

USPS Preliminary Financial Information (Unaudited)

July 2013

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue*	\$5,204	\$5,150	\$5,007	1.0%	3.9%	\$55,322	\$54,332	\$54,446	1.8%	1.6%
Government Appropriations	9	10	10	-17.1%	-17.6%	76	\$105	88	-27.4%	-12.8%
Total Operating Revenue	\$5,213	\$5,160	\$5,017	1.0%	3.9%	\$55,398	\$54,437	\$54,534	1.8%	1.6%
Operating Expenses:										
Personnel Compensation and Benefits	\$3,999	\$4,047	\$4,143	-1.2%	-3.5%	\$41,486	\$41,484	\$42,026	0.0%	-1.3%
Workers Compensation Caseload Expense	152	183	157	-16.7%	-2.7%	1,134	1,177	1,123	-3.7%	1.0%
Transportation	547	519	515	5.3%	6.2%	5,634	5,680	5,563	-0.8%	1.3%
Supplies and Services	182	182	193	0.1%	-5.4%	1,901	2,069	1,831	-8.1%	3.8%
Other Expenses**	555	541	557	2.7%	-0.4%	5,707	5,570	5,625	2.5%	1.5%
Total Controllable Operating Expenses	\$5,436	\$5,472	\$5,564	-0.7%	-2.3%	\$55,862	\$55,979	\$56,168	-0.2%	-0.5%
Controllable Operating Income (Loss)	(\$223)	(\$313)	(\$547)			(\$464)	(\$1,542)	(\$1,634)		
PSRHBFB Expenses	\$467	\$467	\$1,017	0.0%	-54.1%	\$4,667	\$4,667	\$10,167	0.0%	-54.1%
Workers Compensation (a)	(116)	6	312	NM	-137.1%	(813)	5	1,602	NM	-150.8%
Net Operating Income (Loss)	(\$574)	(\$785)	(\$1,876)			(\$4,317)	(\$6,214)	(\$13,402)		
Interest Income	\$2	\$2	\$2	-0.4%	-3.1%	\$20	\$19	\$20	5.2%	-1.5%
Interest Expense	\$16	\$18	\$16	-9.2%	0.6%	\$160	\$170	\$157	-5.8%	1.7%
Net Income (Loss)	(\$588)	(\$801)	(\$1,890)			(\$4,457)	(\$6,366)	(\$13,539)		
Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mail (excludes all Int'l)	12,249	11,712	12,110	4.6%	1.1%	128,903	124,613	129,950	3.4%	-0.8%
Total Shipping & Package Services (Includes all Int'l)	357	364	336	-2.0%	6.2%	3,869	3,638	3,724	6.3%	3.9%
Total Mail, Shipping & Package Services	12,606	12,076	12,446	4.4%	1.3%	132,772	128,251	133,674	3.5%	-0.7%
Total Workhours (Millions)	91	91	90	0.0%	1.8%	927	919	937	0.9%	-1.0%
Total Career Employees						493,024				
Total Non-Career Employees						124,456				

*July 2013 has one more weekday/delivery day compared to July 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 new and 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 July 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.

Mail Volume and Mail Revenue (b) (Source: Results derived from reclassified products based on Postal Service Revenue Pieces and Weights Reports)

July 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***	5,318,399	5,342,811	-0.5%	55,810,226	57,939,756	-3.7%
Revenue	\$2,275,448	\$2,241,244	1.5%	\$23,862,164	\$24,322,483	-1.9%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	6,410,530	6,243,834	2.7%	67,286,959	65,959,695	2.0%
Revenue	\$1,346,889	\$1,284,637	4.8%	\$14,038,024	\$13,621,713	3.1%
<i>Periodicals:</i>						
Volume***	475,759	491,122	-3.1%	5,332,552	5,629,907	-5.3%
Revenue	\$122,669	\$125,866	-2.5%	\$1,383,019	\$1,439,199	-3.9%
<i>Package Services (excludes Standard Post & Commercial Parcel Post):</i>						
Volume***	40,439	41,153	-1.7%	444,948	466,618	-4.6%
Revenue	\$64,091	\$63,312	1.2%	\$663,108	\$687,692	-3.6%
Total Mail (excludes all Int'l)						
Volume***	12,249,170	12,109,921	1.1%	128,902,646	129,950,004	-0.8%
Revenue	\$3,962,002	\$3,865,850	2.5%	\$41,797,449	\$41,972,665	-0.4%
Total Shipping & Package Services (includes all Int'l)						
Volume***	356,545	335,844	6.2%	3,869,234	3,723,996	3.9%
Revenue	\$1,252,782	\$1,153,278	8.6%	\$13,620,733	\$12,581,399	8.3%
Total Mail, Shipping & Package Services						
Volume***	12,605,715	12,445,765	1.3%	132,771,880	133,674,000	-0.7%
Revenue^	\$5,214,784	\$5,019,128	3.9%	\$55,418,182	\$54,554,064	1.6%

***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)

July 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	\$1,390	\$1,419	\$1,390	-2.0%	0.1%	\$14,227	\$14,037	\$14,241	1.4%	-0.1%
Mail Processing	659	686	701	-3.9%	-5.9%	7,011	7,099	7,386	-1.2%	-5.1%
Customer Services and Retail	453	482	476	-5.9%	-4.7%	4,683	4,847	5,010	-3.4%	-6.5%
Rural Delivery	528	536	507	-1.6%	4.1%	5,167	5,191	5,135	-0.5%	0.6%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	720	678	751	6.3%	-4.1%	7,597	7,616	7,883	-0.3%	-3.6%
Total Salaries & Benefits	\$3,750	\$3,801	\$3,825	-1.3%	-2.0%	\$38,685	\$38,790	\$39,655	-0.3%	-2.4%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$241	\$233	\$222	3.2%	8.2%	\$2,357	\$2,331	\$2,176	1.1%	8.3%
Worker's Compensation Caseload Expenses	152	183	157	-16.7%	-2.7%	1,134	1,177	1,123	-3.7%	1.0%
All Other Personnel Related Expenses (includes Retirement Incentive)*	9	14	96	-34.3%	-90.5%	444	362	195	22.8%	127.6%
Total Other Personnel Related Expenses	\$402	\$430	\$475	-6.5%	-15.3%	\$3,935	\$3,870	\$3,494	1.7%	12.6%
Controllable Personnel Compensation and Benefits	\$4,152	\$4,231	\$4,300	-1.9%	-3.4%	\$42,620	\$42,660	\$43,149	-0.1%	-1.2%
PSRHB Expenses										
Workers' Compensation (a)	(116)	6	312	NM	-137.1%	(813)	5	1,602	NM	-150.8%
Total Personnel Compensation and Benefits	\$4,502	\$4,703	\$5,628	-4.3%	-20.0%	\$46,474	\$47,333	\$54,917	-1.8%	-15.4%
Non-Personnel Expenses:										
Transportation	\$547	\$519	\$515	5.3%	6.2%	\$5,634	\$5,680	\$5,563	-0.8%	1.3%
Supplies and Services	182	182	193	0.1%	-5.4%	1,901	2,069	1,831	-8.1%	3.8%
Depreciation and Amortization	157	164	166	-4.3%	-5.4%	1,594	1,657	1,746	-3.8%	-8.7%
Rent	80	82	82	-2.8%	-2.4%	828	861	849	-3.8%	-2.5%
Utilities and Heating Fuel	50	44	56	12.4%	-11.9%	489	475	500	2.8%	-2.3%
Vehicle Maintenance Service	84	69	77	20.8%	8.9%	863	798	825	8.1%	4.6%
Information Technology	53	49	55	7.7%	-2.4%	425	425	387	-0.1%	9.8%
Rural Carrier Equipment Maintenance Allowance	48	43	48	12.0%	-0.5%	464	503	479	-7.7%	-3.1%
Other**	83	90	73	-7.7%	12.5%	1,044	851	839	22.6%	24.3%
Total Non-Personnel Expenses	\$1,284	\$1,242	\$1,265	3.4%	1.5%	\$13,242	\$13,319	\$13,019	-0.6%	1.7%
Total Operating Expenses	\$5,786	\$5,945	\$6,893	-2.7%	-16.1%	\$59,716	\$60,652	\$67,936	-1.5%	-12.1%
Interest Expense	16	18	16	-9.2%	0.6%	160	170	157	-5.8%	1.7%
Total Expenses	\$5,802	\$5,963	\$6,909	-2.7%	-16.0%	\$59,875	\$60,822	\$68,093	-1.6%	-12.1%

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USPS Preliminary Workhours (Unaudited)

July 2013

(Thousands)

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	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*										
City Delivery	32,760	32,074	31,060	2.1%	5.5%	328,559	321,497	324,637	2.2%	1.2%
Mail Processing	15,916	15,867	16,257	0.3%	-2.1%	171,029	167,438	176,231	2.1%	-3.0%
Customer Services	11,146	11,251	11,354	-0.9%	-1.8%	116,123	115,867	121,029	0.2%	-4.1%
Rural Delivery	15,105	15,078	14,657	0.2%	3.1%	147,033	146,646	147,973	0.3%	-0.6%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	16,338	16,982	16,336	-3.8%	0.0%	164,572	167,250	167,011	-1.6%	-1.5%
Total Workhours	91,265	91,252	89,664	0.0%	1.8%	927,315	918,697	936,880	0.9%	-1.0%

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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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