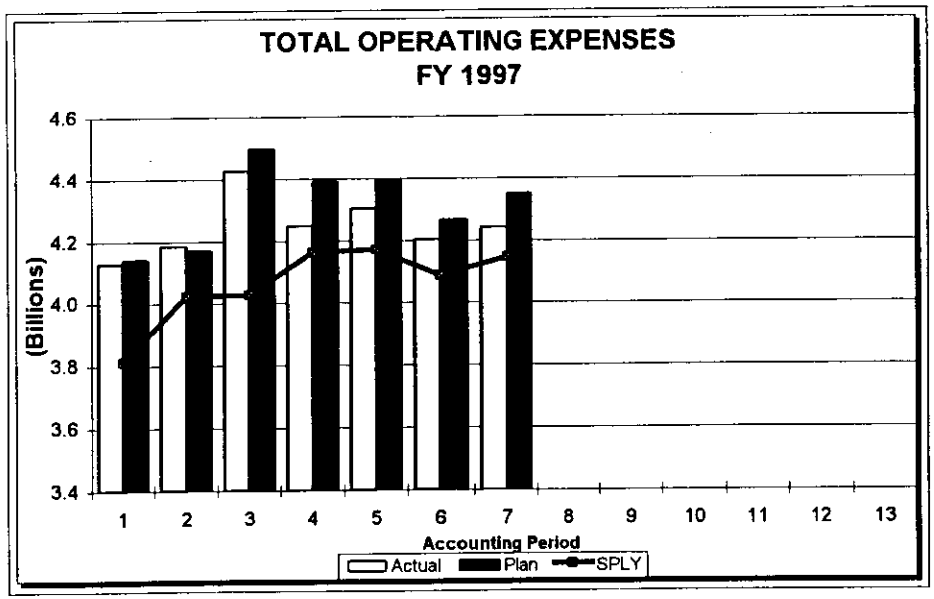
MAIL VOLUME - MAIL REVENUE
(000'S)

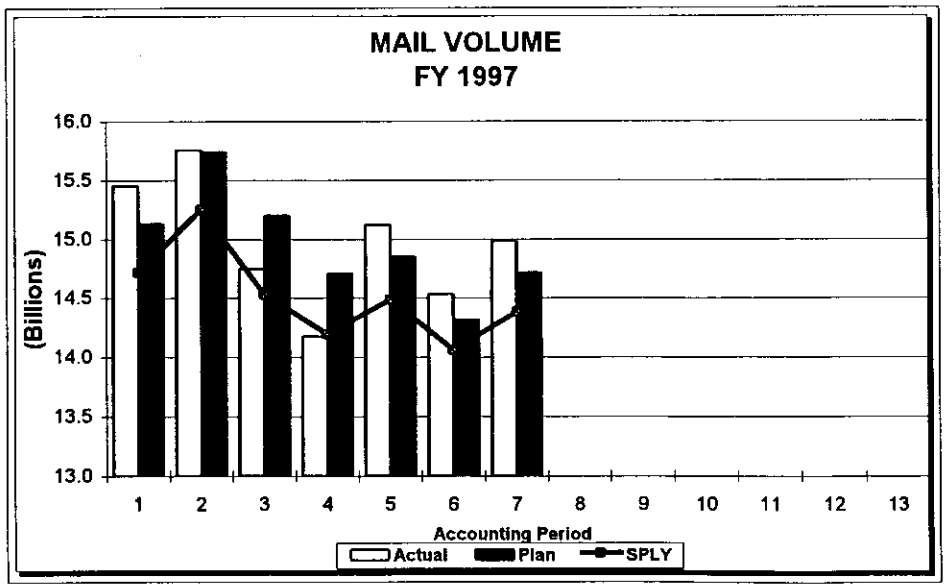
	CURRENT PERIOD			YEAR-TO-DATE		
	A/P 07 1997	A/P 07 1996	% CHANGE	A/P 07 1997	A/P 07 1996	% CHANGE
FIRST-CLASS						
VOLUME	7,703,001	7,503,943	2.7	54,985,391	54,405,241	1.1
REVENUE	$ 2,621,144	$ 2,554,527	2.6	$ 18,340,434	$ 18,252,466	0.5
REV/PC.	0.3403	0.3404	- 0.0	0.3336	0.3355	- 0.6
PRIORITY-MAIL						
VOLUME	88,796	75,326	17.9	572,415	496,825	15.2
REVENUE	$ 310,427	$ 261,378	18.8	$ 2,069,535	$ 1,793,289	15.4
REV/PC.	3.4960	3.4700	0.7	3.6154	3.6095	0.2
EXPEDITED MAIL						
VOLUME	4,829	4,582	5.4	32,302	30,461	6.0
REVENUE	$ 61,535	$ 58,204	5.7	$ 416,142	$ 392,106	6.1
REV/PC.	12.7428	12.7027	0.3	12.8829	12.8724	0.1
PERIODICALS						
VOLUME	880,508	820,664	7.3	5,696,462	5,564,631	2.4
REVENUE	$ 175,776	$ 164,872	6.6	$ 1,134,687	$ 1,119,863	1.3
REV/PC.	0.1996	0.2009	- 0.6	0.1992	0.2012	- 1.0
STANDARD (A) MAIL						
VOLUME	6,115,550	5,795,404	5.5	42,453,994	39,816,029	6.6
REVENUE	$ 1,030,154	$ 986,259	4.5	$ 7,110,268	$ 6,795,289	4.6
REV/PC.	0.1684	0.1702	- 1.0	0.1675	0.1707	- 1.9
STANDARD (B) MAIL						
VOLUME	75,687	63,529	19.1	542,888	516,960	5.0
REVENUE	$ 124,066	$ 108,688	14.1	$ 923,737	$ 872,490	5.9
REV/PC.	1.6392	1.7108	- 4.2	1.7015	1.6877	0.8
INTERNATIONAL						
VOLUME	78,198	86,891	- 10.0	548,610	617,991	- 11.2
REVENUE	$ 122,537	$ 129,902	- 5.7	$ 894,251	$ 941,875	- 5.1
REV/PC.	1.5670	1.4950	4.8	1.6300	1.5241	7.0
ALL OTHER_1/						
VOLUME	33,676	31,624	6.5	228,126	238,752	- 4.5
REVENUE	$ 235	$ 145	0.6	$ 1,475	$ 761	93.9
ALL MAIL						
VOLUME	14,980,245	14,381,963	4.2	105,060,188	101,686,891	3.3
REVENUE	$ 4,445,874	$ 4,263,975	4.3	$ 30,890,530	$ 30,168,139	2.4
REV/PC.	0.2968	0.2965	0.1	0.2940	0.2967	- 0.9

_1/ All other volume consists of an increase of 1,626 pieces in Internal Mail for the period and a decrease of 13,149 pieces year to date from this time a year ago.


NET OPERATING REVENUE
FY 1997
(Billions)
4.7
4.6
4.5
4.4
4.3
4.2
4.1
4.0
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


INCOME (LOSS) FY 1997
(Millions)
500
400
300
200
100
0
(100)
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


TOTAL OPERATING EXPENSES
FY 1997
(Billions)
4.6
4.4
4.2
4.0
3.8
3.6
3.4
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


MAIL VOLUME
FY 1997
(Billions)
16.0
15.5
15.0
14.5
14.0
13.5
13.0
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY

Revenue by Source
A/P 7, FY 1997
($ Millions)

Current Period				Year-To-Date		
Actual	SPLY	% Diff		Actual	SPLY	% Diff
			Operating Revenue:			
$ 1,915.7	$ 1,895.9	1.0	Metered Postage	$ 13,296.2	$ 13,089.1	1.6
869.0	825.6	5.3	Stamps and Stamped Paper	6,280.8	6,213.5	1.1
1,074.6	1,010.6	6.3	Permit Imprint	7,571.7	7,151.6	5.9
179.1	171.4	4.5	Periodicals & Standard A	1,164.5	1,157.5	0.6
56.4	55.5	1.6	Official Mail	467.0	499.1	- 6.4
312.5	295.9	5.6	Presort First and Standard B/Permit Imprint	2,106.9	1,976.9	6.6
44.3	42.0	5.5	Box Rents	310.3	294.1	5.5
14.5	14.1	2.8	Money Order Fees	96.0	95.7	0.3
112.0	89.2	25.6	Other	622.3	628.2	- 0.9
$ 4,578.1	$ 4,400.2	4.0	**Subtotal**	$ 31,915.7	$ 31,105.7	2.6
			Government Appropriation:			
6.3	7.3	- 14.0	Revenue Forgone	46.1	50.9	- 9.4
$ 4,584.4	$ 4,407.5	4.0	**Total Operating Revenue**	$ 31,961.8	$ 31,156.6	2.6
8.1	8.6	- 5.1	Investment Income	42.7	76.3	- 44.0
$ 4,592.5	$ 4,416.1	4.0	**Total Revenue**	$ 32,004.5	$ 31,232.9	2.5

Expense Analysis
Accounting Period 7, FY 1997
($ Millions)

Accounting Period 7						Year-To-Date				
Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY		Actual	Var to Budget	%Var	SPLY	% Var to SPLY
$ 3,392.1	$ - 51.0	- 1.5	$ 3,391.3	0.0	**Personnel Compensation**	$ 24,126.6	$ - 48.4	- 0.2	$ 23,248.2	3.8
					Non-Personnel Expense:					
299.5	[12.2]	[4.2]	276.4	8.3	Transportation	2,175.5	[32.4]	[1.5]	2,046.9	6.3
200.5	- 44.7	- 18.2	179.6	11.7	Supplies & Services	1,214.5	- 252.4	- 17.2	1,066.3	13.9
349.7	- 25.4	- 6.8	298.1	17.3	Other	2,307.2	- 125.1	- 5.1	2,192.1	5.4
$ 849.7	$ - 57.9	- 6.4	$ 754.1	12.7	**Subtotal**	$ 5,697.2	$ - 345.1	- 5.7	$ 5,305.3	7.4
$ 4,241.8	$ - 108.9	- 2.5	$ 4,145.4	2.3	**Total Operating Expense**	$ 29,823.8	$ - 393.5	- 1.3	$ 28,553.5	4.4
25.4	- 2.0	- 7.3	28.3	- 10.1	Interest Expense	182.2	- 5.0	- 2.7	246.0	- 25.9
120.3	0.0	0.0	110.4	9.0	Interest on Deferred Ret. Liabil	850.9	0.0	0.0	772.8	10.1
2.5	0.0	0.0	3.6	- 31.0	Interest on OBRA '93 Retroactive Assessment	17.4	0.0	0.0	25.5	- 31.8
$ 4,390.0	- 110.9	- 2.5	$ 4,287.7	2.4	**Total Expense**	$ 30,874.3	- 398.5	- 1.3	$ 29,597.8	4.6

[ ] = Unfavorable variance to Budget.

Analysis of Operating Expenses
Personnel Compensation
($ Millions)

Accounting Period 7						Year to date				
Actual	Var. to Budget	% Var.	SPLY *	% Var to SPLY	Total Compensation	Actual	Var. to Budget	%Var.	SPLY *	% Var to SPLY
					Operations:					
$ 24.5	- 0.0	- 0.0	$ 23.3	5.3	-Support	$ 159.2	$ - 5.7	- 3.5	$ 150.2	6.0
830.8	[19.1]	[2.4]	802.1	3.6	-Mail Processing	5,990.5	[172.9]	[3.0]	5,662.8	5.8
247.9	- 5.9	- 2.3	240.9	2.9	-Rural Delivery	1,684.1	- 27.9	- 1.6	1,605.3	4.9
967.0	- 1.6	- 0.2	955.5	1.2	-Other Delivery	6,726.0	[1.9]	[0.0]	6,617.8	1.6
68.2	[0.0]	[0.1]	65.8	3.5	-Vehicles Services	471.1	[1.3]	[0.3]	453.6	3.9
164.9	- 2.8	- 1.6	159.7	3.3	-Plant & Equip Maint	1,131.9	- 12.1	- 1.1	1,089.6	3.9
506.0	[3.9]	[0.8]	496.4	1.9	-Customer Services	3,547.6	[19.2]	[0.5]	3,453.6	2.7
22.0	- 1.2	- 5.2	21.3	3.4	Controller	147.6	- 7.1	- 4.6	142.5	3.6
23.8	- 1.1	- 4.3	23.7	0.5	Human Resources	157.4	- 10.5	- 6.3	155.5	1.2
35.0	- 1.9	- 5.2	34.9	0.3	Customer Service & Sales	237.7	- 8.5	- 3.5	234.0	1.6
153.9	[1.9]	[1.2]	151.8	1.4	Administration	1,027.7	[4.4]	[0.4]	1,009.7	1.8
100.6	- 38.1	- 27.5	96.0	4.7	Other Salaries & Benefits	673.5	- 136.8	- 16.9	627.6	7.3
$ 3,144.6	- 27.7	- 0.9	$ 3,071.4	2.4	Total Salaries & Benefits	$ 21,954.3	$ - 8.9	- 0.0	$ 21,202.1	3.5
63.5	0.0	0.0	71.9	- 11.7	Workers' Compensation	444.5	0.0	0.0	503.5	- 11.7
6.8	0.0	0.0	7.0	- 3.3	Unemployment Compensation	49.4	- 1.8	- 3.5	49.1	0.5
82.9	0.0	0.0	89.8	- 7.7	Deferred Retirement Cost	583.2	0.0	0.0	628.5	- 7.2
43.5	0.0	0.0	39.4	10.3	CSRS Annuitant COLA	307.5	0.0	0.0	275.7	11.5
43.1	0.0	0.0	43.3	- 0.6	Annuitant Health Benefits	307.5	0.0	0.0	303.3	1.4
7.8	- 23.3	- 74.9	68.5	- 88.6	Other Compensation	480.3	- 37.8	- 7.3	285.9	68.0
$ 3,392.1	$ - 51.0	- 1.5	$ 3,391.3	0.0	Total Personnel Compensation	$ 24,126.6	$ - 48.4	- 0.2	$ 23,248.2	3.8

[ ] = Unfavorable variance to budget

* Recasted Data

Analysis of Non Personnel Expenses
($ Millions)

Accounting Period 7						Year to date				
Actual	Var. to Budget	% Var.	SPLY *	% Var to SPLY	Description	Actual	Var. to Budget	%Var.	SPLY *	% Var to SPLY
$ 299.5	[$ 12.2]	[4.2]	$ 276.4	8.3	Transportation	$ 2,175.5	[$ 32.3]	[1.5]	$ 2,046.9	6.3
200.5	- 44.6	- 18.2	179.6	11.7	Supplies & Services	1,214.5	- 252.4	- 17.2	1,066.3	13.9
117.9	- 14.1	- 10.7	100.2	17.7	Depreciation	820.5	- 49.6	- 5.7	689.7	19.0
51.5	- 2.0	- 3.8	48.7	5.8	Rent	367.4	- 9.2	- 2.4	343.4	7.0
34.4	[0.4]	[1.2]	33.8	1.9	Fuel & Utilities	218.0	[2.3]	[1.1]	205.2	6.2
25.3	[1.4]	[5.8]	23.5	8.0	Rural Carrier Equip Maint Allow	169.7	[9.6]	[6.0]	156.3	8.6
28.8	[4.9]	[20.3]	24.1	19.4	Vehicle Maintenance	170.1	[14.5]	[9.3]	147.0	15.7
16.2	- 0.5	- 2.8	15.3	6.2	Building Projects Expensed	92.3	- 20.1	- 17.9	75.0	23.1
3.9	- 0.2	- 5.9	3.9	0.9	Contract Job Cleaners	28.1	- 0.6	- 2.0	26.8	4.6
14.3	[0.9]	[6.5]	12.4	15.4	Travel & Relocation	76.0	- 3.0	- 3.8	66.9	13.6
13.2	- 2.7	- 16.8	13.1	1.1	Communications	84.6	- 6.7	- 7.3	68.7	23.1
5.7	- 0.0	- 0.7	5.8	- 2.0	Contract Stations	40.2	- 0.4	- 1.0	41.8	- 3.8
3.9	- 2.4	- 37.8	4.3	- 8.0	Printing	17.8	- 11.1	- 38.4	20.6	- 13.5
5.0	- 1.6	- 24.4	5.6	- 11.2	Training	27.3	- 17.0	- 38.4	30.7	- 11.0
4.5	[0.3]	[5.9]	4.8	- 5.5	Carfare & Tolls	29.9	[3.8]	[14.5]	28.7	4.5
1.7	- 0.5	- 22.1	2.0	- 14.5	Vehicle Hire	15.9	[1.3]	[8.7]	13.6	16.8
5.6	[1.8]	[45.3]	3.4	67.6	Accident Cost	31.1	[4.8]	[18.4]	25.6	21.4
- 2.7	[0.4]	[12.9]	- 2.6	1.6	Capitalized Interest	- 17.5	[4.0]	[18.7]	- 21.9	- 20.0
20.2	- 11.4	- 36.2	0.0	999.9	Miscellaneous	135.7	- 47.6	- 26.0	274.1	- 50.5
$ 849.7	$ - 57.9	- 6.4	$ 754.1	12.7	Total Other Operating Expenses	$ 5,697.2	$ - 345.1	- 5.7	$ 5,305.3	7.4

[ ]=Unfavorable variance to budget
* Recasted Data

Statement of Financial Position
AP 7, FY 1997
($ Millions)

Assets	March 28, 1997	February 28, 1997	September 30, 1996*
Current Assets:			
Cash and cash equivalents _1/	$ 1,091.2	$ 926.9	$ 301.1
U.S. Government securities, at amortized cost which approximates market	308.8	8.7	8.7
Receivables:			
Foreign countries	406.0	401.2	547.2
U.S. Government	165.0	169.8	109.5
Other	226.6	198.3	153.9
	$ 797.6	$ 769.3	$ 810.6
Less allowances	89.6	87.1	83.3
	$ 708.0	$ 682.2	$ 727.3
Supplies, advances and prepayments	375.3	376.2	410.0
Total Current Assets	$ 2,483.3	$ 1,994.0	$ 1,447.1
Other assets _2/	354.4	354.5	354.2
Property and equipment, at cost:			
Buildings	13,432.7	13,383.8	12,923.3
Equipment	10,311.1	10,208.6	9,738.2
Land	2,165.3	2,166.2	2,107.0
	$ 25,909.1	$ 25,758.6	$ 24,768.5
Less allowances for depreciation	9,403.8	9,337.9	8,843.2
	$ 16,505.3	$ 16,420.7	$ 15,925.3
Construction in progress	1,768.9	1,696.8	1,551.7
Leasehold improvements, net	411.9	411.0	380.9
	$ 18,686.1	$ 18,528.5	$ 17,857.9
Deferred retirement costs _3/	33,089.0	33,215.4	31,944.3
Total Assets	$ 54,612.8	$ 54,092.4	$ 51,603.5

_1/ Includes securities with maturities of 90 days or less in accordance with Statement of Financial Accounting Standards (SFAS) No. 95.

_2/ Includes $352.6 million as of September 30, 1996, January 31 and March 28, 1997 for supplemental appropriation receivable for revenue forgone.

* Audited year-end data

Statement of Financial Position
AP 7, FY 1997
($ Millions)

Liabilities and Equities	March 28, 1997	February 28, 1997	September 30, 1996*
Current Liabilities:			
Compensation and employees' benefits	$ 5,549.3	$ 5,431.1	$ 4,742.7
Estimated prepaid postage	1,761.0	1,756.2	1,723.4
Payables and accrued expenses:			
Foreign countries	590.3	594.3	720.5
U.S. Government	234.7	225.7	225.9
Other	1,722.0	1,723.8	877.7
	$ 2,547.0	$ 2,543.8	$ 1,824.1
Appropriation for free & reduced rate mail	41.7	47.9	0.0
Prepaid permit mail and box rentals	1,385.9	1,372.3	1,592.3
Outstanding postal money orders	1,011.2	1,046.2	680.6
Current portion of long-term debt	509.5	509.5	2,009.5
Total Current Liabilities	$ 12,805.6	$ 12,707.0	$ 12,572.6
Long-term debt, less current portion	3,908.3	3,908.3	3,909.2
Other Liabilities:			
Amounts payable for retirement benefits _3/	31,579.8	31,579.9	30,459.4
Worker's compensation claims	5,290.1	5,226.6	4,890.0
Retroactive assessment payable to the U.S. Government	348.2	345.7	330.8
Employees accumulated leave	1,724.0	1,633.4	1,621.9
Other	680.3	657.4	443.1
Total Other Liabilities	$ 39,622.4	$ 39,443.0	$ 37,745.2
Equity of the U.S. Government	- 1,723.5	- 1,965.9	- 2,623.5
Total Liabilities and Equity	$ 54,612.8	$ 54,092.4	$ 51,603.5

_3/ Represents the Postal Service's deferred retirement liability to OPM for increases in basic pay, and annuitants COLAs. Amounts applicable to future periods are capitalized as deferred retirement costs and amortized over 30 years for basic pay and 15 years for annuitants' COLAs.

* Audited year-end data

CAPITAL INVESTMENTS
1997

($ MILLIONS)

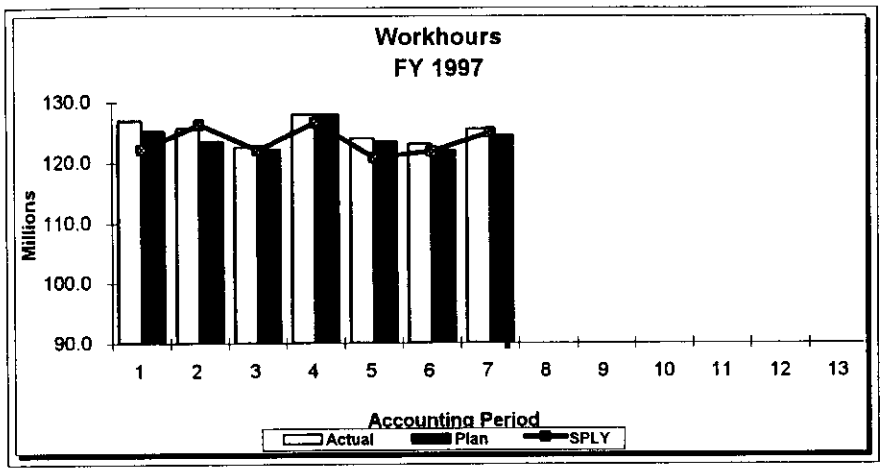
MAJOR CATEGORIES	COMMITMENTS A/P 07 - YEAR TO DATE ACTUAL	PLAN	SPLY	EXPENDITURES A/P 07 - YEAR TO DATE ACTUAL	PLAN	SPLY
CONSTRUCTION AND BUILDING PURCHASE	$ 361.8	$ 508.2	$ 100.8	$ 292.6	$ 306.9	$ 308.0
BUILDING IMPROVEMENTS	198.1	237.2	114.9	306.8	252.9	243.8
MAIL PROCESSING EQUIPMENT	360.5	525.6	249.1	591.4	762.6	339.6
VEHICLES	33.5	35.1	20.1	95.0	98.2	11.4
RETAIL EQUIPMENT	3.7	7.6	0.2	14.0	28.5	1.8
POSTAL SUPPORT EQUIPMENT	140.3	206.9	100.3	220.9	243.3	188.3
TOTAL COMMITMENTS	$ 1,097.9	$ 1,520.6	$ 585.4	$ 1,520.7	$ 1,692.4	$ 1,092.9

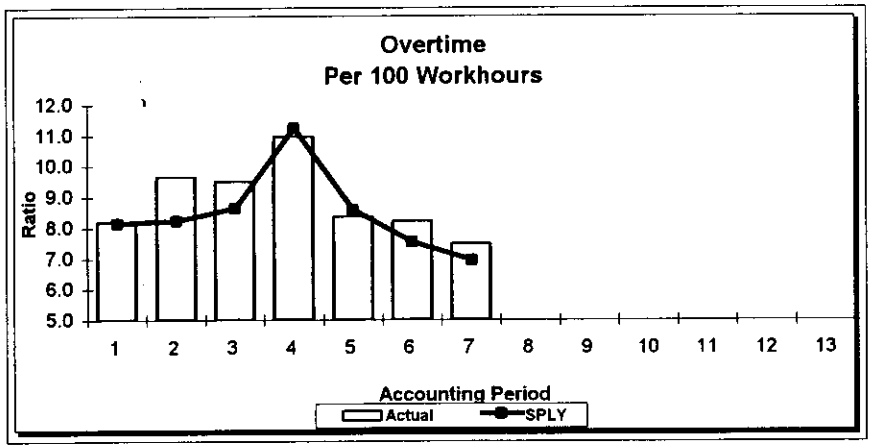
RESOURCES ON ORDER
($ MILLIONS)

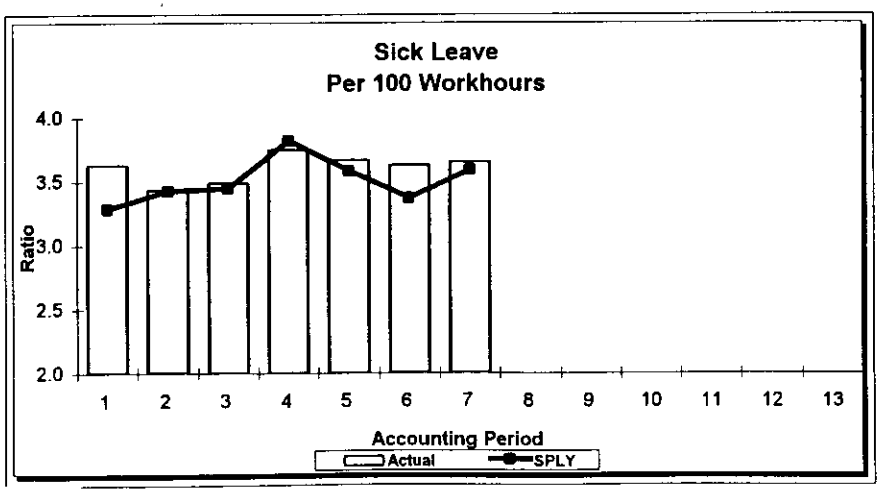
MAJOR CATEGORIES - EXPENDITURES	Mar. 28, 1997	Sept. 30, 1996
CONSTRUCTION AND BUILDING PURCHASE	$ 552.4	$ 506.9
BUILDING IMPROVEMENTS	291.0	418.0
MAIL PROCESSING EQUIPMENT	989.5	1,222.3
VEHICLES	249.7	310.6
RETAIL EQUIPMENT	209.1	219.4
POSTAL SUPPORT EQUIPMENT	81.6	163.2
INVENTORIES	227.6	288.7
RESEARCH AND DEVELOPMENT	61.0	68.9
MISCELLANEOUS EXPENSE COMMITMENTS	1,610.8	1,458.5
TOTAL RESOURCES ON ORDER	$ 4,272.7	$ 4,656.5

STATEMENT OF CASH FLOWS
($ Millions)

For the year through March 28, 1997	FY 1997
Cash flows from operating activities:	
Net income/(loss) (Government Fiscal Year)	$ 900.0
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	819.8
Increase/(decrease) in other liabilities	237.2
Increase/(decrease) in employees' accumulated leave	102.1
Increase/(decrease) in non-current workers' compensation claims	400.1
Increase/(decrease) in retirement, net	- 6.9
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	806.6
Increase/(decrease) in deferred revenue	- 127.1
Increase/(decrease) in payables and accrued expenses	722.9
(Increase)/decrease in receivables	19.3
(Increase)/decrease in supplies, advances and prepayments	34.7
Increase/(decrease) in outstanding postal money orders	330.6
Net cash provided/(used) by operating activities	$ 4,239.3
Cash flows from investing activities:	
Sale/(purchase) of U.S. Government securities, net	- 300.1
Purchase of property and equipment, net	- 1,648.0
Net cash used in investing activities	$ - 1,948.1
Cash flows from financing activities:	
Increase/(decrease) in long term debt	- 1,500.9
(Increase)/decrease in other non-current assets	- 0.2
Net cash provided by/(used in) financing activities	$ - 1,501.1
Net (decrease)/increase in cash and cash equivalents	$ 790.1
Cash and cash equivalents at beginning of period	301.1
Cash and cash equivalents at end of period	$ 1,091.2


Workhours
FY 1997
130.0
120.0
110.0
100.0
90.0
Millions
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


Overtime
Per 100 Workhours
12.0
11.0
10.0
9.0
8.0
7.0
6.0
5.0
Ratio
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
SPLY


Sick Leave
Per 100 Workhours
4.0
3.5
3.0
2.5
2.0
Ratio
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
SPLY

WORKHOURS & OVERTIME/SICK LEAVE RATIOS
(Thousands)

Accounting Period 7						Year to date				
Actual	Var. to Budget	% Var.	SPLY*	% Var to SPLY	Total Workhours	Actual	Var. to Budget	%Var.	SPLY*	% Var to SPLY
					Operations:					
771	[4]	[0.5]	744	3.6	-Support	4,956	120	- 2.4	4,780	3.7
34,326	[836]	[2.5]	33,801	1.6	-Mail Processing	251,256	[7,853]	[3.2]	242,524	3.6
11,762	154	- 1.3	11,449	2.7	-Rural Delivery	79,342	581	- 0.7	76,977	3.1
38,153	[12]	[0.0]	38,551	- 1.0	-Other Delivery	263,402	657	- 0.2	265,868	- 0.9
2,532	[12]	[0.5]	2,477	2.2	-Vehicles Services	17,414	[94]	[0.5]	17,022	2.3
6,233	134	- 2.1	6,166	1.1	-Plant & Equip Maint	42,517	740	- 1.7	41,841	1.6
20,222	[196]	[1.0]	20,297	- 0.4	-Customer Services	141,399	[683]	[0.5]	141,431	- 0.0
770	36	- 4.5	755	1.9	Controller	5,127	227	- 4.2	5,055	1.4
767	32	- 4.0	776	- 1.2	Human Resources	5,032	259	- 4.9	5,091	- 1.2
1,269	69	- 5.2	1,291	- 1.6	Customer Service & Sales	8,540	249	- 2.8	8,564	- 0.3
5,445	[113]	[2.1]	5,432	0.2	Administration	36,202	[344]	[1.0]	36,279	- 0.2
3,230	[267]	[9.0]	3,137	3.0	Other	21,572	[1,620]	[8.1]	20,557	4.9
125,480	[1,015]	[0.8]	124,876	0.5	Total Workhours	876,759	[7,761]	[0.9]	865,989	1.2

Overtime

Actual	Budget	SPLY		Actual	Budget	SPLY
7.5	6.6	6.9	Overtime Ratio Per 100 Workhours	8.9	7.8	8.5

Sick Leave

Actual		SPLY		Actual		SPLY
3.7	--	3.6	Sick Leave Ratio Per 100 Workhours	3.7	--	3.5

[ ] = Unfavorable variance to budget
* Recasted Data