UNITED STATES POSTAL SERVICE®

FINANCIAL & OPERATING STATEMENTS

Accounting Period 8, PFY 1997

March 29 - April 25, 1997

RECEIVED
MAY 27 1 46 PM '97
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE COMMISSION
DOCKETED
MAY 27
OFFICE OF THE SECRETARY

Finance

HIGHLIGHTS
(MILLIONS)

Accounting Period 8						Year to Date				
Actual	Var. to Budget	% Var.	SPLY	% Var to SPLY		Actual	Var. to Budget	% Var.	SPLY	% Var to SPLY
$ 4,484.9	[$ - 99.1]	[- 2.2]	$ 4,362.5	2.8	Total Revenue	$ 36,488.6	[$ - 255.7]	[- 0.7]	$ 35,604.7	2.5
4,354.3	- 127.8	- 2.9	4,271.5	1.9	Total Expense	35,242.6	- 512.4	- 1.4	33,904.4	3.9
$ 130.6	$ 28.7	NM	$ 91.0	NM	Income\(Loss)	$ 1,246.0	$ 256.7	NM	$ 1,700.3	NM
$ 144.2	[$ 6.2]	[4.5]	$ 165.8	- 13.0	Capital Commitments	$ 1,242.1	$ - 416.5	- 25.1	$ 751.2	65.3
124.6	- 0.7	- 0.6	123.9	0.5	Total Workhours	1,001.5	[7.1]	[0.7]	989.9	1.2
14,671.8	177.0	1.2	14,006.1	4.8	Mail Volume	119,732.0	560.6	0.5	115,693.0	3.5

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

Actual Number Of:	Current Period	Last Period	SPLY
Post Offices	27,997	27,997	28,163
Active Postal Owned Vehicles			
Administrative	5,173	5,080	4,988
Operations	198,939	198,760	200,261
Possible City Deliveries (000)	81,609	81,584	81,140
Rural Routes	58,819	58,505	56,089
Delivery Routes	169,739	170,027	171,963
Career Employees	759,466	758,705	760,091
Casual Employees	28,829	29,705	26,212
Transitional Employees	32,811	33,169	36,502

STATEMENT OF INCOME & EXPENSE
($ MILLIONS)

Accounting Period 8						Year to date				
Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY		Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY
$ 4,473.9	[$ - 98.5]	[- 2.2]	$ 4,351.9	2.8	Operating Revenue	$ 36,434.9	[$ - 252.4]	[- 0.7]	$ 35,517.8	2.6
4,206.0	- 124.7	- 2.9	4,129.2	1.9	Operating Expense	34,043.8	- 504.3	- 1.5	32,717.7	4.1
$ 267.9	$ 26.2	NM	$ 222.7	NM	Income From Operations	$ 2,391.1	$ 251.9	NM	$ 2,800.1	NM
11.0	[- 0.6]	[- 5.4]	10.6	3.2	Investment Income	53.7	[- 3.3]	[- 5.8]	86.9	- 38.2
- 25.5	3.1	- 10.8	- 28.3	- 9.9	Interest Expense	- 207.7	8.1	- 3.8	- 274.3	- 24.3
- 120.3	0.0	0.0	- 110.4	9.0	Interest on Deferred Ret. Liabilities	- 971.2	0.0	0.0	- 883.3	10.0
- 2.5	0.0	0.0	- 3.6	- 31.0	Interest Exp. for OBRA '93	- 19.9	0.0	0.0	- 29.1	- 31.6
$ 130.6	28.7	NM	$ 91.0	NM	Income (Loss)	$ 1,246.0	256.7	NM	$ 1,700.3	NM

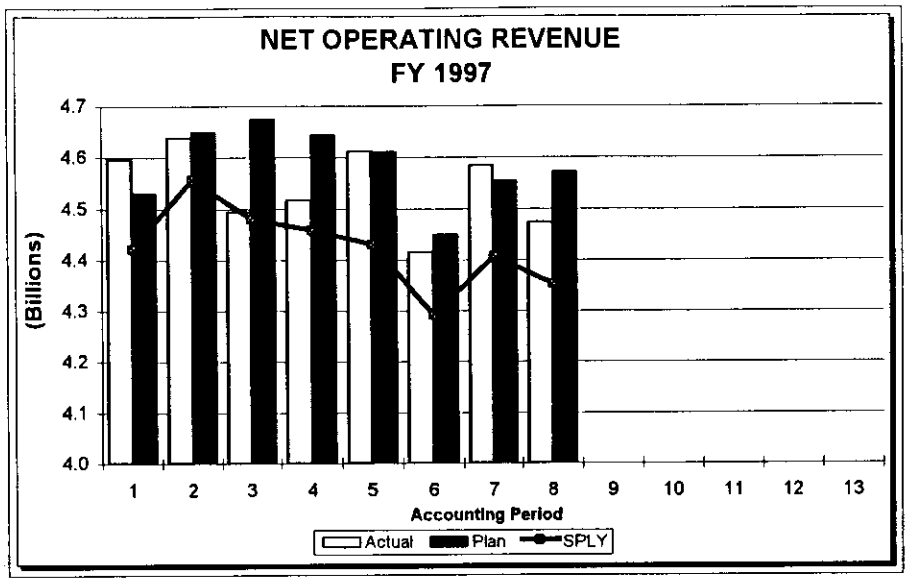
[ ]=Unfavorable variance to budget

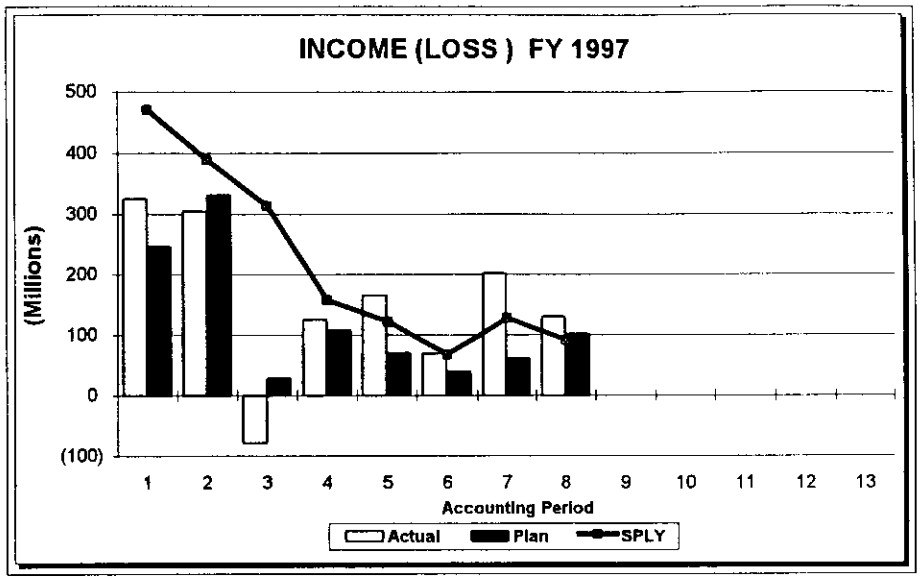
NM = Non-Meaningful

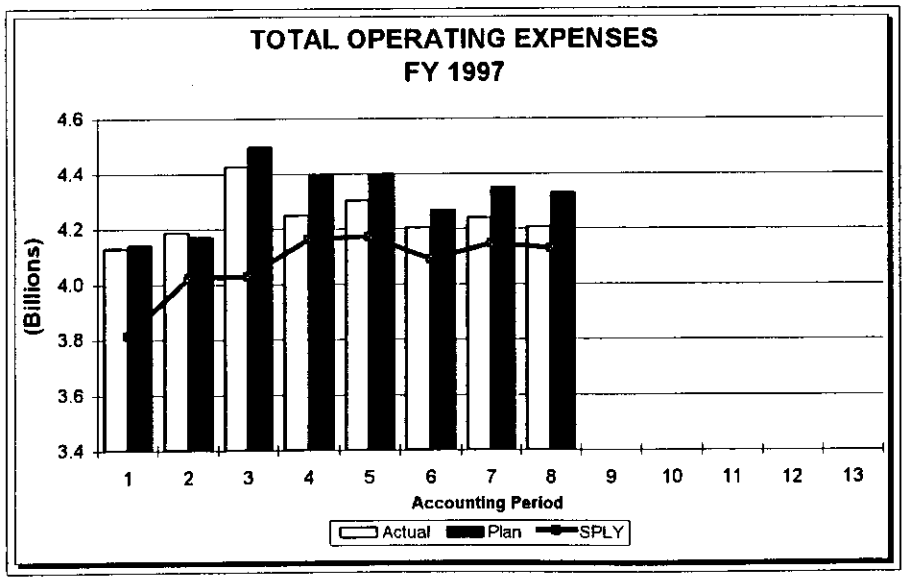
MAIL VOLUME - MAIL REVENUE
(000'S)

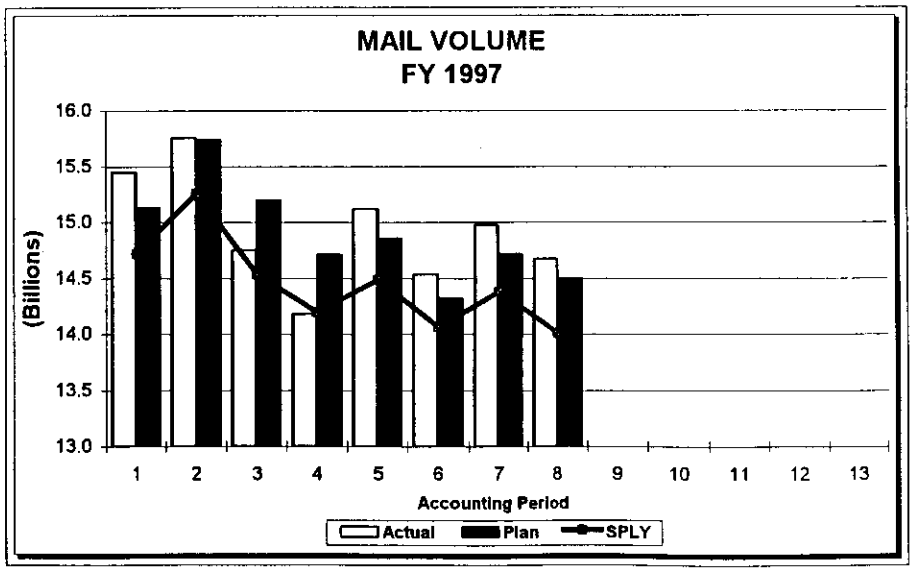
	CURRENT PERIOD			YEAR-TO-DATE		
	A/P 08 1997	A/P 08 1996	% CHANGE	A/P 08 1997	A/P 08 1996	% CHANGE
FIRST-CLASS						
VOLUME	7,631,081	7,528,075	1.4	62,616,472	61,933,316	1.1
REVENUE	$ 2,578,551	$ 2,578,372	0.0	$ 20,918,985	$ 20,830,838	0.4
REV/PC.	0.3379	0.3425	- 1.3	0.3341	0.3363	- 0.7
PRIORITY-MAIL						
VOLUME	86,288	75,018	15.0	658,703	571,844	15.2
REVENUE	$ 302,506	$ 263,912	14.6	$ 2,372,040	$ 2,057,201	15.3
REV/PC.	3.5058	3.5180	- 0.3	3.6011	3.5975	0.1
EXPEDITED MAIL						
VOLUME	4,833	4,520	6.9	37,135	34,982	6.2
REVENUE	$ 61,575	$ 57,868	6.4	$ 477,717	$ 449,974	6.2
REV/PC.	12.7405	12.8027	- 0.5	12.8643	12.8630	0.0
PERIODICALS						
VOLUME	811,436	773,308	4.9	6,507,898	6,337,938	2.7
REVENUE	$ 163,962	$ 155,266	5.6	$ 1,298,649	$ 1,275,129	1.8
REV/PC.	0.2021	0.2008	0.6	0.1995	0.2012	- 0.8
STANDARD (A) MAIL						
VOLUME	5,964,525	5,445,493	9.5	48,418,519	45,261,522	7.0
REVENUE	$ 996,953	$ 926,332	7.6	$ 8,107,221	$ 7,721,620	5.0
REV/PC.	0.1671	0.1701	- 1.7	0.1674	0.1706	- 1.9
STANDARD (B) MAIL						
VOLUME	68,208	68,147	0.1	611,096	585,107	4.4
REVENUE	$ 117,308	$ 111,647	5.1	$ 1,041,046	$ 984,137	5.8
REV/PC.	1.7199	1.6383	5.0	1.7036	1.6820	1.3
INTERNATIONAL						
VOLUME	70,900	81,860	- 13.4	619,510	699,851	- 11.5
REVENUE	$ 120,690	$ 120,763	- 0.1	$ 1,014,941	$ 1,062,638	- 4.5
REV/PC.	1.7023	1.4752	15.4	1.6383	1.5184	7.9
ALL OTHER_1/						
VOLUME	34,526	29,675	16.3	262,652	268,428	- 2.2
REVENUE	$ 142,948	$ 159,385	0.6	$ 1,258,394	$ 1,223,801	2.9
ALL MAIL						
VOLUME	14,671,797	14,006,096	4.8	119,731,985	115,692,989	3.5
REVENUE	$ 4,484,493	$ 4,373,545	2.5	$ 36,488,994	$ 35,605,338	2.5
REV/PC.	0.3057	0.3123	- 2.1	0.3048	0.3078	- 1.0

_1/ All other volume consists of an increase of 3,388 pieces in Internal Mail for the period and a decrease of 9,762 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 8, FY 1997
($ Millions)

Current Period				Year-To-Date		
Actual	SPLY	% Diff		Actual	SPLY	% Diff
			Operating Revenue:			
$ 1,914.5	$ 1,895.7	1.0	Metered Postage	$ 15,210.7	$ 14,983.8	1.5
837.5	826.8	1.3	Stamps and Stamped Paper	7,117.9	7,043.2	1.1
1,045.5	966.9	8.1	Permit Imprint	8,617.2	8,118.5	6.1
168.4	160.8	4.7	Periodicals & Standard A	1,333.0	1,318.3	1.1
53.4	56.9	- 6.2	Official Mail	526.2	566.7	- 7.1
302.2	284.6	6.2	Presort First and Standard B/Permit Imprint	2,409.1	2,261.5	6.5
44.3	45.5	- 2.6	Box Rents	354.6	339.6	4.4
14.7	14.4	2.1	Money Order Fees	110.7	110.0	0.6
87.1	93.0	- 6.3	Other	703.1	718.0	- 2.1
$ 4,467.6	$ 4,344.6	2.8	**Subtotal**	$ 36,382.5	$ 35,459.6	2.6
			Government Appropriation:			
6.3	7.3	- 13.7	Revenue Forgone	52.4	58.2	- 10.0
$ 4,473.9	$ 4,351.9	2.8	**Total Operating Revenue**	$ 36,434.9	$ 35,517.8	2.6
11.0	10.6	3.2	Investment Income	53.7	86.9	- 38.2
$ 4,484.9	$ 4,362.5	2.8	**Total Revenue**	$ 36,488.6	$ 35,604.7	2.5

Expense Analysis
Accounting Period 8, FY 1997
($ Millions)

Accounting Period 8						Year-To-Date				
Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY		Actual	Var to Budget	%Var	SPLY	% Var to SPLY
$ 3,384.4	$ - 45.3	- 1.3	$ 3,333.9	1.5	**Personnel Compensation**	$ 27,518.1	$ - 87.7	- 0.3	$ 26,582.2	3.5
					Non-Personnel Expense:					
304.9	[7.5]	[2.5]	283.2	7.7	Transportation	2,483.7	[43.1]	[1.8]	2,330.8	6.6
186.4	- 39.7	- 17.6	183.2	1.7	Supplies & Services	1,401.6	- 289.2	- 17.1	1,249.8	12.1
330.3	- 47.2	- 12.5	328.9	0.4	Other	2,640.4	- 170.5	- 6.1	2,555.0	3.3
$ 821.6	$ - 79.4	- 8.8	$ 795.3	3.3	**Subtotal**	$ 6,525.7	$ - 416.6	- 6.0	$ 6,135.5	6.4
$ 4,206.0	$ - 124.7	- 2.9	$ 4,129.2	1.9	**Total Operating Expense**	$ 34,043.8	$ - 504.3	- 1.5	$ 32,717.7	4.1
25.5	- 3.1	- 10.8	28.3	- 9.9	Interest Expense	207.7	- 8.1	- 3.8	274.3	- 24.3
120.3	0.0	0.0	110.4	9.0	Interest on Deferred Ret. Liabilities	971.2	0.0	0.0	883.3	10.0
2.5	0.0	0.0	3.6	- 31.0	Interest on OBRA '93 Retroactive Assessment	19.9	0.0	0.0	29.1	- 31.6
$ 4,354.3	- 127.8	- 2.9	$ 4,271.5	1.9	**Total Expense**	$ 35,242.6	- 512.4	- 1.4	$ 33,904.4	3.9

[ ] = Unfavorable variance to Budget.

Analysis of Operating Expenses
Personnel Compensation
($ Millions)

Accounting Period 8						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	[0.1]	[0.5]	$ 23.0	6.5	-Support	$ 183.9	$ - 5.5	- 2.9	$ 173.2	6.1
826.6	- 21.4	- 2.5	802.7	3.0	-Mail Processing	6,820.2	[155.3]	[2.3]	6,465.6	5.5
248.4	- 5.5	- 2.2	240.8	3.2	-Rural Delivery	1,933.1	- 32.0	- 1.6	1,846.1	4.7
967.3	[4.5]	[0.5]	946.6	2.2	-Other Delivery	7,695.0	[10.8]	[0.1]	7,564.2	1.7
68.0	[0.2]	[0.2]	65.3	4.0	-Vehicles Services	539.2	[1.7]	[0.3]	518.9	3.9
164.9	- 2.1	- 1.3	158.7	3.8	-Plant & Equip Maint	1,297.1	- 13.4	- 1.0	1,248.3	3.9
505.5	[2.2]	[0.4]	494.2	2.3	-Customer Services	4,053.6	[22.6]	[0.6]	3,947.8	2.7
21.8	- 1.1	- 4.9	20.9	4.4	Controller	169.5	- 8.2	- 4.6	163.4	3.7
23.5	- 1.1	- 4.3	23.4	0.6	Human Resources	180.9	- 11.6	- 6.0	178.9	1.1
35.0	- 0.9	- 2.6	34.5	1.3	Customer Service & Sales	272.7	- 9.4	- 3.3	268.5	1.6
153.8	[1.7]	[1.1]	151.4	1.6	Administration	1,181.7	[5.5]	[0.5]	1,161.1	1.8
100.3	[0.7]	[0.7]	94.7	6.0	Other Salaries & Benefits	774.4	- 147.9	- 16.0	722.3	7.2
$ 3,139.7	- 22.9	- 0.7	$ 3,056.2	2.7	Total Salaries & Benefits	$ 25,101.1	$ - 32.1	- 0.1	$ 24,258.4	3.5
63.5	0.0	0.0	71.9	- 11.7	Workers' Compensation	508.0	0.0	0.0	575.5	- 11.7
6.8	[0.0]	[0.4]	7.0	- 2.6	Unemployment Compensation	56.2	- 1.7	- 3.0	56.2	0.2
82.9	0.0	0.0	89.8	- 7.7	Deferred Retirement Cost	666.1	0.0	0.0	718.2	- 7.3
43.5	0.0	0.0	39.4	10.3	CSRS Annuitant COLA	351.0	0.0	0.0	315.1	11.4
43.1	0.0	0.0	43.3	- 0.6	Annuitant Health Benefits	350.5	0.0	0.0	346.6	1.1
5.0	- 22.4	- 81.8	26.2	- 80.9	Other Compensation	485.2	- 53.9	- 10.0	312.2	55.4
$ 3,384.4	$ - 45.3	- 1.3	$ 3,333.9	1.5	Total Personnel Compensation	$ 27,518.1	$ - 87.7	- 0.3	$ 26,582.2	3.5

[ ] = Unfavorable variance to budget

* Recasted Data

Analysis of Non Personnel Expenses
($ Millions)

Accounting Period 8						Year to date				
Actual	Var. to Budget	% Var.	SPLY *	% Var to SPLY	Description	Actual	Var. to Budget	%Var.	SPLY *	% Var to SPLY
$ 304.9	[$ 7.5]	[2.5]	$ 283.2	7.7	Transportation	$ 2,483.7	[$ 43.1]	[1.8]	$ 2,330.8	6.6
186.4	- 39.7	- 17.6	183.2	1.8	Supplies & Services	1,401.6	- 289.2	- 17.1	1,249.8	12.1
118.2	- 15.7	- 11.7	102.1	15.8	Depreciation	938.7	- 64.4	- 6.4	791.7	18.6
51.7	- 4.5	- 8.0	53.6	- 3.7	Rent	418.9	- 13.6	- 3.2	396.9	5.6
30.8	- 0.2	- 0.5	30.0	2.7	Fuel & Utilities	249.2	[2.2]	[0.9]	235.2	5.9
25.3	[0.9]	[3.5]	23.6	7.5	Rural Carrier Equip Maint Allow	195.1	[10.4]	[5.6]	179.9	8.5
22.4	- 2.5	- 10.1	23.8	- 5.9	Vehicle Maintenance	194.4	[13.8]	[7.6]	172.2	12.9
13.0	- 5.6	- 30.1	13.9	- 6.9	Building Projects Expensed	105.3	- 26.7	- 20.2	89.0	18.4
3.9	- 0.3	- 6.2	3.9	2.2	Contract Job Cleaners	32.0	- 0.8	- 2.5	30.7	4.3
13.0	[0.6]	[4.5]	12.7	2.5	Travel & Relocation	89.1	- 3.4	- 3.7	79.6	12.0
10.6	- 5.1	- 32.6	11.9	- 11.1	Communications	95.1	- 11.9	- 11.2	80.6	18.0
5.4	- 0.5	- 7.8	5.5	- 3.0	Contract Stations	45.6	- 0.7	- 1.6	47.3	- 3.5
5.9	[1.9]	[47.7]	2.7	117.3	Printing	23.8	- 9.2	- 27.8	23.3	2.0
5.2	- 1.6	- 23.3	5.8	- 10.1	Training	32.5	- 18.5	- 36.3	36.5	- 10.9
5.4	[1.3]	[31.3]	4.9	10.9	Carfare & Tolls	35.5	[5.2]	[17.2]	33.5	5.8
2.0	- 0.1	- 3.7	2.1	- 6.1	Vehicle Hire	18.4	[1.7]	[10.1]	15.7	16.9
4.1	- 0.5	- 10.4	4.8	- 14.3	Accident Cost	34.9	[4.0]	[12.9]	30.5	14.6
- 2.8	[0.2]	[7.4]	- 2.7	6.4	Capitalized Interest	- 20.4	[4.3]	[17.3]	- 24.6	- 17.2
16.3	- 15.5	- 48.9	30.3	- 46.3	Miscellaneous	152.4	- 62.7	- 29.1	337.1	- 54.8
$ 821.6	$ - 79.4	- 8.8	$ 795.3	3.3	Total Other Operating Expenses	$ 6,525.7	$ - 416.6	- 6.0	$ 6,135.5	6.4

[ ]=Unfavorable variance to budget
* Recasted Data

Statement of Financial Position
AP 8, FY 1997
($ Millions)

Assets	April 25, 1997	March 28, 1997	September 30, 1996*
Current Assets:			
Cash and cash equivalents _1/	$ 971.3	$ 1,091.2	$ 301.1
U.S. Government securities, at amortized cost which approximates market	908.5	308.8	8.7
Receivables:			
Foreign countries	387.3	406.0	547.2
U.S. Government	147.5	165.0	109.5
Other	204.6	226.6	153.9
	$ 739.4	$ 797.6	$ 810.6
Less allowances	78.5	89.6	83.3
	$ 660.9	$ 708.0	$ 727.3
Supplies, advances and prepayments	377.3	375.3	410.0
Total Current Assets	$ 2,918.0	$ 2,483.3	$ 1,447.1
Other assets _2/	354.4	354.4	354.2
Property and equipment, at cost:			
Buildings	13,533.9	13,432.7	12,923.3
Equipment	10,409.4	10,311.1	9,738.2
Land	2,172.2	2,165.3	2,107.0
	$ 26,115.5	$ 25,909.1	$ 24,768.5
Less allowances for depreciation	9,474.3	9,403.8	8,843.2
	$ 16,641.2	$ 16,505.3	$ 15,925.3
Construction in progress	1,714.6	1,768.9	1,551.7
Leasehold improvements, net	423.5	411.9	380.9
	$ 18,779.3	$ 18,686.1	$ 17,857.9
Deferred retirement costs _3/	32,962.7	33,089.0	31,944.3
Total Assets	$ 55,014.4	$ 54,612.8	$ 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, March 28, 1997 and April 25, 1997 for supplemental appropriation receivable for revenue forgone.

* Audited year-end data

Statement of Financial Position
AP 8, FY 1997
($ Millions)

Liabilities and Equities	April 25, 1997	March 28, 1997	September 30, 1996*
Current Liabilities:			
Compensation and employees' benefits	$ 5,671.9	$ 5,549.3	$ 4,742.7
Estimated prepaid postage	1,765.8	1,761.0	1,723.4
Payables and accrued expenses:			
Foreign countries	599.9	590.3	720.5
U.S. Government	259.1	234.7	225.9
Other	1,711.1	1,722.0	877.7
	$ 2,570.1	$ 2,547.0	$ 1,824.1
Appropriation for free & reduced rate mail	35.4	41.7	0.0
Prepaid permit mail and box rentals	1,386.2	1,385.9	1,592.3
Outstanding postal money orders	998.1	1,011.2	680.6
Current portion of long-term debt	509.5	509.5	2,009.5
Total Current Liabilities	$ 12,937.0	$ 12,805.6	$ 12,572.6
Long-term debt, less current portion	3,908.1	3,908.3	3,909.2
Other Liabilities:			
Amounts payable for retirement benefits _3/	31,579.9	31,579.8	30,459.4
Worker's compensation claims	5,353.6	5,290.1	4,890.0
Retroactive assessment payable to the U.S. Government	350.7	348.2	330.8
Employees accumulated leave	1,797.0	1,724.0	1,621.9
Other	695.9	680.3	443.1
Total Other Liabilities	$ 39,777.1	$ 39,622.4	$ 37,745.2
Equity of the U.S. Government	- 1,607.8	- 1,723.5	- 2,623.5
Total Liabilities and Equity	$ 55,014.4	$ 54,612.8	$ 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)

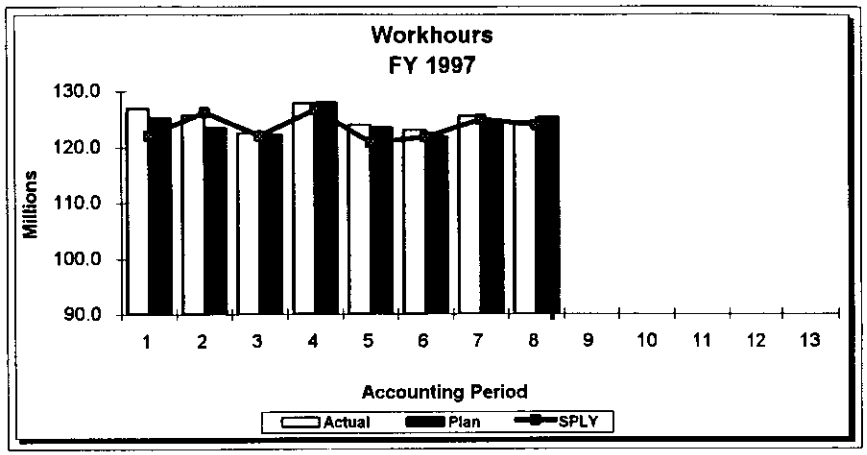
MAJOR CATEGORIES	COMMITMENTS A/P 08 - YEAR TO DATE ACTUAL	PLAN	SPLY	EXPENDITURES A/P 08 - YEAR TO DATE ACTUAL	PLAN	SPLY
CONSTRUCTION AND BUILDING PURCHASE	$ 388.6	$ 544.8	$ 122.0	$ 345.7	$ 352.8	$ 343.2
BUILDING IMPROVEMENTS	232.8	270.8	157.4	350.0	290.0	280.8
MAIL PROCESSING EQUIPMENT	415.0	551.2	273.0	657.8	901.7	393.9
VEHICLES	33.6	36.2	79.2	109.5	132.1	17.8
RETAIL EQUIPMENT	3.7	13.6	0.2	16.3	41.3	2.5
POSTAL SUPPORT EQUIPMENT	168.4	242.0	119.4	237.2	322.9	207.5
TOTAL COMMITMENTS	$ 1,242.1	$ 1,658.6	$ 751.2	$ 1,716.5	$ 2,040.8	$ 1,245.7

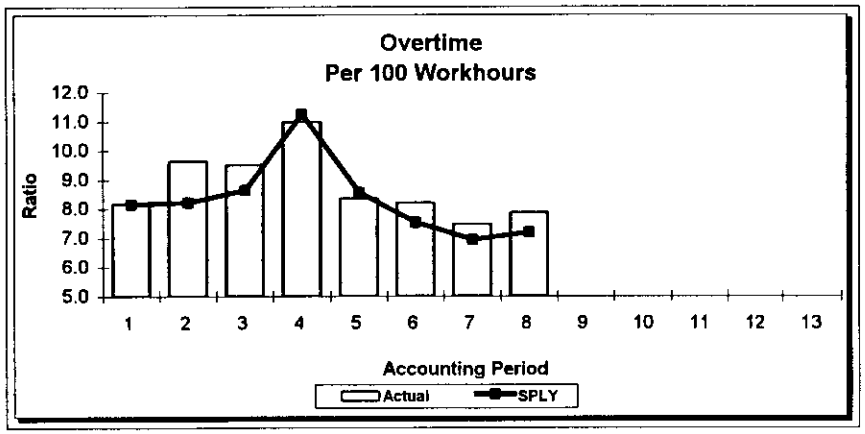
RESOURCES ON ORDER
($ MILLIONS)

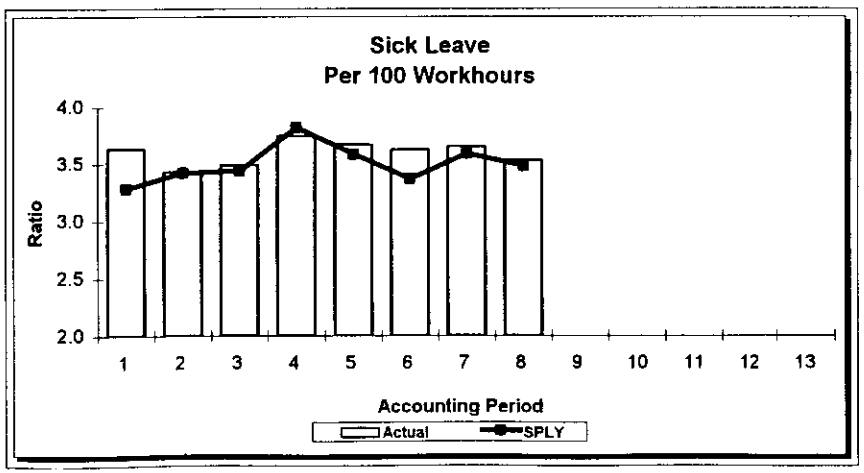
MAJOR CATEGORIES - EXPENDITURES	Apr. 25, 1997	Sept. 30, 1996
CONSTRUCTION AND BUILDING PURCHASE	$ 518.8	$ 506.9
BUILDING IMPROVEMENTS	280.1	418.0
MAIL PROCESSING EQUIPMENT	977.5	1,222.3
VEHICLES	235.3	310.6
RETAIL EQUIPMENT	206.8	219.4
POSTAL SUPPORT EQUIPMENT	93.3	163.2
INVENTORIES	224.2	288.7
RESEARCH AND DEVELOPMENT	49.5	68.9
MISCELLANEOUS EXPENSE COMMITMENTS	1,590.7	1,458.5
TOTAL RESOURCES ON ORDER	$ 4,176.2	$ 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)	$ 1,015.7
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	935.4
Increase/(decrease) in other liabilities	252.8
Increase/(decrease) in employees' accumulated leave	175.1
Increase/(decrease) in non-current workers' compensation claims	463.6
Increase/(decrease) in retirement, net	122.0
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	929.2
Increase/(decrease) in deferred revenue	- 128.3
Increase/(decrease) in payables and accrued expenses	746.0
(Increase)/decrease in receivables	66.4
(Increase)/decrease in supplies, advances and prepayments	32.7
Increase/(decrease) in outstanding postal money orders	317.5
Net cash provided/(used) by operating activities	$ 4,928.1
Cash flows from investing activities:	
Sale/(purchase) of U.S. Government securities, net	- 899.8
Purchase of property and equipment, net	- 1,856.8
Net cash used in investing activities	$ - 2,756.6
Cash flows from financing activities:	
Increase/(decrease) in long term debt	- 1,501.1
(Increase)/decrease in other non-current assets	- 0.2
Net cash provided by/(used in) financing activities	$ - 1,501.3
Net (decrease)/increase in cash and cash equivalents	$ 670.2
Cash and cash equivalents at beginning of period	301.1
Cash and cash equivalents at end of period	$ 971.3


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 8						Year to date				
Actual	Var. to Budget	% Var.	SPLY*	% Var to SPLY	Total Workhours	Actual	Var. to Budget	%Var.	SPLY*	% Var to SPLY
					Operations:					
768	[9]	[1.2]	734	4.6	-Support	5,729	110	- 1.9	5,515	3.9
33,862	904	- 2.6	33,632	0.7	-Mail Processing	285,186	[6,942]	[2.5]	276,158	3.3
11,777	143	- 1.2	11,486	2.5	-Rural Delivery	91,131	696	- 0.8	88,464	3.0
37,989	[153]	[0.4]	38,112	- 0.3	-Other Delivery	301,420	466	- 0.2	303,982	- 0.8
2,508	[3]	[0.2]	2,454	2.2	-Vehicles Services	19,925	[100]	[0.5]	19,477	2.3
6,203	117	- 1.8	6,099	1.7	-Plant & Equip Maint	48,724	853	- 1.7	47,941	1.6
20,041	[75]	[0.4]	20,087	- 0.2	-Customer Services	161,440	[734]	[0.5]	161,518	- 0.0
758	41	- 5.2	742	2.2	Controller	5,887	267	- 4.3	5,797	1.5
759	29	- 3.6	766	- 0.8	Human Resources	5,791	288	- 4.7	5,857	- 1.1
1,261	30	- 2.4	1,271	- 0.8	Customer Service & Sale	9,796	283	- 2.8	9,836	- 0.4
5,429	[65]	[1.2]	5,432	- 0.1	Administration	41,632	[381]	[0.9]	41,711	- 0.2
3,210	[267]	[9.1]	3,084	4.1	Other	24,803	[1,910]	[8.3]	23,638	4.9
124,565	692	- 0.6	123,899	0.5	Total Workhours	1,001,464	[7,104]	[0.7]	989,894	1.2

Overtime

Actual	Budget	SPLY		Actual	Budget	SPLY
7.9	6.7	7.2	Overtime Ratio Per 100 Workhours	9.1	7.7	8.3

Sick Leave

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

[ ] = Unfavorable variance to budget
* Recasted Data