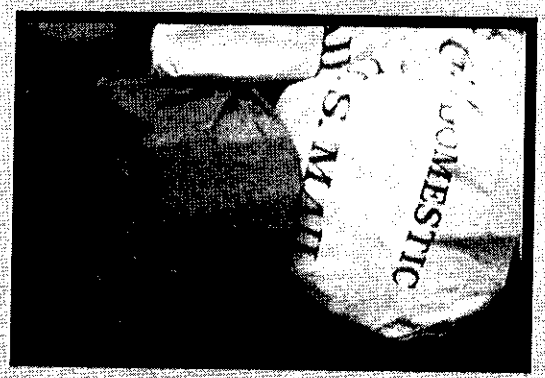
UNITED STATES POSTAL SERVICE

ORIGINAL

FINANCIAL & OPERATING STATEMENTS



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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Accounting Period 3, PFY 2001

November 4 - December 1, 2000

Prepared by:
Financial Analysis

HIGHLIGHTS
Accounting Period 3, FY 2001
($Millions)

Current Period							Year-to-Date					
Actual	Budget	Var. to Budget	% Var.	SPLY	% Var. to SPLY		Actual	Budget	Var. to Budget	% Var.	SPLY	% Var. to SPLY
$ 5,007.5	$ 5,133.1	[$ - 125.6]	[- 2.4]	$ 5,013.5	- 0.1	Total Revenue	$ 15,426.3	$ 15,584.7	[$ - 158.4]	[- 1.0]	$ 15,232.1	1.3
5,099.2	5,101.8	- 2.6	- 0.1	4,833.9	5.5	Total Expense	15,180.4	15,197.0	- 16.6	- 0.1	14,415.7	5.3
$ - 91.7	$ 31.3	[$ - 123.0]	-	$ 179.6	-	Income/(Loss)	$ 245.9	$ 387.7	[$ - 141.8]	-	$ 816.4	-
$ 87.6	$ 122.0	$ - 34.4	- 28.2	$ 65.7	33.3	Capital Commitments	$ 219.3	$ 223.1	$ - 3.8	- 1.7	$ 245.0	- 10.5
123.8	123.4	[0.4]	[0.3]	124.9	- 0.9	Total Work Hours	379.7	376.5	[3.2]	[0.9]	381.7	- 0.5
16,295.1	16,142.4	152.7	0.9	16,113.3	1.1	Mail Volume	51,248.4	50,421.6	826.8	1.6	49,752.0	3.0

[ ] = Unfavorable variance to budget
Note: Totals may not sum due to rounding.

Actual Number Of:	Current Period	Last Period	SPLY
Post Offices	27,873	27,873	27,888
Active Postal Owned Vehicles			
Administrative	5,628	5,663	5,475
Operations	200,755	199,963	196,755
Possible City Deliveries (000)	83,430	83,380	82,865
Rural Routes	67,520	67,409	64,935
Delivery Routes	168,168	168,003	168,238
Career Employees (Excludes Inspector General)	784,786	785,653	794,909
Casual Employees	40,308	31,364	25,320
Transitional Employees	16,436	14,476	17,021

STATEMENT OF INCOME & EXPENSE
Accounting Period 3, FY 2001
($ Millions)

Current Period							Year-to-Date					
Actual	Budget	Var. to Budget	% Var.	SPLY	% Var. to SPLY		Actual	Budget	Var. to Budget	% Var.	SPLY	% Var. to SPLY
$ 5,004.6	$ 5,131.1	[$ - 126.5]	[- 2.5]	$ 5,011.3	- 0.1	Operating Revenue	$ 15,417.5	$ 15,577.7	[$ - 160.2]	[- 1.0]	$ 15,225.3	1.3
4,941.8	4,938.6	[3.2]	[0.1]	4,688.2	5.4	Operating Expense	14,713.3	14,720.0	- 6.7	- 0.0	13,982.4	5.2
$ 62.8	$ 192.5	[$ - 129.7]	-	$ 323.1	-	Income From Operations	$ 704.2	$ 857.7	[$ - 153.5]	-	$ 1,242.9	-
2.9	2.0	0.9	44.4	2.2	32.7	Investment Income	8.8	7.0	1.8	25.5	6.8	28.3
- 33.5	- 39.3	5.8	- 14.7	- 24.1	39.1	Interest Expense	- 95.3	- 105.2	9.9	- 9.4	- 68.4	39.2
- 123.9	- 123.9	0.0	0.0	- 121.6	1.9	Interest on Deferred Ret. Liabilities	- 371.8	- 371.8	0.0	0.0	- 364.9	1.9
$ - 91.7	$ 31.3	[$ - 123.0]	-	$ 179.6	-	Income/(Loss)	$ 245.9	$ 387.7	[$ - 141.8]	-	$ 816.4	-

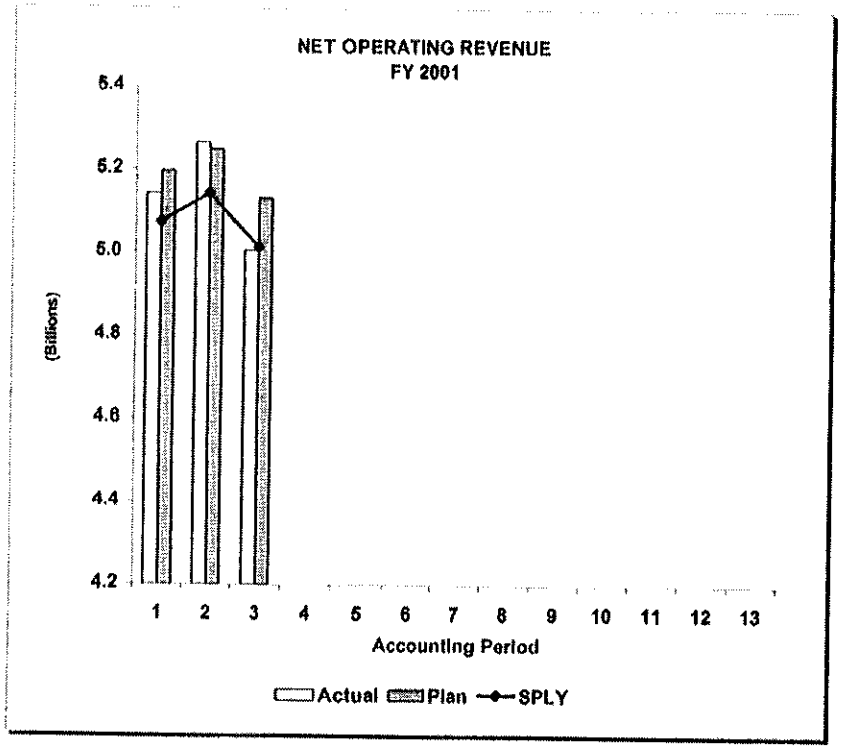
[ ]=Unfavorable variance to budget

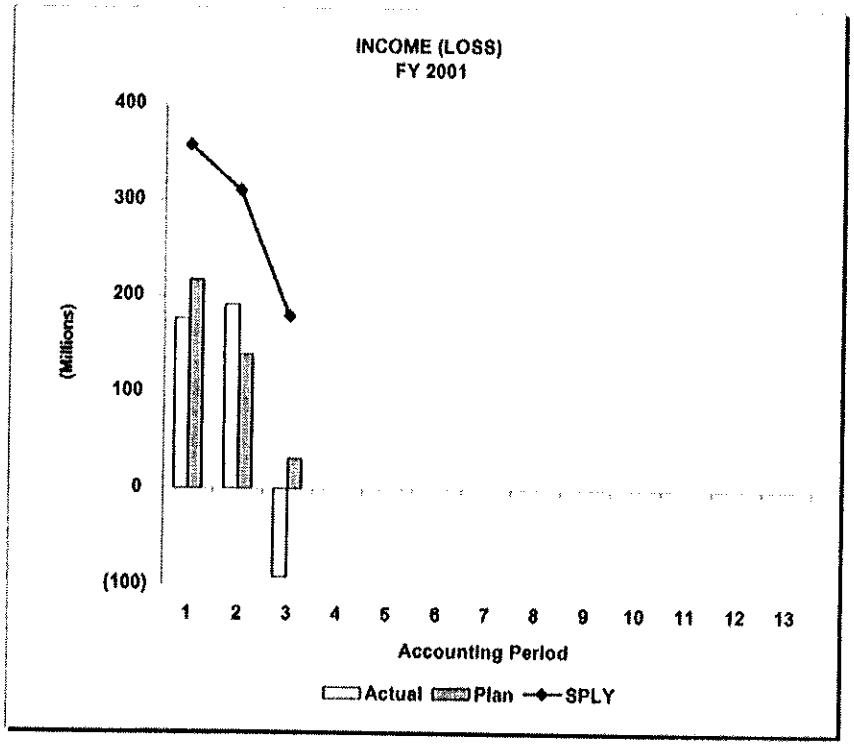
Note: Totals may not sum due to rounding.

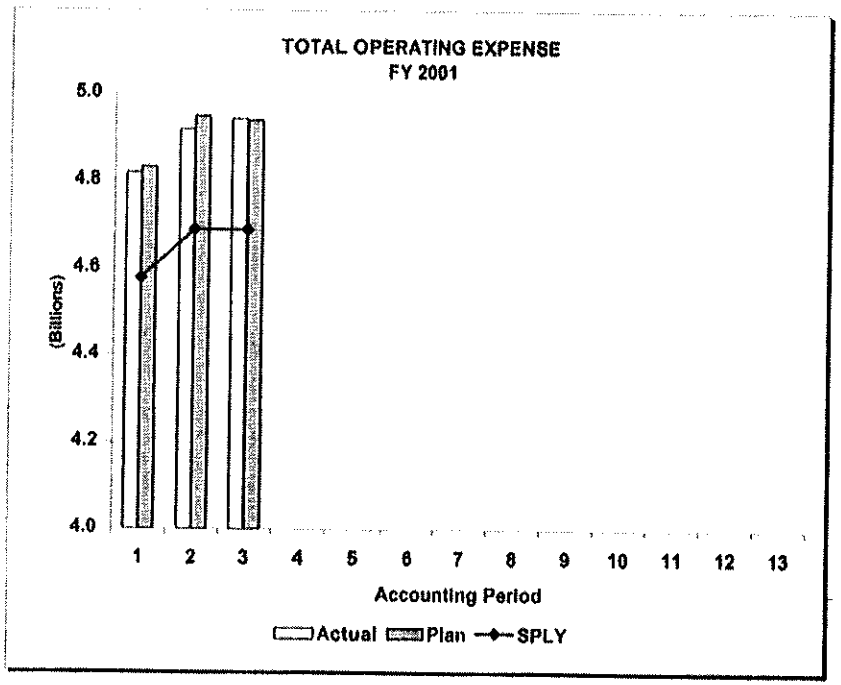
MAIL VOLUME - MAIL REVENUE
Accounting Period 3, FY 2001
(Thousands)

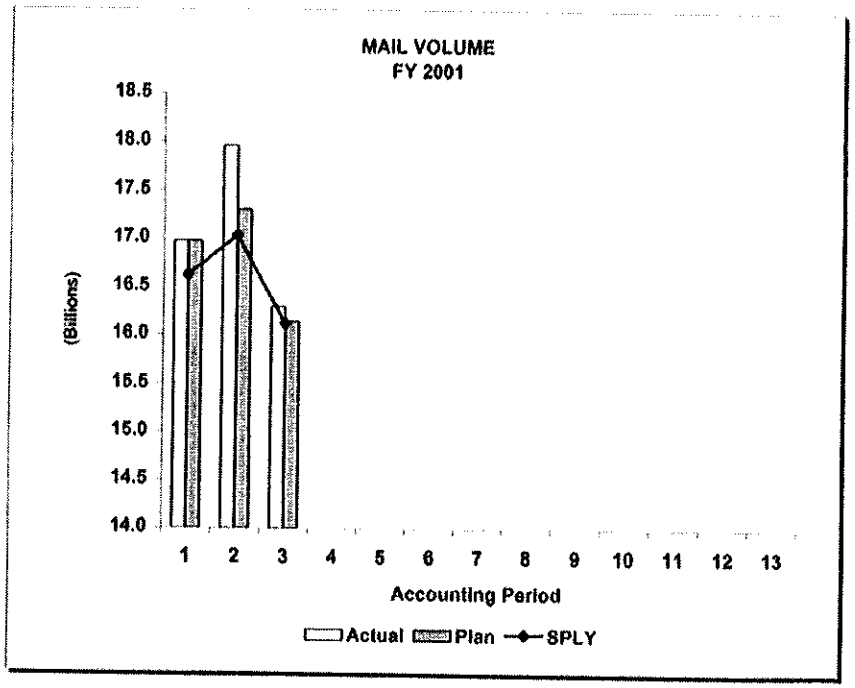
	CURRENT PERIOD			YEAR-TO-DATE		
	A/P 3 2001	A/P 3 2000	% CHANGE	A/P 3 2001	A/P 3 2000	% CHANGE
FIRST-CLASS						
VOLUME	7,830,687	7,946,498	- 1.5	23,710,501	23,786,658	- 0.3
REVENUE	$ 2,681,181	$ 2,740,243	- 2.2	$ 8,133,149	$ 8,180,579	- 0.6
REV/PC.	0.3424	0.3448	- 0.7	0.3430	0.3439	- 0.3
PRIORITY-MAIL						
VOLUME	98,327	100,096	- 1.8	285,940	283,583	0.8
REVENUE	$ 394,285	$ 398,654	- 1.1	$ 1,133,614	$ 1,119,077	1.3
REV/PC.	4.0099	3.9827	0.7	3.9645	3.9462	0.5
EXPRESS MAIL						
VOLUME	5,107	4,955	3.1	15,901	15,357	3.5
REVENUE	$ 71,512	$ 69,741	2.5	$ 222,716	$ 214,828	3.7
REV/PC.	14.0027	14.0749	- 0.5	14.0064	13.9889	0.1
PERIODICALS						
VOLUME	754,241	770,543	- 2.1	2,312,396	2,315,659	- 0.1
REVENUE	$ 166,381	$ 164,857	0.9	$ 505,202	$ 496,337	1.8
REV/PC.	0.2206	0.2139	3.1	0.2185	0.2143	1.9
STANDARD (A) MAIL						
VOLUME	7,402,665	7,104,157	4.2	24,283,298	22,756,775	6.7
REVENUE	$ 1,238,015	$ 1,188,258	4.2	$ 4,050,473	$ 3,860,461	4.9
REV/PC.	0.1672	0.1673	- 0.0	0.1668	0.1696	- 1.7
STANDARD (B) MAIL						
VOLUME	79,503	84,790	- 6.2	256,050	264,888	- 3.3
REVENUE	$ 150,547	$ 163,066	- 7.7	$ 454,152	$ 474,040	- 4.2
REV/PC.	1.8936	1.9232	- 1.5	1.7737	1.7896	- 0.9
INTERNATIONAL						
VOLUME	89,082	72,372	23.1	281,835	233,096	20.9
REVENUE	$ 137,635	$ 129,130	6.6	$ 405,404	$ 376,621	7.6
REV/PC.	1.5450	1.7843	- 13.4	1.4384	1.6157	- 11.0
ALL OTHER 1/						
VOLUME	35,487	29,841	18.9	102,501	95,961	6.8
REVENUE	$ 110	$ 119	- 7.3	$ 330	$ 356	- 7.3
ALL MAIL						
VOLUME	16,295,099	16,113,252	1.1	51,248,423	49,751,978	3.0
REVENUE	$ 4,839,666	$ 4,854,068	- 0.3	$ 14,905,039	$ 14,722,300	1.2
REV/PC.	0.2970	0.3012	- 1.4	0.2908	0.2959	- 1.7

1/ All other volume includes an increase of 8,713 thousand pieces in Internal Mail and a decrease of 2,156 thousand pieces in Free Mail for the Blind and Handicapped for the year-to-date.


NET OPERATING REVENUE
FY 2001
(Billions)
5.4
5.2
5.0
4.8
4.6
4.4
4.2
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual Plan SPLY


INCOME (LOSS)
FY 2001
(Millions)
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 EXPENSE
FY 2001
(Billions)
5.0
4.8
4.6
4.4
4.2
4.0
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual Plan SPLY


MAIL VOLUME
FY 2001
(Billions)
18.5
18.0
17.5
17.0
16.5
16.0
15.5
15.0
14.5
14.0
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual Plan SPLY

Revenue by Source
Accounting Period 3, FY 2001
($Millions)

Current Period				Year-To-Date		
Actual	SPLY	% Diff		Actual	SPLY	% Diff
			Operating Revenue:			
$ 1,807.3	$ 1,867.1	- 3.2	Metered Postage	$ 5,673.5	$ 5,766.9	- 1.6
910.6	980.2	- 7.1	Stamps and Stamped Paper	2,615.8	2,682.4	- 2.5
1,159.6	1,095.1	5.9	Permit Imprint	3,803.5	3,593.4	5.8
165.0	163.5	0.9	Periodicals & Standard A	501.1	491.9	1.9
54.1	56.3	- 3.9	Official Mail	171.1	178.5	- 4.1
707.2	665.3	6.3	Presort First Class & Standard B/Permit Imprint	2,053.5	1,930.0	6.4
52.8	50.9	3.7	Box Rents	158.5	152.8	3.7
13.0	13.9	- 6.5	Money Order Fees	41.5	42.7	- 2.8
129.9	114.0	14.0	Other	383.6	371.7	3.2
$ 4,999.5	**$ 5,006.3**	**- 0.1**	**Subtotal**	**$ 15,402.1**	**$ 15,210.3**	**1.3**
			Government Appropriation:			
5.1	5.0	2.0	Revenue Forgone	15.4	15.0	2.7
$ 5,004.6	**$ 5,011.3**	**- 0.1**	**Total Operating Revenue**	**$ 15,417.5**	**$ 15,225.3**	**1.3**
2.9	2.2	32.7	Investment Income	8.8	6.8	28.3
$ 5,007.5	**$ 5,013.5**	**- 0.1**	**Total Revenue**	**$ 15,426.3**	**$ 15,232.1**	**1.3**

Note: Totals may not sum due to rounding.

Revenue by Category
Accounting Period 3, FY 2001
($Millions)

Current Period				Year-To-Date		
Actual	Budget	% Var		Actual	Budget	% Var
			Commercial Revenue			
$ 2,092.3	$ 2,139.4	[2.2]	Permit Revenue	$ 6,537.0	$ 6,710.5	[2.6]
1,624.1	1,591.2	2.0	Other Commercial Accounts Revenue	5,152.9	4,996.5	3.1
$ 3,716.4	**$ 3,730.6**	**[0.3]**	**Total Commercial Revenue**	**$ 11,689.9**	**$ 11,707.0**	**[0.1]**
			Retail Revenue			
1,054.7	1,118.8	[5.7]	Retail Postage Revenue	3,010.9	3,081.7	[2.3]
68.8	72.5	[5.0]	Retail Services Revenue	209.3	209.8	[0.2]
12.6	12.4	2.0	Retail Products Revenue	30.5	35.0	[12.9]
116.4	143.2	[18.7]	Other Retail Channels Revenue	369.0	398.5	[7.4]
$ 1,252.5	**$ 1,346.9**	**[7.0]**	**Total Retail Revenue**	**$ 3,619.7**	**$ 3,725.0**	**[2.8]**
$ 4,968.9	**$ 5,077.5**	**[2.1]**	**Total Commercial & Retail Revenue**	**$ 15,309.6**	**$ 15,432.0**	**[0.8]**
30.6	48.5	[36.9]	Other Income	92.5	130.3	[29.0]
5.1	5.1	0.0	Revenue Forgone	15.4	15.4	0.0
$ 5,004.6	**$ 5,131.1**	**[2.5]**	**Total Operating Revenue**	**$ 15,417.5**	**$ 15,577.7**	**[1.0]**
2.9	2.0	44.4	Investment Income	8.8	7.0	25.5
$ 5,007.5	**$ 5,133.1**	**[2.4]**	**Total Revenue**	**$ 15,426.3**	**$ 15,584.7**	**[1.0]**

[ ]=Unfavorable variance to budget
Note: Totals may not sum due to rounding.

Expense Analysis
Accounting Period 3, FY 2001
($Millions)

Current Period							Year-to-Date						
Actual	Budget	Var. to Budget	%Var	SPLY	% Var to SPLY		Actual	Budget	Var to Budget	%Var	SPLY	% Var to SPLY	
$ 3,901.9	$ 3,897.7	[$ 4.2]	[0.1]	$ 3,704.4	5.3	**Personnel Compensation**	$ 11,796.2	$ 11,734.9	[$ 61.3]	[0.5]	$11,213.5	5.2	
						Non-Personnel Expense:							
352.4	347.1	[5.3]	[1.5]	334.3	5.4	Transportation	1,056.9	1,012.0	[44.9]	[4.4]	974.3	8.5	
250.8	238.2	[12.6]	[5.3]	241.3	3.9	Supplies & Services	611.5	667.6	- 56.1	- 8.4	596.1	2.6	
436.7	455.6	- 18.9	- 4.1	408.2	7.0	Other	1,248.7	1,305.5	- 56.8	- 4.4	1,198.6	4.2	
$ 1,039.9	$ 1,040.9	$ - 1.0	- 0.1	$ 983.8	5.7	**Subtotal**	$ 2,917.1	$ 2,985.1	$ - 68.0	- 2.3	$ 2,769.0	5.4	
$ 4,941.8	$ 4,938.6	[$ 3.2]	[0.1]	$ 4,688.2	5.4	**Total Operating Expense**	$ 14,713.3	$ 14,720.0	$ - 6.7	- 0.0	$ 13,982.4	5.2	
33.5	39.3	- 5.8	- 14.7	24.1	39.1	Interest Expense	95.3	105.2	- 9.9	- 9.4	68.4	39.2	
123.9	123.9	0.0	0.0	121.6	1.9	Interest on Deferred Ret. Liabilities	371.8	371.8	0.0	0.0	364.9	1.9	
$ 5,099.2	$ 5,101.8	$ - 2.6	- 0.1	$ 4,833.9	5.5	**Total Expense**	$ 15,180.4	$ 15,197.0	$ - 16.6	- 0.1	$ 14,415.7	5.3	

[ ]=Unfavorable variance to budget
Note: Totals may not sum due to rounding.

Analysis of Operating Expenses
Accounting Period 3, FY 2001
Personnel Compensation
($Millions)

Current Period							Year-to-Date					
Actual	Budget	Var. to Budget	% Var.	SPLY *	% Var. to SPLY	Total Compensation	Actual	Budget	Var. to Budget	% Var.	SPLY *	% Var. to SPLY
						Operations:						
24.8	26.4	$ - 1.6	- 6.2	$ 24.5	1.4	-Support	$ 78.7	$ 82.2	$ - 3.6	- 4.4	$ 77.4	1.6
891.6	905.9	- 14.3	- 1.6	896.4	- 0.5	-Mail Processing	2,693.7	2,714.2	- 20.5	- 0.8	2,679.8	0.5
296.5	293.2	[3.3]	[1.1]	273.7	8.4	-Rural Delivery	920.5	904.7	[15.8]	[1.7]	838.2	9.8
1,112.5	1,090.7	[21.8]	[2.0]	1,031.5	7.9	-Other Delivery	3,340.5	3,279.5	[61.1]	[1.9]	3,131.1	6.7
76.9	77.6	- 0.7	- 0.9	73.8	4.2	-Vehicles Services	235.1	236.2	- 1.1	- 0.5	225.0	4.5
188.7	192.7	- 4.0	- 2.1	179.0	5.4	-Plant & Equip Maint	581.1	590.6	- 9.5	- 1.6	549.8	5.7
577.3	576.5	[0.8]	[0.1]	559.8	3.1	-Customer Services	1,760.6	1,752.1	[8.5]	[0.5]	1,700.4	3.5
22.2	24.3	- 2.2	- 9.0	22.0	0.7	Controller	68.9	75.9	- 7.0	- 9.2	68.5	0.6
23.6	25.6	- 2.0	- 7.8	23.1	1.9	Human Resources	74.4	79.9	- 5.5	- 6.9	73.0	1.9
31.0	33.2	- 2.2	- 6.5	35.9	- 13.4	Customer Service & Sales	97.4	103.0	- 5.6	- 5.4	112.6	- 13.5
152.3	150.1	[2.1]	[1.4]	146.0	4.3	Administration	474.1	469.3	[4.8]	[1.0]	460.2	3.0
139.6	154.6	- 15.0	- 9.7	124.0	12.6	Other Salaries & Benefits	442.3	436.1	[6.2]	[1.4]	348.7	26.9
$ 3,536.8	$ 3,550.8	$ - 13.9	- 0.4	$ 3,389.5	4.3	**Total Salaries & Benefits**	$ 10,767.3	$ 10,723.8	[$ 43.4]	[0.4]	$ 10,265.0	4.9
78.6	78.7	- 0.1	- 0.2	69.9	12.4	Workers' Compensation	208.7	208.9	- 0.2	- 0.1	209.9	- 0.6
5.6	5.6	0.0	0.0	3.0	85.3	Unemployment Compensation	16.9	16.9	0.0	0.0	9.1	85.5
107.4	107.4	0.0	0.0	99.2	8.3	Deferred Retirement Cost	322.1	322.1	0.0	0.0	297.5	8.3
61.3	61.3	0.0	0.0	52.0	17.9	CSRS Annuitant COLA	183.8	183.8	0.0	0.0	155.9	17.9
66.0	66.0	- 0.0	- 0.0	57.0	15.7	Annuitant Health Benefits	198.0	198.0	[0.0]	[0.0]	171.1	15.7
46.2	27.9	[18.3]	[65.8]	33.7 *	37.2	Other Compensation	99.5	81.4	[18.1]	[22.2]	105.0	- 5.2
$ 3,901.9	$ 3,897.7	[$ 4.2]	[0.1]	$ 3,704.4	5.3	**Total Personnel Compensation**	$ 11,796.2	$ 11,734.9	[$ 61.3]	[0.5]	$ 11,213.5	5.2

[ ]=Unfavorable variance to budget
* Recasted Data
Note: Totals may not sum due to rounding.

Analysis of Non-Personnel Expenses
Accounting Period 3, FY 2001
($ Millions)

Current Period							Year-to-Date					
Actual	Budget	Var. to Budget	% Var.	SPLY *	% Var. to SPLY	Description	Actual	Budget	Var. to Budget	% Var.	SPLY *	% Var. to SPLY
$ 352.4	$ 347.1	[$ 5.3]	[1.5]	$ 334.3	5.4	Transportation	$ 1,056.9	$ 1,012.0	[$ 45.0]	[4.4]	$ 974.3	8.5
250.8	238.2	[12.6]	[5.3]	241.3	4.0	Supplies & Services	611.5	667.6	- 56.1	- 8.4	596.1	2.6
164.8	164.4	[0.5]	[0.3]	164.2	0.4	Depreciation	496.4	479.6	[16.9]	[3.5]	473.2	4.9
74.2	76.2	- 2.0	- 2.6	66.2	12.1	Rent	215.1	220.3	- 5.2	- 2.4	201.1	6.9
31.2	33.4	- 2.2	- 6.7	30.6	2.0	Fuel & Utilities	87.6	99.1	- 11.6	- 11.7	85.7	2.2
27.8	27.4	[0.3]	[1.2]	25.2	10.0	Rural Carrier Equip Maint Allow	87.1	84.6	[2.6]	[3.0]	78.8	10.6
33.4	27.3	[6.1]	[22.4]	27.5	21.4	Vehicle Maintenance	91.4	80.2	[11.2]	[13.9]	72.0	26.9
19.0	26.9	- 7.9	- 29.2	25.3	- 24.8	Information Technology	43.7	64.9	- 21.2	- 32.7	85.0	- 48.7
11.6	16.9	- 5.3	- 31.5	21.2	- 45.5	Building Projects Expensed	27.9	44.5	- 16.6	- 37.3	40.6	- 31.2
4.8	5.3	- 0.5	- 9.3	4.9	- 2.3	Contract Job Cleaners	14.2	16.0	- 1.7	- 10.9	14.7	- 3.2
11.6	14.3	- 2.8	- 19.4	12.6	- 8.3	Travel & Relocation	28.9	39.4	- 10.4	- 26.5	29.2	- 0.9
16.9	17.1	- 0.2	- 1.3	22.4	- 24.7	Communications	41.7	49.5	- 7.8	- 15.8	39.6	5.1
5.3	6.0	- 0.8	- 12.7	5.7	- 8.1	Contract Stations	17.0	18.0	- 1.0	- 5.5	17.7	- 4.1
2.3	3.0	- 0.7	- 22.4	3.1	- 26.4	Printing	4.4	7.6	- 3.1	- 41.5	5.8	- 23.0
5.3	8.4	- 3.1	- 37.2	5.0	5.4	Training	14.7	18.7	- 3.9	- 21.0	11.5	27.8
4.5	5.2	- 0.8	- 14.4	4.9	- 8.2	Carfare & Tolls	10.0	15.1	- 5.1	- 33.9	13.2	- 24.6
3.2	3.2	[0.0]	[0.3]	3.4	- 5.2	Vehicle Hire	10.8	9.9	[0.9]	[8.9]	7.8	38.4
3.7	4.1	- 0.4	- 9.4	3.0	22.0	Accident Cost	10.8	11.9	- 1.1	- 9.1	5.3	101.6
- 4.4	- 5.0	[0.6]	[11.9]	- 4.5	2.4	Capitalized Interest	- 14.5	- 15.0	[0.5]	[3.3]	- 12.7	- 14.1
21.6	21.5	[0.2]	[0.7]	- 12.6	-	Miscellaneous	61.6	61.5	[0.0]	[0.1]	30.0	105.3
$ 1,039.9	$ 1,040.9	$ - 1.0	- 0.1	$ 983.8	5.7	**Total Other Operating Expenses**	$ 2,917.1	$ 2,985.1	$ - 68.0	- 2.3	$ 2,769.0	5.4

[ ]=Unfavorable variance to budget
* Recasted Data
Note: Totals may not sum due to rounding.

Statement of Financial Position
Accounting Period 3, FY 2001
($ Millions)

Assets	December 1, 2000	November 3, 2000	September 30, 2000 *
Current Assets:			
Cash and cash equivalents _1/	$ 294	$ 311	$ 677
U.S. Government securities, at amortized cost which approximates market	6	6	6
Receivables:			
Foreign countries	346	337	349
U.S. Government	112	114	134
Other	225	224	213
	683	675	696
Less allowances	110	109	107
	573	566	589
Supplies, advances and prepayments	323	326	383
Total Current Assets	**1,196**	**1,209**	**1,655**
Other assets _2/	375	375	375
Property and equipment, at cost:			
Buildings	18,024	17,907	17,685
Equipment	14,170	14,107	13,973
Land	2,588	2,572	2,534
	34,782	34,586	34,192
Less allowances for depreciation	13,442	13,305	13,143
	21,340	21,281	21,049
Construction in progress	2,412	2,367	2,389
Leasehold improvements, net	660	649	632
	24,412	24,297	24,070
Deferred Retirement Costs _3/	34,047	34,215	32,183
Total Assets	**$ 60,030**	**$ 60,096**	**$ 58,283**

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

_2/ Includes $375 million as of September 30, 2000, November 3, 2000 and December 1, 2000 for appropriation receivable for revenue forgone.

* Audited year-end data

Statement of Financial Position
Accounting Period 3, FY 2001
($ Millions)

Liabilities and Equities	December 1, 2000	November 3, 2000	September 30, 2000 *
Current Liabilities:			
Compensation and employees' benefits	$ 5,382	$ 5,130	$ 5,295
Estimated prepaid postage	1,599	1,596	1,594
Payables and accrued expenses:			
Foreign countries	453	443	439
U.S. Government	129	196	150
Other	2,453	2,324	1,300
	3,035	2,963	1,889
Appropriation for free & reduced rate mail	56	61	0
Prepaid permit mail and box rentals	1,604	1,646	1,969
Outstanding postal money orders	963	999	716
Current portion of debt	5,157	5,329	6,814
Total Current Liabilities	**17,796**	**17,724**	**18,277**
Long-term debt, less current portion	2,502	2,502	2,502
Other Liabilities:			
Amounts payable for retirement benefits _3/	32,275	32,275	30,212
Workers' compensation claims	5,161	5,082	5,029
Employees' accumulated leave	1,916	2,006	2,090
Other	1,028	1,042	819
Total Other Liabilities	40,380	40,405	38,150
Capital Contributions of the US Government	3,034	3,034	3,034
Deficit Since Reorganization	- 3,682	- 3,569	- 3,680
Equity/Capital Deficiency	- 648	- 535	- 646
Total Liabilities and Equity	**$ 60,030**	**$ 60,096**	**$ 58,283**

_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
FY 2001
($ MILLIONS)

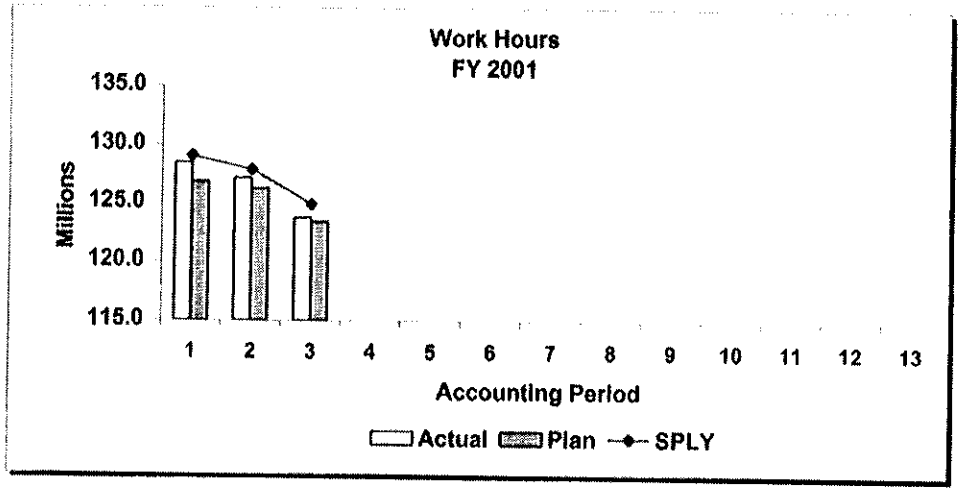
MAJOR CATEGORIES	COMMITMENTS ACTUAL	COMMITMENTS PLAN	COMMITMENTS SPLY	EXPENDITURES ACTUAL	EXPENDITURES PLAN	EXPENDITURES SPLY
CONSTRUCTION AND BUILDING PURCHASE	$ 49.7	$ 49.1	$ 58.2	$ 167.8	$ 200.4	$ 194.1
BUILDING IMPROVEMENTS	45.7	58.6	94.2	133.7	156.6	167.8
MAIL PROCESSING EQUIPMENT	65.4	31.2	35.8	194.8	194.4	242.9
VEHICLES	10.1	2.7	0.1	64.4	56.7	17.1
RETAIL EQUIPMENT	21.2	27.2	24.8	64.2	71.2	80.8
POSTAL SUPPORT EQUIPMENT	27.2	54.3	31.9	97.1	139.6	86.0
TOTAL COMMITMENTS/EXPENDITURES	$ 219.3	$ 223.1	$ 245.0	$ 722.0	$ 818.9	$ 788.7

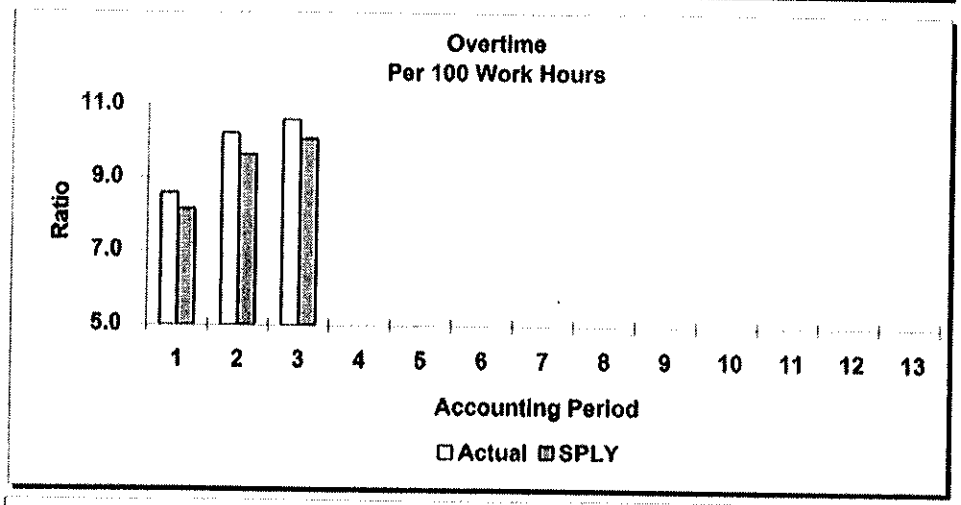
RESOURCES ON ORDER
($ MILLIONS)

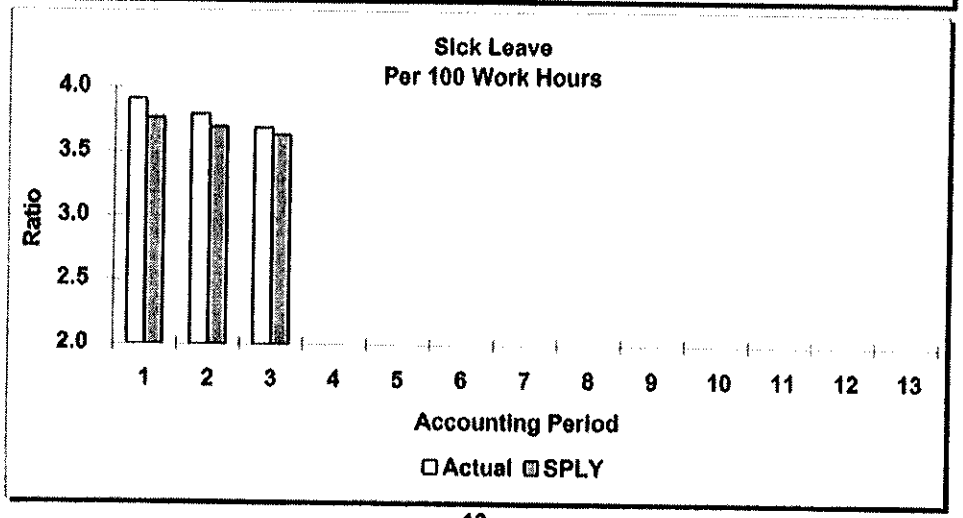
MAJOR CATEGORIES	Dec. 1 2000	Sept. 30, 2000
CONSTRUCTION AND BUILDING PURCHASE	$ 568.6	$ 693.2
BUILDING IMPROVEMENTS	360.8	458.1
MAIL PROCESSING EQUIPMENT	1,475.7	1,617.0
VEHICLES	320.2	375.2
RETAIL EQUIPMENT	185.8	228.7
POSTAL SUPPORT EQUIPMENT	194.1	269.2
INVENTORIES	212.1	230.1
RESEARCH AND DEVELOPMENT	44.3	38.9
MISCELLANEOUS EXPENSE COMMITMENTS	3,698.8	3,463.1
TOTAL RESOURCES ON ORDER	$ 7,060.4	$ 7,373.5

STATEMENT OF CASH FLOWS
($ Millions)

For the Year through December 1, 2000	FY 2001
Cash flows from operating activities:	
Net income/(loss) (Government Fiscal Year Basis)	$ (2)
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	393
Increase/(decrease) in other liabilities	209
Increase/(decrease) in employees' accumulated leave	(174)
Increase/(decrease) in non-current workers' compensation claims	132
Increase/(decrease) in retirement, net	199
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	87
Increase/(decrease) in deferred revenue	(304)
Increase/(decrease) in payables and accrued expenses	1,146
(Increase)/decrease in receivables	16
(Increase)/decrease in supplies, advances and prepayments	60
Increase/(decrease) in outstanding postal money orders	247
Net cash provided by operating activities	**2,009**
Cash flows from investing activities:	
Sale/(purchase) of U.S. Government securities, net	0
Purchase of property and equipment, net	(735)
Net cash used in investing activities	**(735)**
Cash flows from financing activities:	
Increase/(decrease) in debt	(1,657)
(Increase)/decrease in other non-current assets	0
Net cash used by financing activities	**(1,657)**
Net (decrease)/increase in cash and cash equivalents	**(383)**
Cash and cash equivalents at beginning of period	**677**
Cash and cash equivalents at end of period	**$ 294**


Work Hours
FY 2001
135.0
130.0
125.0
120.0
115.0
Millions
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual Plan SPLY


Overtime
Per 100 Work Hours
11.0
9.0
7.0
5.0
Ratio
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual SPLY


Sick Leave
Per 100 Work Hours
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

WORK HOURS & OVERTIME/SICK LEAVE RATIOS
Accounting Period 3, FY 2001
(Thousands)

Current Period						Year-to-Date				
Actual	Var. to Budget	% Var.	SPLY*	% Var. to SPLY	Total Work Hours	Actual	Var. to Budget	%Var.	SPLY*	% Var. to SPLY
					Operations:					
695	- 43	- 5.8	718	- 3.2	-Support	2,256	- 85	- 3.6	2,312	- 2.4
32,850	- 250	- 0.8	34,473	- 4.7	-Mail Processing	98,140	[151]	[0.2]	101,792	- 3.6
12,593	- 28	- 0.2	12,212	3.1	-Rural Delivery	39,383	[339]	[0.9]	37,849	4.1
37,540	[625]	[1.7]	37,342	0.5	-Other Delivery	115,352	[1,944]	[1.7]	114,831	0.5
2,498	- 26	- 1.1	2,506	- 0.3	-Vehicles Services	7,690	- 70	- 0.9	7,725	- 0.5
6,198	- 157	- 2.5	6,144	0.9	-Plant & Equip Maint	19,276	- 426	- 2.2	19,117	0.8
20,093	[44]	[0.2]	20,314	- 1.1	-Customer Services	61,663	[276]	[0.4]	62,318	- 1.1
683	- 62	- 8.4	706	- 3.2	Controller	2,151	- 202	- 8.6	2,232	- 3.7
694	- 41	- 5.5	701	- 0.9	Human Resources	2,217	- 118	- 5.1	2,259	- 1.9
1,001	- 66	- 6.2	1,180	- 15.2	Customer Service & Sales	3,194	- 170	- 5.1	3,774	- 15.4
4,968	[88]	[1.8]	4,905	1.3	Administration	15,602	[152]	[1.0]	15,683	- 0.5
3,938	[274]	[7.5]	3,650	7.9	Other	12,759	[1,432]	[12.6]	11,813	8.0
123,751	[358]	[0.3]	124,850	- 0.9	Total Work Hours	379,683	[3,223]	[0.9]	381,705	- 0.5

Overtime

	Actual	Budget	SPLY
Overtime Ratio Per 100 Work Hours	9.8	8.7	9.3

Actual	Budget	SPLY
10.6	9.3	10.1

Sick Leave

	Actual		SPLY
Sick Leave Ratio Per 100 Work Hours	3.8	--	3.8

Actual		SPLY
3.7	--	3.6

[ ]=Unfavorable variance to budget

* Recasted Data

Note: Totals may not sum due to rounding.