

USPS Financial Information (Unaudited)

August 2016

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue*	\$5,640	\$5,769	\$5,473	-2.2%	3.1%	\$64,763	\$63,597	\$63,185	1.8%	2.5%
Government Appropriations	16	5	10	220.0%	60.0%	54	49	141	10.2%	-61.7%
Total Operating Revenue	\$5,656	\$5,774	\$5,483	-2.0%	3.2%	\$64,817	\$63,646	\$63,326	1.8%	2.4%
Operating Expenses:										
Personnel Compensation and Benefits**	\$4,407	\$4,310	\$4,135	2.3%	6.6%	\$47,457	\$46,502	\$46,229	2.1%	2.7%
Workers Compensation Cash (a)	108	115	115	-6.1%	-6.1%	1,354	1,328	1,326	2.0%	2.1%
Transportation	586	566	517	3.5%	13.3%	6,449	6,459	6,044	-0.2%	6.7%
Supplies and Services	223	241	208	-7.5%	7.2%	2,484	2,631	2,424	-5.6%	2.5%
Other Expenses**	605	570	569	6.1%	6.3%	6,103	6,263	6,038	-2.6%	1.1%
Total Controllable Operating Expenses	\$5,929	\$5,802	\$5,544	2.2%	6.9%	\$63,847	\$63,183	\$62,061	1.1%	2.9%
Controllable Operating Income (Loss)	(\$273)	(\$28)	(\$61)			\$970	\$463	\$1,265		
PSRHBFB Expenses	\$484	\$483	\$475	0.2%	1.9%	\$5,317	\$5,317	\$5,225	0.0%	1.8%
FERS Supplemental (b)	20	20	-	0.0%	100.0%	221	221	-	0.0%	100.0%
Workers Compensation (c)	(422)	-	(175)	-100.0%	141.1%	913	-	8	-100.0%	NMF
Other Revenue Change in Accounting Estimate (d)	-	-	-	100.0%	100.0%	(1,061)	-	-	100.0%	100.0%
Net Operating Income (Loss)	(\$355)	(\$531)	(\$361)			(\$4,420)	(\$5,075)	(\$3,968)		
Interest Income	\$3	\$2	\$2	50.0%	50.0%	\$29	\$21	\$22	38.1%	31.8%
Interest Expense	\$19	\$21	\$16	-9.5%	18.8%	\$204	\$214	\$170	-4.7%	20.0%
Net Income (Loss)	(\$371)	(\$550)	(\$375)			(\$4,595)	(\$5,268)	(\$4,116)		
Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mail (excludes all Int'l)**	12,038	12,387	11,464	-2.8%	5.0%	135,663	132,815	136,509	2.1%	-0.6%
Total Shipping & Package Services**	417	409	364	2.0%	14.6%	4,712	4,403	4,150	7.0%	13.5%
International Total**	85	70	66	21.4%	28.8%	936	844	863	10.9%	8.5%
Total Mail, Shipping & Package Services**	12,540	12,866	11,894	-2.5%	5.4%	141,311	138,062	141,522	2.4%	-0.1%
Total Workhours (Millions)	99	100	93	-1.0%	6.5%	1,062	1,049	1,035	1.2%	2.6%
Total Career Employees						502,610		490,187		2.5%
Total Non-Career Employees						135,339		130,101		4.0%

*August 2016 has one more delivery day and 1.75 more retail days as compared to August 2015. Actual total operating revenue is 4.3% less than like-day SPLY, and actual compensation and benefits is higher than like-day SPLY amounts by 2.9%.

**Numbers may not add due to rounding and/or adjustments. Percentages calculated using rounded numbers.

(a) This amount includes estimated cash outlays including administrative fee.

(b) This represents a supplemental expense related to the actuarial revaluation of the Federal Employee Retirement System (FERS) liability.

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

(d) YTD amount represents revenue recognized for the current and prior years due to a one-time change in accounting estimate. For further information, please refer to the 10-Q filed August 8, 2016.

NMF=Not Meaningful Figure, percentages +/- 200% or greater

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 financial information for the current month 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: Results derived from reclassified products based on Postal Service Revenue Pieces and Weights Reports)

USPS Financial Information (Unaudited)

August 2016

(Thousands)

Mailing Services:

First Class (excludes all parcels and Int'l):

Volume***

Revenue

Current Period		
Actual	SPLY	% SPLY
4,780,032	4,803,116	-0.5%
\$2,086,534	\$2,206,561	-5.4%

Year-to-Date		
Actual	SPLY	% SPLY
56,450,985	57,632,888	-2.1%
\$25,425,759	\$26,145,825	-2.8%

Standard Mail (excludes all parcels and Int'l):

Volume***

Revenue

6,778,758	6,175,279	9.8%
\$1,470,698	\$1,406,929	4.5%

73,668,286	73,135,974	0.7%
\$16,115,505	\$16,128,806	-0.1%

Periodicals:

Volume***

Revenue

452,419	461,963	-2.1%
\$121,931	\$127,981	-4.7%

5,111,242	5,362,857	-4.7%
\$1,379,520	\$1,453,587	-5.1%

Total Mail (Note 1)

Volume***

Revenue

12,037,974	11,464,088	5.0%
3,941,465	4,007,411	-1.6%

135,663,600	136,508,836	-0.6%
45,420,591	46,204,563	-1.7%

Package Services (ex. Inbound Intl. Surface Parcel Post <at UPU Rates> & select Standard Post):

Volume***

Revenue

45,482	46,415	-2.0%
64,298	68,653	-6.3%

523,663	510,008	2.7%
711,346	730,799	-2.7%

Total Shipping & Package Services (Note 2)

Volume***

Revenue

417,467	364,143	14.6%
1,496,955	1,278,791	17.1%

4,711,806	4,150,365	13.5%
16,820,760	14,594,123	15.3%

International Total

Volume***

Revenue

84,489	66,175	27.7%
220,080	198,834	10.7%

935,945	862,384	8.5%
2,604,704	2,548,836	2.2%

Total Mail, Shipping & Package Services

Volume***

Revenue (Note 3) ^

12,539,930	11,894,406	5.4%
5,658,500	5,485,036	3.2%

141,311,351	141,521,585	-0.1%
64,846,055	\$63,347,522	2.4%

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

Note 1: Includes Total Market Dominant Services, Other Market Dominant Revenue and excludes all International.

Note 2: Includes Total Competitive Services, Other Competitive Revenue and excludes all International.

Note 3: Revenue on this report includes investment and interest income. The differences in SPLY revenues between Page 2 and Page 1 are due to additional statistical data available at each quarter-end.

^YTD Revenue does not include the \$1.061 billion recognized revenue previously deferred for Forever Stamps as noted on page 1.

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USPS Expenses (Unaudited)
August 2016
(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:										
Salaries & Benefits*:										
City Delivery	\$1,494	\$1,556	\$1,400	-4.0%	6.7%	\$16,021	\$15,795	\$15,630	1.4%	2.5%
Mail Processing	693	728	666	-4.8%	4.1%	7,759	7,619	7,716	1.8%	0.6%
Operations - Customer Service	546	574	505	-4.9%	8.1%	5,775	5,685	5,506	1.6%	4.9%
Rural Delivery	607	627	562	-3.2%	8.0%	6,377	6,373	6,135	0.1%	3.9%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	784	538	724	45.7%	8.3%	8,406	7,951	8,293	5.7%	1.4%
Total Salaries & Benefits	\$4,124	\$4,023	\$3,857	2.5%	6.9%	\$44,338	\$43,423	\$43,280	2.1%	2.4%
Other Personnel Related Expenses:										
Retiree Health Benefits Current Premiums	\$280	\$276	\$262	1.4%	6.9%	\$3,025	\$2,974	\$2,847	1.7%	6.3%
Workers Compensation Cash (a)	108	115	115	-6.1%	-6.1%	1,354	1,328	1,326	2.0%	2.1%
All Other Personnel Related Expenses**	3	11	16	-72.7%	-81.3%	94	105	102	-10.5%	-7.8%
Total Other Personnel Related Expenses	\$391	\$402	\$393	-2.7%	-0.5%	\$4,473	\$4,407	\$4,275	1.5%	4.6%
Controllable Personnel Compensation and Benefits	\$4,515	\$4,425	\$4,250	2.0%	6.2%	\$48,811	\$47,830	\$47,555	2.1%	2.6%
PSRHBF Expenses	\$484	\$483	\$475	0.2%	1.9%	\$5,317	\$5,317	\$5,225	0.0%	1.8%
FERS Supplemental (b)	\$20	\$20	-	0.0%	100.0%	\$221	\$221	-	0.0%	100.0%
Workers' Compensation (c)	(422)	-	(175)	-100.0%	141.1%	913	-	8	-100.0%	11312.5%
Total Personnel Compensation and Benefits	\$4,597	\$4,928	\$4,550	-6.7%	1.0%	\$55,262	\$53,368	\$52,788	3.5%	4.7%
Non-Personnel Expenses:										
Transportation	\$586	\$566	\$517	3.5%	13.3%	\$6,449	\$6,459	\$6,044	-0.2%	6.7%
Supplies and Services	223	241	208	-7.5%	7.2%	2,484	2,631	2,424	-5.6%	2.5%
Depreciation and Amortization	142	142	153	0.0%	-7.2%	1,601	1,609	1,617	-0.5%	-1.0%
Rent	79	77	77	2.6%	2.6%	896	898	907	-0.2%	-1.2%
Utilities and Heating Fuel	58	53	60	9.4%	-3.3%	532	557	574	-4.5%	-7.3%
Vehicle Maintenance Service	89	93	88	-4.3%	1.1%	897	998	962	-10.1%	-6.8%
Information Technology	74	73	52	1.4%	42.3%	575	704	527	-18.3%	9.1%
Rural Carrier Equipment Maintenance Allowance	46	41	43	12.2%	7.0%	446	484	472	-7.9%	-5.5%
Other**	117	91	96	28.6%	21.9%	1,156	1,013	979	14.1%	18.1%
Total Non-Personnel Expenses	\$1,414	\$1,377	\$1,294	2.7%	9.3%	\$15,036	\$15,353	\$14,506	-2.1%	3.7%
Total Operating Expenses	\$6,011	\$6,305	\$5,844	-4.7%	2.9%	\$70,298	\$68,721	\$67,294	2.3%	4.5%
Interest Expense	19	21	16	-9.5%	18.8%	204	214	170	-4.7%	20.0%
Total Expenses	\$6,030	\$6,326	\$5,860	-4.7%	2.9%	\$70,502	\$68,935	\$67,464	2.3%	4.5%

*August 2016 has one more delivery day and 1.75 more retail days as compared to August 2015. Controllable compensation and benefits excluding Workers Compensation cash is higher than like-day SPLY amounts by 2.9%.

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(a) This amount includes estimated cash outlays including administrative fee.

(b) This represents a supplemental expense related to the actuarial revaluation of the Federal Employee Retirement System (FERS) liability.

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USPS Workhours (Unaudited)

August 2016

(Thousands)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours:*					
City Delivery	36,543	36,324	33,901	0.6%	7.8%
Mail Processing	16,598	16,730	15,848	-0.8%	4.7%
Customer Services	13,954	13,930	12,795	0.2%	9.1%
Rural Delivery	16,874	16,882	15,760	-0.1%	7.1%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	15,419	15,663	14,969	-1.6%	3.0%
Total Workhours	99,388	99,529	93,273	-0.1%	6.6%

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours:*					
City Delivery	387,430	383,346	374,674	1.1%	3.4%
Mail Processing	189,101	186,627	185,755	1.3%	1.8%
Customer Services	147,954	145,133	136,897	1.9%	8.1%
Rural Delivery	175,914	174,136	169,556	1.0%	3.7%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	162,074	159,950	168,413	1.3%	-3.8%
Total Workhours	1,062,473	1,049,192	1,035,295	1.3%	2.6%

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