

**USPS Preliminary Financial Information (Unaudited)**

**MAY 2010**

**(\$ Millions)**

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
<b>Operating Revenue:</b>										
Mail and Services Revenue	\$5,259	\$5,139	\$5,255	2.3%	0.1%	\$45,895	\$44,584	\$46,863	2.9%	-2.1%
Government Appropriations	\$11	\$11	\$11	0.0%	-3.7%	\$84	\$84	\$88	0.0%	-5.1%
<b>Total Operating Revenue</b>	<b>\$5,270</b>	<b>\$5,150</b>	<b>\$5,266</b>	<b>2.3%</b>	<b>0.1%</b>	<b>\$45,979</b>	<b>\$44,668</b>	<b>\$46,951</b>	<b>2.9%</b>	<b>-2.1%</b>
<b>Operating Expenses:</b>										
Personnel Compensation and Benefits	\$4,642	\$4,626	\$4,732	0.3%	-1.9%	\$38,862	\$38,711	\$40,086	0.4%	-3.1%
Transportation	\$497	\$478	\$462	4.0%	7.6%	\$3,920	\$4,036	\$4,150	-2.9%	-5.6%
Supplies and Services	\$183	\$200	\$191	-8.7%	-4.5%	\$1,475	\$1,576	\$1,514	-6.4%	-2.6%
Other Expenses	\$579	\$553	\$552	4.7%	4.9%	\$4,540	\$4,538	\$4,534	0.0%	0.1%
<b>Total Operating Expenses</b>	<b>\$5,900</b>	<b>\$5,856</b>	<b>\$5,936</b>	<b>0.7%</b>	<b>-0.6%</b>	<b>\$48,797</b>	<b>\$48,861</b>	<b>\$50,285</b>	<b>-0.1%</b>	<b>-3.0%</b>
<b>Net Operating Income</b>	<b>(\$630)</b>	<b>(\$707)</b>	<b>(\$671)</b>			<b>(\$2,818)</b>	<b>(\$4,193)</b>	<b>(\$3,334)</b>		
Interest Income	\$1	\$2	\$2	-30.5%	-33.0%	\$17	\$16	\$17	3.0%	-1.2%
Interest Expense	\$13	\$19	\$9	-28.7%	49.2%	\$104	\$130	\$35	-19.9%	200.2%
<b>Net Income/Loss</b>	<b>(\$642)</b>	<b>(\$723)</b>	<b>(\$677)</b>			<b>(\$2,905)</b>	<b>(\$4,306)</b>	<b>(\$3,351)</b>		
<b>Other Operating Statistics:</b>										
<b>Mail Volume: (Millions)</b>										
Total Mailing Services Volume	13,135	12,898	13,249	1.8%	-0.9%	114,798	111,482	121,096	3.0%	-5.2%
Total Shipping Services Volume	109	111	104	-1.8%	4.6%	976	972	951	0.4%	2.7%
<b>Total Mail Volume</b>	<b>13,244</b>	<b>13,009</b>	<b>13,353</b>	<b>1.8%</b>	<b>-0.8%</b>	<b>115,775</b>	<b>112,454</b>	<b>122,046</b>	<b>3.0%</b>	<b>-5.1%</b>
Total Workhours (Millions)	96	93	100	3.1%	-3.8%	795	786	853	1.2%	-6.8%
Total Career Employees						590,596				
Total Non-Career Employees						89,135				

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

**MAY 2010**

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
<b>Mailing Services:</b>						
<i>First Class:</i>						
Volume*	6,081,755	6,491,209	-6.3%	54,003,515	57,569,571	-6.2%
Revenue	\$2,680,530	\$2,796,625	-4.2%	\$23,521,656	\$24,431,836	-3.7%
<i>Standard Mail:</i>						
Volume*	6,382,627	6,041,372	5.6%	55,062,123	57,223,939	-3.8%
Revenue	\$1,342,506	\$1,282,494	4.7%	\$11,659,124	\$11,941,109	-2.4%
<i>Periodicals:</i>						
Volume*	587,284	622,836	-5.7%	4,961,231	5,444,719	-8.9%
Revenue	\$148,595	\$157,221	-5.5%	\$1,270,560	\$1,388,497	-8.5%
<i>Package Services:</i>						
Volume*	44,527	53,089	-16.1%	447,850	507,801	-11.8%
Revenue	\$109,667	\$123,989	-11.6%	\$1,031,158	\$1,183,499	-12.9%
<b>Total Mailing Services:</b>						
Volume*	13,135,286	13,249,168	-0.9%	114,798,372	121,095,583	-5.2%
Revenue **	\$4,598,111	\$4,652,650	-1.2%	\$40,076,050	\$41,385,853	-3.2%
<b>Total Shipping Services:</b>						
Volume*	109,011	104,204	4.6%	976,390	950,759	2.7%
Revenue	\$672,845	\$615,041	9.4%	\$5,919,725	\$5,582,317	6.0%
<b>Postal Service Totals</b>						
Volume*	13,244,297	13,353,372	-0.8%	115,774,762	122,046,342	-5.1%
Revenue	\$5,270,956	\$5,267,691	0.1%	\$45,995,775	\$46,968,170	-2.1%

\* 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)

MAY 2010

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
<b>Personnel Compensation and Benefits:</b>										
Salaries & Benefits										
City Delivery	\$1,369	\$1,316	\$1,390	4.0%	-1.5%	\$11,318	\$11,080	\$11,478	2.1%	-1.4%
Mail Processing	750	688	821	9.1%	-8.7%	6,371	6,046	6,969	5.4%	-8.6%
Customer Services and Retail	527	500	574	5.5%	-8.2%	4,440	4,304	4,885	3.2%	-9.1%
Rural Delivery	503	493	487	2.0%	3.3%	3,958	3,966	3,986	-0.2%	-0.7%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	767	854	726	-10.2%	5.7%	\$6,499	\$6,995	\$6,715	-7.1%	-3.2%
<b>Total Salaries &amp; Benefits</b>	<b>\$3,916</b>	<b>\$3,851</b>	<b>\$3,998</b>	<b>1.7%</b>	<b>-2.0%</b>	<b>\$32,586</b>	<b>\$32,391</b>	<b>\$34,033</b>	<b>0.6%</b>	<b>-4.3%</b>
<b>Other Personnel Related Expenses</b>										
Retiree Health Benefits	\$655	\$649	\$621	0.8%	5.5%	\$5,131	\$5,137	\$4,901	-0.1%	4.7%
Worker's Compensation	104	104	91	-0.1%	13.7%	784	836	911	-6.2%	-14.0%
All Other Personnel Related Expenses	(33)	22	22	-250.9%	-251.6%	362	347	242	4.4%	49.9%
<b>Total Other Personnel Related Expenses</b>	<b>\$726</b>	<b>\$775</b>	<b>\$734</b>	<b>-6.4%</b>	<b>-1.1%</b>	<b>\$6,277</b>	<b>\$6,320</b>	<b>\$6,054</b>	<b>-0.7%</b>	<b>3.7%</b>
<b>Total Personnel Compensation and Benefits</b>	<b>\$4,642</b>	<b>\$4,626</b>	<b>\$4,732</b>	<b>0.3%</b>	<b>-1.9%</b>	<b>\$38,862</b>	<b>\$38,711</b>	<b>\$40,086</b>	<b>0.4%</b>	<b>-3.1%</b>
<b>Non-Personnel Expenses:</b>										
Transportation	\$497	\$478	\$462	4.0%	7.6%	\$3,920	\$4,036	\$4,150	-2.9%	-5.6%
Supplies and Services	183	200	191	-8.7%	-4.5%	1,475	1,576	1,514	-6.4%	-2.6%
Depreciation and Amortization	211	192	187	9.9%	12.6%	1,638	1,540	1,513	6.4%	8.3%
Rent	85	90	99	-5.6%	-14.4%	705	730	729	-3.4%	-3.3%
Utilities and Heating Fuel	44	42	52	5.9%	-14.5%	417	411	467	1.5%	-10.8%
Vehicle Maintenance Service	76	64	57	18.1%	33.6%	544	481	494	13.1%	10.2%
Information Technology	29	40	28	-26.0%	4.0%	254	342	248	-25.6%	2.3%
Rural Carrier Equipment Maintenance Allowance	44	42	39	6.5%	15.1%	351	352	348	-0.2%	1.0%
Other	90	85	91	6.1%	-1.1%	630	683	735	-7.7%	-14.3%
<b>Total Non-Personnel Expenses</b>	<b>\$1,258</b>	<b>\$1,230</b>	<b>\$1,205</b>	<b>2.3%</b>	<b>4.4%</b>	<b>\$9,934</b>	<b>\$10,150</b>	<b>\$10,199</b>	<b>-2.1%</b>	<b>-2.6%</b>
<b>Total Operating Expenses</b>	<b>\$5,900</b>	<b>\$5,856</b>	<b>\$5,936</b>	<b>0.7%</b>	<b>-0.6%</b>	<b>\$48,797</b>	<b>\$48,861</b>	<b>\$50,285</b>	<b>-0.1%</b>	<b>-3.0%</b>
Interest Expense	\$13	\$19	\$9	-28.7%	49.2%	\$104	\$130	\$35	-19.9%	200.2%
<b>Total Expenses</b>	<b>\$5,913</b>	<b>\$5,875</b>	<b>\$5,945</b>	<b>0.6%</b>	<b>-0.5%</b>	<b>\$48,901</b>	<b>\$48,990</b>	<b>\$50,320</b>	<b>-0.2%</b>	<b>-2.8%</b>

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USPS Preliminary Workhours (Unaudited)

MAY 2010

(Thousands)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours										
City Delivery	32,993	31,849	34,002	3.6%	-3.0%	273,493	267,252	286,013	2.3%	-4.4%
Mail Processing	17,968	16,660	19,745	7.9%	-9.0%	153,690	145,295	174,400	5.8%	-11.9%
Customer Services	12,827	12,225	14,015	4.9%	-8.5%	108,909	105,365	122,293	3.4%	-10.9%
Rural Delivery	14,945	14,771	14,589	1.2%	2.4%	117,500	120,520	121,458	-2.5%	-3.3%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	17,583	17,927	17,729	-1.9%	-0.8%	141,271	147,257	149,007	-4.1%	-5.2%
Total Workhours	96,317	93,432	100,080	3.1%	-3.8%	794,864	785,689	853,172	1.2%	-6.8%

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