

**USPS Preliminary Financial Information**

**(Unaudited)**

**OCTOBER 2010**

**(\$ Millions)**

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
<b>Operating Revenue:</b>					
Mail and Services Revenue	\$6,015	\$5,906	\$6,042	1.8%	-0.5%
Government Appropriations	\$14	\$14	\$11	0.6%	37.1%
<b>Total Operating Revenue</b>	<b>\$6,029</b>	<b>\$5,920</b>	<b>\$6,053</b>	<b>1.9%</b>	<b>-0.4%</b>
<b>Operating Expenses:</b>					
Personnel Compensation and Benefits	\$4,248	\$4,243	\$4,559	0.1%	-6.8%
Workers' Compensation Caseload Expense	\$119	\$114	\$108	3.9%	9.8%
Transportation	\$532	\$520	\$461	2.4%	15.4%
Supplies and Services	\$161	\$149	\$148	8.2%	9.0%
Other Expenses	\$547	\$559	\$528	-2.2%	3.7%
<b>Total Controllable Operating Expenses</b>	<b>\$5,607</b>	<b>\$5,584</b>	<b>\$5,804</b>	<b>0.4%</b>	<b>-3.4%</b>
<b>Controllable Operating Income</b>	<b>\$422</b>	<b>\$335</b>	<b>\$250</b>		
PSRHBFB Expenses	\$458	\$458	\$458	0.0%	0.0%
Workers' Compensation (a)	(\$333)	\$0	\$0	NM	NM
<b>Net Operating Income (Loss)</b>	<b>\$297</b>	<b>(\$123)</b>	<b>(\$208)</b>		
Interest Income	\$2	\$2	\$2	-1.0%	-1.8%
Interest Expense	\$16	\$16	\$14	-0.2%	11.4%
<b>Net Income (Loss)</b>	<b>\$283</b>	<b>(\$137)</b>	<b>(\$221)</b>		

<b>Other Operating Statistics:</b>					
<b>Mail Volume: (Millions)</b>					
Total Mailing Services Volume	16,301	15,099	15,520	8.0%	5.0%
Total Shipping Services Volume	122	127	125	-3.9%	-2.4%
<b>Total Mail Volume</b>	<b>16,423</b>	<b>15,226</b>	<b>15,645</b>	<b>7.9%</b>	<b>5.0%</b>
Total Workhours (Millions)	97	96	104	1.1%	-6.0%
Total Career Employees	582,206				
Total Non-Career Employees	87,684				

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

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 preliminary financial information for the month of October 2010 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.

**OCTOBER 2010**

(Thousands)

	Year-to-Date		
	Actual	SPLY	% SPLY
<b>Mailing Services:</b>			
<i>First Class:</i>			
Volume*	6,463,886	6,892,171	-6.2%
Revenue	\$2,830,013	\$2,990,757	-5.4%
<i>Standard Mail:</i>			
Volume*	9,072,342	7,848,910	15.6%
Revenue	\$1,877,065	\$1,685,514	11.4%
<i>Periodicals:</i>			
Volume*	647,867	679,380	-4.6%
Revenue	\$171,980	\$179,315	-4.1%
<i>Package Services:</i>			
Volume*	64,130	61,083	5.0%
Revenue	\$129,470	\$124,354	4.1%
<b>Total Mailing Services:</b>			
Volume*	16,300,644	15,519,529	5.0%
Revenue **	\$5,295,363	\$5,302,296	-0.1%
<b>Total Shipping Services:</b>			
Volume*	122,056	125,049	-2.4%
Revenue	\$735,877	\$753,196	-2.3%
<b>Postal Service Totals</b>			
Volume*	16,422,700	15,644,579	5.0%
Revenue	\$6,031,240	\$6,055,491	-0.4%

\* 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)**

**OCTOBER 2010**

**(\$ Millions)**

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
<b>Personnel Compensation and Benefits:</b>					
Salaries & Benefits					
City Delivery	\$1,428	\$1,374	\$1,462	3.9%	-2.3%
Mail Processing	790	723	847	9.2%	-6.7%
Customer Services and Retail	531	509	589	4.3%	-9.9%
Rural Delivery	489	504	495	-2.9%	-1.2%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	796	920	871	-13.5%	-8.6%
<b>Total Salaries &amp; Benefits</b>	<b>\$4,034</b>	<b>\$4,030</b>	<b>\$4,263</b>	<b>0.1%</b>	<b>-5.4%</b>
<b>Other Personnel Related Expenses</b>					
Retiree Health Benefits Current Premiums	\$192	\$193	\$173	-0.3%	11.1%
Workers' Compensation Caseload Expenses	119	114	108	3.9%	9.8%
All Other Personnel Related Expenses	22	20	123	12.6%	-81.9%
<b>Total Other Personnel Related Expenses</b>	<b>\$333</b>	<b>\$327</b>	<b>\$404</b>	<b>2.0%</b>	<b>-17.6%</b>
<b>Controllable Personnel Compensation and Benefits</b>	<b>\$4,367</b>	<b>\$4,356</b>	<b>\$4,667</b>	<b>0.2%</b>	<b>-6.4%</b>
<b>PSRHBF Expenses</b>	<b>\$458</b>	<b>\$458</b>	<b>\$458</b>	<b>0.0%</b>	<b>0.0%</b>
Workers' Compensation (a)	(333)	\$0	\$0	NM	NM
<b>Total Personnel Compensation and Benefits</b>	<b>\$4,492</b>	<b>\$4,815</b>	<b>\$5,125</b>	<b>-6.7%</b>	<b>-12.4%</b>

<b>Non-Personnel Expenses:</b>					
Transportation	\$532	\$520	\$461	2.4%	15.4%
Supplies and Services	161	149	148	8.2%	9.0%
Depreciation and Amortization	192	209	189	-7.9%	1.5%
Rent	89	87	87	1.5%	2.6%
Utilities and Heating Fuel	56	55	55	2.9%	2.4%
Vehicle Maintenance Service	67	64	62	5.2%	7.5%
Information Technology	20	19	16	4.9%	26.0%
Rural Carrier Equipment Maintenance Allowance	44	42	46	3.2%	-5.6%
Other	79	83	73	-4.9%	8.8%
<b>Total Non-Personnel Expenses</b>	<b>\$1,240</b>	<b>\$1,228</b>	<b>\$1,137</b>	<b>1.0%</b>	<b>9.1%</b>

<b>Total Operating Expenses</b>	<b>\$5,732</b>	<b>\$6,042</b>	<b>\$6,262</b>	<b>-5.1%</b>	<b>-8.5%</b>
Interest Expense	\$16	\$16	\$14	-0.2%	11.4%
<b>Total Expenses</b>	<b>\$5,748</b>	<b>\$6,058</b>	<b>\$6,277</b>	<b>-5.1%</b>	<b>-8.4%</b>

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**USPS Preliminary Workhours (Unaudited)**

**OCTOBER 2010**

**(Thousands)**

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours					
City Delivery	33,958	33,286	35,687	2.0%	-4.8%
Mail Processing	18,789	17,837	20,201	5.3%	-7.0%
Customer Services	12,734	12,703	14,307	0.2%	-11.0%
Rural Delivery	14,654	14,833	15,106	-1.2%	-3.0%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	17,247	17,684	18,285	-2.5%	-5.7%
<b>Total Workhours</b>	<b>97,382</b>	<b>96,343</b>	<b>103,586</b>	<b>1.1%</b>	<b>-6.0%</b>

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