

USPS Preliminary Financial Information (Unaudited)

February 2013

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue*	\$5,120	\$5,005	\$5,185	2.3%	-1.3%	\$28,380	\$28,113	\$28,226	1.0%	0.5%
Government Appropriations	9	11	11	-24.3%	-17.5%	33	\$53	35	-38.9%	-5.2%
Total Operating Revenue	\$5,129	\$5,016	\$5,196	2.2%	-1.3%	\$28,413	\$28,166	\$28,261	0.9%	0.5%
Operating Expenses:										
Personnel Compensation and Benefits	\$3,797	\$3,800	\$3,981	-0.1%	-4.6%	\$21,407	\$21,242	\$21,203	0.8%	1.0%
Workers Compensation Caseload Expense	106	108	98	-1.4%	8.8%	536	552	529	-2.9%	1.4%
Transportation	510	546	527	-6.6%	-3.2%	2,928	3,012	2,882	-2.8%	1.6%
Supplies and Services	181	186	178	-2.6%	1.8%	909	1,031	893	-11.8%	1.8%
Other Expenses**	547	518	567	5.7%	-3.6%	2,735	2,777	2,833	-1.5%	-3.5%
Total Controllable Operating Expenses	\$5,141	\$5,158	\$5,351	-0.3%	-3.9%	\$28,515	\$28,614	\$28,340	-0.3%	0.6%
Controllable Operating Income (Loss)	(\$12)	(\$142)	(\$155)			(\$102)	(\$448)	(\$79)		
PSRHF Expenses	\$467	\$467	\$1,017	0.0%	-54.1%	\$2,333	\$2,333	\$5,083	0.0%	-54.1%
Workers Compensation (a)	346	-	(65)	NM	-631.3%	34	-	439	NM	-92.3%
Net Operating Income (Loss)	(\$825)	(\$609)	(\$1,107)			(\$2,469)	(\$2,781)	(\$5,601)		
Interest Income	\$2	\$2	\$2	4.9%	-1.8%	\$10	\$10	\$10	3.8%	-2.0%
Interest Expense	\$15	\$15	\$15	-1.4%	-1.1%	\$80	\$80	\$78	0.1%	2.8%
Net Income (Loss)	(\$838)	(\$622)	(\$1,120)			(\$2,539)	(\$2,851)	(\$5,669)		

Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mail (excludes all Int'l)	11,596	11,373	12,114	2.0%	-4.3%	67,007	65,535	67,438	2.2%	-0.6%
Total Shipping & Package Services (Includes all Int'l)	354	362	349	-2.0%	1.5%	2,033	1,993	1,958	2.0%	3.9%
Total Mail, Shipping & Package Services	11,950	11,735	12,463	1.8%	-4.1%	69,040	67,528	69,396	2.2%	-0.5%
Total Workhours (Millions)	85	83	89	2.2%	-5.2%	467	458	470	1.8%	-0.8%
Total Career Employees						500,584				
Total Non-Career Employees						113,945				

* February 2013 contains one less weekday / delivery day compared to February 2012

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

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 2013 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.

February 2013

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Mailing Services:						
<i>First Class (excludes all parcels and Int'l):</i>						
Volume**	5,151,638	5,468,321	-5.8%	28,931,434	30,221,371	-4.3%
Revenue	\$2,230,371	\$2,323,080	-4.0%	\$12,263,005	\$12,626,088	-2.9%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume**	5,902,715	6,044,575	-2.3%	35,068,517	34,135,487	2.7%
Revenue	\$1,251,393	\$1,256,782	-0.4%	\$7,233,146	\$7,025,698	3.0%
<i>Periodicals:</i>						
Volume**	514,691	570,392	-9.8%	2,711,082	2,840,027	-4.5%
Revenue	\$134,580	\$146,138	-7.9%	\$699,689	\$724,931	-3.5%
<i>Package Services (excludes Standard Post & Commercial Parcel Post):</i>						
Volume**	31,789	38,314	-17.0%	228,049	243,650	-6.4%
Revenue	\$42,795	\$60,654	-29.4%	\$327,039	\$357,909	-8.6%
Total Mail (excludes all Int'l)						
Volume**	11,595,983	12,114,231	-4.3%	67,006,640	67,437,936	-0.6%
Revenue	\$3,831,679	\$3,978,762	-3.7%	\$21,334,956	\$21,717,621	-1.8%
Total Shipping & Package Services (Includes all Int'l)						
Volume**	354,308	348,937	1.5%	2,033,629	1,957,859	3.9%
Revenue	\$1,298,868	\$1,218,825	6.6%	\$7,087,937	\$6,553,758	8.2%
Total Mail, Shipping & Package Services						
Volume**	11,950,291	12,463,169	-4.1%	69,040,269	69,395,796	-0.5%
Revenue***	\$5,130,547	\$5,197,587	-1.3%	\$28,422,893	\$28,271,379	0.5%

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

*** Revenue on this report includes investment and interest income.

(b) See Reclassification footnote on page 4 of this report.

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USPS Preliminary Expenses (Unaudited)

February 2013

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:										
Salaries & Benefits*										
City Delivery	\$1,322	\$1,277	\$1,351	3.5%	-2.2%	\$7,214	\$7,037	\$7,115	2.5%	1.4%
Mail Processing	639	647	700	-1.2%	-8.7%	3,663	3,677	3,806	-0.4%	-3.8%
Customer Services and Retail	429	443	481	-3.1%	-10.7%	2,425	2,454	2,543	-1.2%	-4.6%
Rural Delivery	470	473	484	-0.6%	-2.9%	2,547	2,557	2,537	-0.4%	0.4%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	668	714	733	-6.4%	-8.8%	4,004	4,047	4,070	-1.1%	-1.6%
Total Salaries & Benefits	\$3,528	\$3,554	\$3,749	-0.7%	-5.9%	\$19,853	\$19,772	\$20,071	0.4%	-1.1%
Retiree Health Benefits Current Premiums	\$237	\$233	\$221	1.6%	7.4%	\$1,151	\$1,166	\$1,067	-1.3%	7.8%
Worker's Compensation Caseload Expenses	106	108	98	-1.4%	8.8%	536	552	529	-2.9%	1.4%
All Other Personnel Related Expenses (includes Retirement Incentive)**	32	12	11	158.5%	200.9%	403	304	65	32.6%	520.0%
Total Other Personnel Related Expenses	\$375	\$353	\$330	6.2%	13.8%	\$2,090	\$2,022	\$1,661	3.4%	25.8%
Controllable Personnel Compensation and Benefits	\$3,903	\$3,907	\$4,079	-0.1%	-4.3%	\$21,943	\$21,794	\$21,732	0.7%	1.0%
PSRHBF Expenses	\$467	\$467	\$1,017	0.0%	-54.1%	\$2,333	\$2,333	\$5,083	0.0%	-54.1%
Workers' Compensation (a)	346	-	(65)	NM	-631.3%	34	-	439	NM	-92.3%
Total Personnel Compensation and Benefits	\$4,716	\$4,374	\$5,031	7.8%	-6.2%	\$24,310	\$24,127	\$27,254	0.8%	-10.8%
Non-Personnel Expenses:										
Transportation	\$510	\$546	\$527	-6.6%	-3.2%	\$2,928	\$3,012	\$2,882	-2.8%	1.6%
Supplies and Services	181	186	178	-2.6%	1.8%	909	1,031	893	-11.8%	1.8%
Depreciation and Amortization	163	163	172	-0.1%	-5.4%	807	843	898	-4.2%	-10.1%
Rent	85	94	93	-10.1%	-9.2%	425	448	438	-5.1%	-3.1%
Utilities and Heating Fuel	53	52	53	2.1%	-0.4%	242	246	253	-1.8%	-4.5%
Vehicle Maintenance Service	83	77	83	7.5%	0.3%	426	395	408	7.8%	4.4%
Information Technology	39	23	37	69.2%	6.7%	188	199	168	-5.7%	11.5%
Rural Carrier Equipment Maintenance Allowance	42	42	45	-1.0%	-6.1%	228	249	237	-8.5%	-3.8%
Other**	82	68	84	19.8%	-2.5%	419	396	432	5.8%	-3.2%
Total Non-Personnel Expenses	\$1,238	\$1,251	\$1,272	-1.1%	-2.7%	\$6,572	\$6,819	\$6,609	-3.6%	-0.6%
Total Operating Expenses	\$5,954	\$5,625	\$6,303	5.8%	-5.5%	\$30,882	\$30,946	\$33,863	-0.2%	-8.8%
Interest Expense	15	15	15	-1.4%	-1.1%	80	80	78	0.1%	2.8%
Total Expenses	\$5,969	\$5,640	\$6,318	5.8%	-5.5%	\$30,962	\$31,026	\$33,941	-0.2%	-8.8%

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USPS Preliminary Workhours (Unaudited)

February 2013

(Thousands)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*										
City Delivery	29,816	28,837	30,797	3.4%	-3.2%	163,252	158,770	162,171	2.8%	0.7%
Mail Processing	15,535	14,823	16,650	4.8%	-6.7%	89,233	86,757	91,641	2.9%	-2.6%
Customer Services	10,731	10,530	11,637	1.9%	-7.8%	59,349	58,399	61,138	1.6%	-2.9%
Rural Delivery	13,328	13,287	13,948	0.3%	-4.4%	72,348	71,618	72,775	1.0%	-0.6%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	15,183	15,277	16,219	-0.6%	-6.4%	82,474	82,721	82,473	-0.3%	0.0%
Total Workhours	84,593	82,754	89,252	2.2%	-5.2%	466,656	458,265	470,198	1.8%	-0.8%

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(b) Page 2 Reclassification events:

Oct 1, 2011 (QT1 FY12): Commercial Parcels under First-Class Parcels (from market dominant both single piece and presort) moved to the competitive category under First-Class Package Service.

Jan 22, 2012 (QT2 FY12): Machinable and irregular parcels under Standard Mail Regular Parcels (from market dominant) moved to the competitive category under Parcel Select Lightweight.

Jan 27, 2013 (QT2 FY13): First-Class Mail International Packages (from market dominant) moved to the competitive category under First-Class Packages International Service.

Jan 27, 2013 (QT2 FY13): Parcel Post except Alaska Bypass (from market dominant) moved to the competitive category under Standard Post. Commercial Parcel Post was eliminated. However, mailers using commercial Parcel Post in the past can send their packages using nonpresorted Parcel Select without the usual restrictions.

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