

USPS Preliminary Financial Information (Unaudited)

February 2011

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue	\$5,036	\$5,091	\$5,113	-1.1%	-1.5%	\$28,334	\$28,822	\$29,006	-1.7%	-2.3%
Government Appropriations	\$12	\$12	\$11	0.9%	12.2%	\$58	\$54	\$52	8.1%	10.8%
Total Operating Revenue	\$5,048	\$5,103	\$5,124	-1.1%	-1.5%	\$28,392	\$28,876	\$29,059	-1.7%	-2.3%
Operating Expenses:										
Personnel Compensation and Benefits	\$3,944	\$3,982	\$3,948	-0.9%	-0.1%	\$21,441	\$21,277	\$21,621	0.8%	-0.8%
Workers Compensation Caseload Expense	\$90	\$93	\$77	-3.4%	16.6%	\$485	\$470	\$421	3.3%	15.3%
Transportation	\$496	\$456	\$498	8.8%	-0.3%	\$2,685	\$2,580	\$2,516	4.1%	6.7%
Supplies and Services	\$186	\$196	\$174	-4.8%	7.1%	\$941	\$998	\$893	-5.8%	5.3%
Other Expenses	\$562	\$578	\$543	-2.8%	3.5%	\$2,823	\$2,951	\$2,790	-4.3%	1.2%
Total Controllable Operating Expenses	\$5,278	\$5,304	\$5,239	-0.5%	0.8%	\$28,374	\$28,276	\$28,240	0.3%	0.5%
Controllable Operating Income (Loss)	(\$230)	(\$201)	(\$115)			\$18	\$600	\$819		
PSRHBF Expenses	\$458	\$458	\$458	0.0%	0.0%	\$2,292	\$2,292	\$2,292	0.0%	0.0%
Workers Compensation (a)	\$406	\$21	\$27	NM	NM	(\$450)	\$100	(\$27)	NM	NM
Net Operating Income (Loss)	(\$1,095)	(\$680)	(\$601)			(\$1,824)	(\$1,792)	(\$1,446)		
Interest Income	\$2	\$2	\$2	1.2%	1.3%	\$10	\$10	\$11	0.4%	-0.2%
Interest Expense	\$13	\$17	\$12	-20.0%	10.6%	\$73	\$85	\$65	-13.7%	12.7%
Net Income (Loss)	(\$1,106)	(\$694)	(\$611)			(\$1,887)	(\$1,866)	(\$1,500)		
Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mailing Services Volume	12,650	12,781	12,851	-1.0%	-1.6%	72,216	72,368	71,911	-0.2%	0.4%
Total Shipping Services Volume	110	114	108	-3.5%	1.7%	645	662	630	-2.6%	2.4%
Total Mail Volume	12,760	12,895	12,959	-1.0%	-1.5%	72,862	73,030	72,541	-0.2%	0.4%
Total Workhours (Millions)	88	88	91	0.2%	-3.0%	480	475	492	1.0%	-2.5%
Total Career Employees						572,982				
Total Non-Career Employees						89,972				

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 February 2011 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: Postal Service Revenue Pieces and Weights Reports)

February 2011

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Mailing Services:						
<i>First Class:</i>						
Volume*	5,780,220	5,956,571	-3.0%	32,385,501	34,025,985	-4.8%
Revenue	\$2,481,422	\$2,591,759	-4.3%	\$14,083,593	\$14,859,655	-5.2%
<i>Standard Mail:</i>						
Volume*	6,237,804	6,204,819	0.5%	36,370,038	34,358,699	5.9%
Revenue	\$1,316,153	\$1,310,651	0.4%	\$7,641,075	\$7,294,659	4.7%
<i>Periodicals:</i>						
Volume*	561,755	610,507	-8.0%	2,955,079	3,037,566	-2.7%
Revenue	\$142,605	\$157,063	-9.2%	\$759,256	\$788,901	-3.8%
<i>Package Services:</i>						
Volume*	43,903	45,199	-2.9%	289,754	287,556	0.8%
Revenue	\$115,308	\$112,240	2.7%	\$685,421	\$666,553	2.8%
Total Mailing Services:						
Volume*	12,650,152	12,850,640	-1.6%	72,216,429	71,910,847	0.4%
Revenue **	\$4,356,650	\$4,459,906	-2.3%	\$24,432,472	\$25,180,853	-3.0%
Total Shipping Services:						
Volume*	109,747	107,952	1.7%	645,382	630,479	2.4%
Revenue	\$693,412	\$665,748	4.2%	\$3,969,976	\$3,888,359	2.1%
Postal Service Totals						
Volume*	12,759,899	12,958,593	-1.5%	72,861,811	72,541,326	0.4%
Revenue	\$5,050,060	\$5,125,655	-1.5%	\$28,402,447	\$29,069,213	-2.3%

* 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.

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 February 2011 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.

USPS Preliminary Expenses (Unaudited)

February 2011

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:										
Salaries & Benefits										
City Delivery	\$1,327	\$1,311	\$1,322	1.2%	0.3%	\$7,085	\$6,945	\$7,019	2.0%	0.9%
Mail Processing	696	\$671	723	3.7%	-3.7%	3,874	3,692	4,036	4.9%	-4.0%
Customer Services and Retail	488	\$484	511	0.9%	-4.3%	2,655	2,589	2,767	2.6%	-4.0%
Rural Delivery	465	\$472	457	-1.6%	1.6%	2,467	2,492	2,418	-1.0%	2.0%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	739	\$797	726	-7.3%	1.8%	4,223	4,409	4,218	-4.2%	0.1%
Total Salaries & Benefits	\$3,715	\$3,735	\$3,739	-0.4%	-0.6%	\$20,304	\$20,126	\$20,458	1.0%	-0.8%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$208	\$206	\$184	0.8%	12.6%	\$990	\$991	\$889	-0.1%	11.4%
Worker's Compensation Caseload Expenses	90	\$93	77	-3.4%	16.6%	485	470	421	3.3%	15.3%
All Other Personnel Related Expenses	22	40	24	-46.2%	-10.3%	147	160	274	-7.8%	-46.2%
Total Other Personnel Related Expenses	\$319	\$339	\$286	-5.9%	11.7%	\$1,622	\$1,620	\$1,583	0.1%	2.4%
Controllable Personnel Compensation and Benefits	\$4,034	\$4,075	\$4,025	-1.0%	0.2%	\$21,926	\$21,746	\$22,041	0.8%	-0.5%
PSRHBF Expenses	\$458	\$458	\$458	0.0%	0.0%	\$2,292	\$2,292	\$2,292	0.0%	0.0%
Workers' Compensation (a)	406	21	27	NM	NM	(450)	100	(27)	NM	NM
Total Personnel Compensation and Benefits	\$4,899	\$4,554	\$4,510	7.6%	8.6%	\$23,768	\$24,138	\$24,306	-1.5%	-2.2%
Non-Personnel Expenses:										
Transportation	\$496	\$456	\$498	8.8%	-0.3%	\$2,685	\$2,580	\$2,516	4.1%	6.7%
Supplies and Services	186	\$196	174	-4.8%	7.1%	941	\$998	893	-5.8%	5.3%
Depreciation and Amortization	193	\$211	203	-8.7%	-4.9%	957	\$1,055	1,026	-9.3%	-6.8%
Rent	85	\$94	90	-9.9%	-5.8%	443	\$460	443	-3.8%	-0.2%
Utilities and Heating Fuel	58	\$59	56	-1.7%	3.7%	267	\$277	265	-3.9%	0.6%
Vehicle Maintenance Service	79	\$66	66	20.0%	19.7%	374	\$336	329	11.4%	13.7%
Information Technology	30	\$33	24	-7.9%	28.5%	164	\$189	142	-13.5%	15.3%
Rural Carrier Equipment Maintenance Allowance	41	\$43	40	-4.8%	0.9%	216	\$232	214	-6.9%	0.9%
Other	77	72	65	5.8%	18.6%	403	\$401	371	0.5%	8.8%
Total Non-Personnel Expenses	\$1,244	\$1,229	\$1,214	1.2%	2.4%	\$6,449	\$6,530	\$6,199	-1.2%	4.0%
Total Operating Expenses	\$6,143	\$5,783	\$5,724	6.2%	7.3%	\$30,216	\$30,668	\$30,505	-1.5%	-0.9%
Interest Expense	\$13	\$17	\$12	-20.0%	10.6%	\$73	\$85	\$65	-13.7%	12.7%
Total Expenses	\$6,156	\$5,800	\$5,736	6.1%	7.3%	\$30,289	\$30,752	\$30,570	-1.5%	-0.9%

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 February 2011 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.

USPS Preliminary Workhours (Unaudited)

February 2011

(Thousands)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours										
City Delivery	30,620	30,507	31,453	0.4%	-2.6%	165,920	164,040	169,092	1.1%	-1.9%
Mail Processing	16,420	15,770	17,244	4.1%	-4.8%	93,160	88,673	97,597	5.1%	-4.5%
Customer Services	11,620	11,552	12,462	0.6%	-6.8%	63,685	62,447	67,722	2.0%	-6.0%
Rural Delivery	13,438	13,671	13,434	-1.7%	0.0%	72,005	72,617	71,612	-0.8%	0.5%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	16,024	16,466	16,293	-2.7%	-1.7%	85,099	87,185	86,234	-2.4%	-1.3%
Total Workhours	88,122	87,966	90,886	0.2%	-3.0%	479,869	474,962	492,257	1.0%	-2.5%

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 February 2011 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.

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