USPS Preliminary Financial Information (Unaudited)

May 2011

($ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue	$5,108	$5,525	$5,259	-7.6%	-2.9%	$44,628	$45,855	$45,895	-2.7%	-2.8%
Government Appropriations	12	9	11	27.3%	12.2%	93	81	84	14.4%	11.3%
Total Operating Revenue	$5,120	$5,535	$5,270	-7.5%	-2.8%	$44,722	$45,936	$45,979	-2.6%	-2.7%
Operating Expenses:										
Personnel Compensation and Benefits	$4,190	$4,095	$4,079	2.3%	2.7%	$34,175	$33,956	$34,412	0.6%	-0.7%
Workers Compensation Caseload Expense	94	102	101	-8.1%	-7.5%	737	766	695	-3.9%	6.0%
Transportation	516	485	497	6.4%	3.8%	4,271	4,046	3,920	5.6%	9.0%
Supplies and Services	175	207	183	-15.6%	-4.2%	1,481	1,620	1,475	-8.6%	0.5%
Other Expenses	580	650	579	-10.8%	0.2%	4,646	4,897	4,540	-5.1%	2.3%
Total Controllable Operating Expenses	$5,554	$5,539	$5,439	0.3%	2.1%	$45,310	$45,285	$45,041	0.1%	0.6%
Controllable Operating Income (Loss)	($434)	($4)	($169)			($589)	$652	$938		
PSRHBF Expenses	$458	$458	$458	0.0%	0.0%	$3,667	$3,667	$3,666	0.0%	0.0%
Workers Compensation (a)	443	12	3	NM	NM	299	146	90	NM	NM
Net Operating Income (Loss)	($1,336)	($475)	($630)			($4,554)	($3,160)	($2,818)		
Interest Income	$2	$2	$1	-9.6%	43.7%	$17	$17	$17	-4.6%	-0.7%
Interest Expense	$14	$19	$13	-26.7%	8.7%	$116	$142	$104	-18.7%	11.2%
Net Income (Loss)	($1,348)	($492)	($642)			($4,653)	($3,285)	($2,905)		
Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mailing Services Volume	12,873	13,896	13,125	-7.4%	-1.9%	113,146	115,616	114,652	-2.1%	-1.3%
Total Shipping Services Volume	114	120	108	-5.0%	5.6%	1,014	1,033	977	-1.8%	3.8%
Total Mail Volume	12,988	14,016	13,233	-7.3%	-1.9%	114,160	116,649	115,629	-2.1%	-1.3%
Total Workhours (Millions)	94	93	96	1.4%	-2.2%	773	766	795	1.0%	-2.8%
Total Career Employees						567,401				
Total Non-Career Employees						90,050				

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 May 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.

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

May 2011

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Mailing Services:						
First Class:						
Volume*	5,641,337	6,076,174	-7.2%	50,211,422	53,965,931	-7.0%
Revenue	$2,471,315	$2,680,800	-7.8%	$21,917,712	$23,517,477	-6.8%
Standard Mail:						
Volume*	6,567,762	6,379,491	3.0%	57,368,362	54,987,337	4.3%
Revenue	$1,396,194	$1,341,746	4.1%	$12,079,171	$11,653,995	3.6%
Periodicals:						
Volume*	579,449	583,668	-0.7%	4,782,263	4,919,766	-2.8%
Revenue	$147,527	$148,530	-0.7%	$1,226,305	$1,270,293	-3.5%
Package Services:						
Volume*	47,145	44,680	5.5%	451,543	447,805	0.8%
Revenue	$119,404	$109,846	8.7%	$1,069,152	$1,033,898	3.4%
Total Mailing Services:						
Volume*	12,873,284	13,125,257	-1.9%	113,146,160	114,651,933	-1.3%
Revenue **	$4,410,456	$4,591,531	-3.9%	$38,492,359	$39,995,501	-3.8%
Total Shipping Services:						
Volume*	114,342	108,239	5.6%	1,014,061	977,013	3.8%
Revenue	$711,194	$679,425	4.7%	$6,245,980	$6,000,274	4.1%
Postal Service Totals						
Volume*	12,987,626	13,233,496	-1.9%	114,160,221	115,628,946	-1.3%
Revenue	$5,121,650	$5,270,956	-2.8%	$44,738,339	$45,995,775	-2.7%

* 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 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	$1,384	$1,346	$1,371	2.8%	0.9%	$11,405	$11,190	$11,318	1.9%	0.8%
Mail Processing	730	690	752	5.8%	-2.9%	6,125	5,842	6,371	4.8%	-3.8%
Customer Services	510	498	528	2.3%	-3.4%	4,248	4,163	4,440	2.0%	-4.3%
Rural Delivery	515	508	505	1.4%	2.1%	4,043	4,077	3,958	-0.8%	2.1%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	791	821	761	-3.6%	4.0%	6,513	6,813	6,499	-4.4%	0.2%
Total Salaries & Benefits	$3,930	$3,863	$3,916	2.2%	0.4%	$32,334	$32,085	$32,586	1.0%	-0.8%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	$207	$208	$196	-0.3%	5.4%	$1,611	$1,612	$1,464	0.0%	10.0%
Worker's Compensation Caseload Expenses	94	102	101	-8.1%	-7.5%	737	766	695	-3.9%	6.0%
All Other Personnel Related Expenses	53	25	(33)	112.6%	-259.6%	230	260	362	-11.4%	-36.4%
Total Other Personnel Related Expenses	$353	$334	$265	5.6%	33.4%	$2,578	$2,638	$2,521	-2.3%	2.3%
Controllable Personnel Compensation and Benefits	$4,283	$4,197	$4,181	2.1%	2.5%	$34,912	$34,722	$35,106	0.5%	-0.6%
PSRHBF Expenses	$458	$458	$458	0.0%	0.0%	$3,667	$3,667	$3,666	0.0%	0.0%
Workers' Compensation (a)	443	12	3	NM	NM	299	146	90	NM	NM
Total Personnel Compensation and Benefits	$5,185	$4,667	$4,642	11.1%	11.8%	$38,877	$38,534	$38,862	0.9%	0.0%
Non-Personnel Expenses:										
Transportation	$516	$485	$497	6.4%	3.8%	$4,271	$4,046	$3,920	5.6%	9.0%
Supplies and Services	175	207	183	-15.6%	-4.2%	1,481	1,620	1,475	-8.6%	0.5%
Depreciation and Amortization	198	216	211	-8.2%	-6.0%	1,543	1,692	1,638	-8.8%	-5.8%
Rent	85	89	85	-4.1%	0.5%	702	732	705	-4.2%	-0.4%
Utilities and Heating Fuel	47	49	44	-2.6%	7.0%	427	443	417	-3.7%	2.4%
Vehicle Maintenance Service	85	72	76	17.6%	12.2%	639	551	544	15.8%	17.3%
Information Technology	35	47	29	-24.8%	19.7%	288	345	254	-16.5%	13.3%
Rural Carrier Equipment Maintenance Allowance	46	44	44	4.4%	3.5%	356	363	351	-2.0%	1.4%
Other	83	134	90	-37.8%	-7.3%	692	769	630	-10.0%	9.8%
Total Non-Personnel Expenses	$1,271	$1,342	$1,258	-5.3%	1.0%	$10,399	$10,563	$9,934	-1.6%	4.7%
Total Operating Expenses	$6,456	$6,009	$5,900	7.4%	9.5%	$49,275	$49,097	$48,797	0.4%	1.0%
Interest Expense	14	19	13	-26.7%	8.7%	116	142	104	-18.7%	11.2%
Total Expenses	$6,470	$6,029	$5,913	7.3%	9.5%	$49,391	$49,239	$48,901	0.3%	1.0%

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

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USPS Preliminary Workhours (Unaudited)

May 2011

(Thousands)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours										
City Delivery	32,324	31,930	32,993	1.2%	-2.0%	267,552	264,964	273,493	1.0%	-2.2%
Mail Processing	17,293	16,481	17,968	4.9%	-3.8%	146,714	140,415	153,690	4.5%	-4.5%
Customer Services	12,134	11,988	12,827	1.2%	-5.4%	101,941	100,415	108,909	1.5%	-6.4%
Rural Delivery	14,963	14,765	14,945	1.3%	0.1%	117,948	118,180	117,500	-0.2%	0.4%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	17,468	17,721	17,583	-1.4%	-0.7%	138,848	141,710	141,271	-2.0%	-1.7%
Total Workhours	94,182	92,885	96,317	1.4%	-2.2%	773,003	765,684	794,864	1.0%	-2.8%

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