

Highlights
Accounting Period 13, FY 2001
(Millions)

Accounting Period 13 (August 11 - September 7, 2001)					
Actual	Budget	Var. to Budget	% Budget	SPLY	% SPLY
\$ 4,902.8	\$ 5,149.1	[\$ -246.3]	[-4.8]	\$ 4,728.9	3.7
<u>5,449.1</u>	<u>5,379.9</u>	<u>[69.2]</u>	<u>[1.3]</u>	<u>5,117.0</u>	<u>6.5</u>
\$ (-546.3)	\$ (-230.8)	[\$ -315.5]	-	\$ (-388.1)	-
\$ 271.0	\$ 651.9	\$ -380.9	-58.4	\$ 1,211.9	-77.6
116.6	121.3	-4.6	-3.8	120.2	-2.9
15,311.2	15,942.2	[-631.0]	[-4.0]	15,494.1	-1.2

Year-to-Date (September 9, 2000 - September 7, 2001)					
Actual	Budget	Var. to Budget	% Budget	SPLY	% SPLY
\$ 65,953.9	\$ 67,739.6	[\$ -1,785.7]	[-2.6]	\$ 64,269.8	2.6
<u>67,493.1</u>	<u>68,169.6</u>	<u>-676.5</u>	<u>-1.0</u>	<u>64,403.6</u>	<u>4.8</u>
\$ (-1,539.2)	\$ (-430.0)	[\$ -1,109.2]	-	\$ -133.8	-
\$ 1,151.6	\$ 1,600.7	\$ -449.1	-28.1	\$ 3,160.6	-63.6
1,604.2	1,612.0	-7.8	-0.6	1,627.0	-1.4
208,279.5	207,640.1	639.4	0.3	206,168.8	1.0

[] = Unfavorable variance to budget

Note: Totals may not sum due to rounding.

Note: Mail Volume numbers are preliminary numbers and are subject to change.

(1) The revenue plan reflects rates as requested in the R2000-1 Omnibus Rate Case. These averaged 6.2%.

(2) Please see explanation on page 6 referencing transportation expense.

(3) The capital plan was reduced from \$3.6 billion to \$1.6 billion.

Actual Number Of:	Current Period	Last Period	SPLY
Post Offices	27,873	27,873	27,876
Active Postal Owned Vehicles			
Administrative	5,612	5,676	5,679
Operations	202,706	202,592	199,717
Possible City Deliveries (000)	83,762	83,696	83,288
City Delivery Routes	171,222	167,971	168,119
Rural Routes	69,020	68,923	67,346
Career Employees (Excludes Inspector General)	775,192	777,352	786,875
Casual Employees	30,317	31,366	29,572
Transitional Employees	13,577	13,644	13,461

Statement of Income & Expense
Accounting Period 13, FY 2001
(\$ Millions)

Current Period							Year-to-Date						
Actual	Budget	Var. to Budget	% Budget	SPLY	% SPLY		Actual	Budget	Var. to Budget	% Budget	SPLY	% SPLY	
\$ 4,899.9	\$ 5,147.0	[\$ -247.1]	[-4.8]	\$ 4,725.7	3.7	Operating Revenue *	\$ 65,918.9	\$ 67,712.5	[\$ -1,793.6]	[-2.6]	\$ 64,229.2	2.6	
<u>5,318.3</u>	<u>5,227.4</u>	<u>90.9</u>	<u>1.7</u>	<u>4,999.3</u>	<u>6.4</u>	Operating Expense	<u>65,543.4</u>	<u>66,135.5</u>	<u>-592.1</u>	<u>-0.9</u>	<u>62,580.5</u>	<u>4.7</u>	
\$ (-418.4)	\$ (-80.4)	[\$ -338.0]	-	\$ -273.6	-	Income (Loss) From Operations	\$ 375.5	\$ 1,577.0	[\$ -1,201.5]	-	\$ 1,648.7	-	
2.9	2.1	0.8	37.7	3.2	-7.1	Investment Income	35.0	27.1	7.9	28.9	40.6	-13.8	
-21.5	-28.6	7.1	-25.0	-18.2	18.2	Interest Expense	-353.4	-423.1	69.7	-16.5	-262.8	34.5	
<u>-109.3</u>	<u>-123.9</u>	<u>14.6</u>	<u>-11.9</u>	<u>-99.5</u>	<u>9.7</u>	Interest on Deferred Ret. Liabilities	<u>-1,596.3</u>	<u>-1,611.0</u>	<u>14.7</u>	<u>-0.9</u>	<u>-1,560.3</u>	<u>2.3</u>	
\$ (-546.3)	\$ (-230.8)	[\$ -315.5]	-	\$ (-388.1)	-	Income/(Loss)	\$ (-1,539.2)	\$ (-430.0)	[\$ -1,109.2]	-	\$ -133.8	-	

[]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

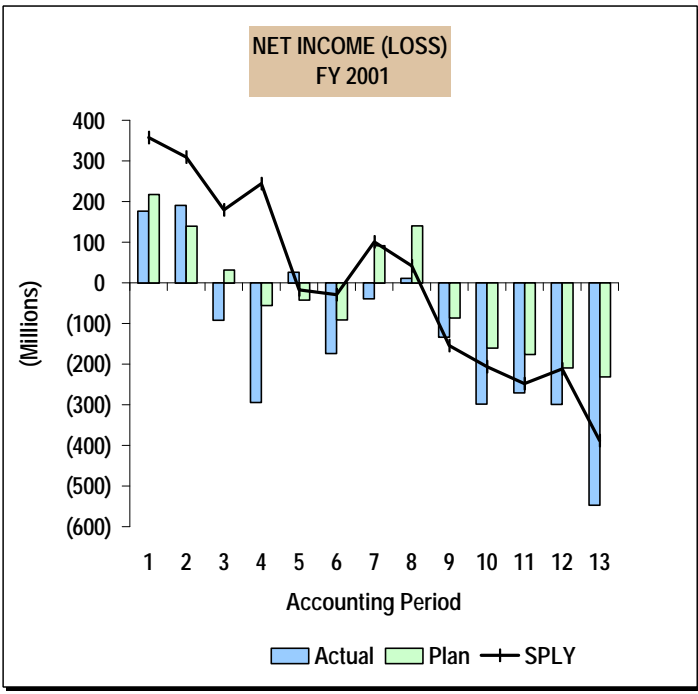
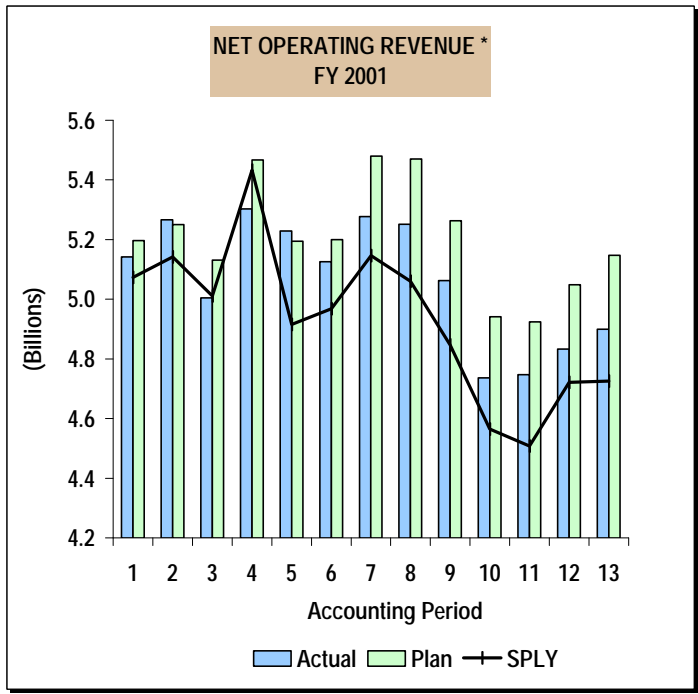
* The revenue plan reflects rates as requested in the R2000-1 Omnibus Rate Case.

MAIL VOLUME - MAIL REVENUE (BENCHMARK DATA)						
(Data in Thousands)						

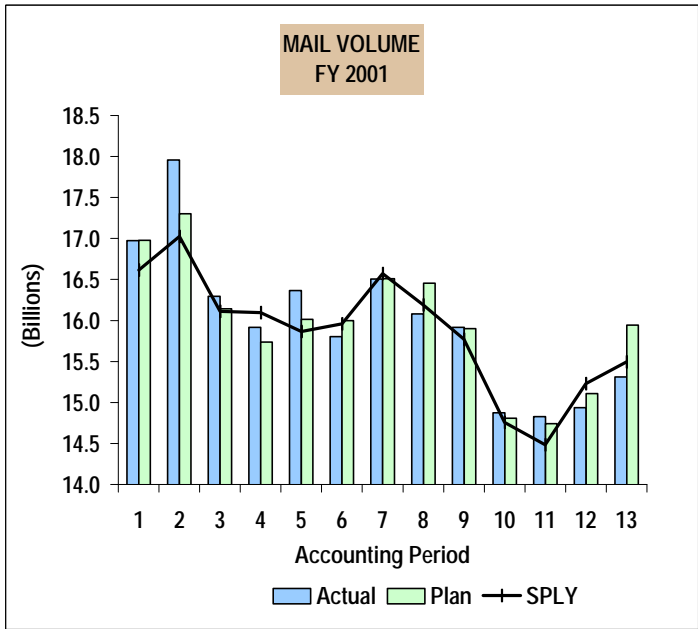
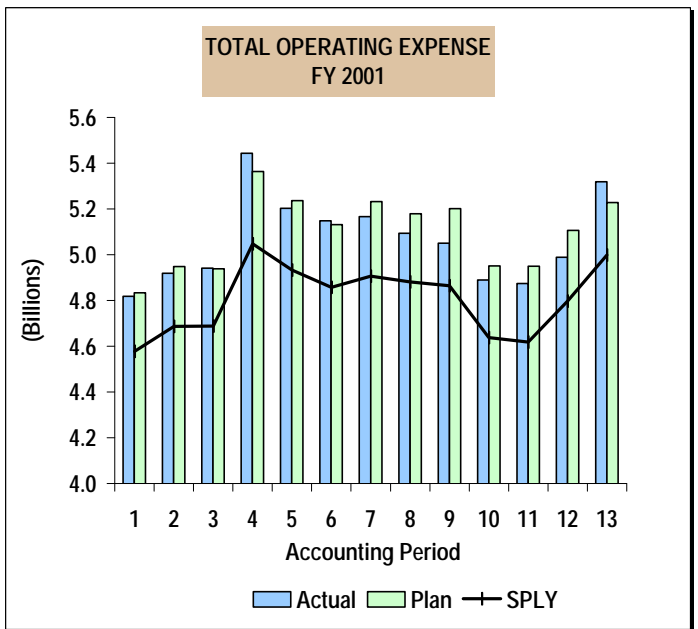
CATEGORY	CURRENT QUARTER			YEAR-TO-DATE		
	QTR IV FY 2001	QTR IV FY 2000	% SPLY	QTR IV FY 2001	QTR IV FY 2000	% CHANGE
FIRST-CLASS						
VOLUME	30,534,638	29,809,814	2.4	103,778,451	102,881,658	0.9
REVENUE	\$ 10,615,544	\$ 10,182,114	4.3	\$ 35,888,491	\$ 35,315,661	1.6
REV/PC.	0.3477	0.3416	1.8	0.3458	0.3433	0.7
PRIORITY-MAIL						
VOLUME	292,059	334,404	- 12.7	1,129,617	1,215,581	- 7.1
REVENUE	\$ 1,321,762	\$ 1,300,058	1.7	\$ 4,926,676	\$ 4,813,352	2.4
REV/PC.	4.5257	3.8877	16.4	4.3614	3.9597	10.1
EXPRESS MAIL						
VOLUME	20,243	21,223	- 4.6	69,585	70,377	- 1.1
REVENUE	\$ 291,158	\$ 294,797	- 1.2	\$ 996,428	\$ 988,227	0.8
REV/PC.	14.3831	13.8904	3.5	14.3196	14.0419	2.0
PERIODICALS						
VOLUME	2,982,527	3,063,057	- 2.6	10,117,182	10,219,793	- 1.0
REVENUE	\$ 654,024	\$ 636,387	2.8	\$ 2,206,092	\$ 2,143,547	2.9
REV/PC.	0.2193	0.2078	5.5	0.2181	0.2097	4.0
STANDARD MAIL						
VOLUME	25,475,058	25,902,385	- 1.6	90,566,015	89,189,455	1.5
REVENUE	\$ 4,530,895	\$ 4,339,063	4.4	\$ 15,746,315	\$ 15,059,387	4.6
REV/PC.	0.1779	0.1675	6.2	0.1739	0.1688	3.0
PACKAGE SERVICES						
VOLUME	335,220	339,734	- 1.3	1,096,030	1,112,679	- 1.5
REVENUE	\$ 580,363	\$ 528,326	9.8	\$ 1,983,843	\$ 1,898,310	4.5
REV/PC.	1.7313	1.5551	11.3	1.8100	1.7061	6.1
INTERNATIONAL						
VOLUME	266,079	366,922	- 27.5	1,094,660	1,071,245	2.2
REVENUE	\$ 463,253	\$ 489,717	- 5.4	\$ 1,737,075	\$ 1,640,593	5.9
REV/PC.	1.7410	1.3347	30.4	1.5869	1.5315	3.6
ALL OTHER						
VOLUME	127,995	128,208	- 0.2	427,947	408,059	4.9
REVENUE	\$ 398	\$ 440	- 9.6	\$ 1,375	\$ 1,482	- 7.3
ALL MAIL _1/						
VOLUME	60,033,819	59,965,748	0.1	208,279,487	206,168,846	1.0
REVENUE	\$ 18,457,398	\$ 17,770,903	3.9	\$ 63,486,295	\$ 61,860,559	2.6
REV/PC.	0.3075	0.2964	3.7	0.3048	0.3000	1.6

_ 1/ Totals may not sum due to rounding.

_ 2/ Numbers are preliminary and are subject to change.



* The revenue plan reflects rates as requested in the R2000-1 Omnibus Rate Case.



REVENUE BY SOURCE
Accounting Period 13, FY 2001
(\$ Millions)

Current Period				Year-to-Date		
Actual	SPLY	% SPLY		Actual	SPLY	% SPLY
Operating Revenue:						
\$ 1,791.5	\$ 1,768.5	1.3	Metered Postage	\$ 25,134.3	\$ 24,933.9	0.8
794.8	793.0	0.2	Stamps and Stamped Paper	11,484.8	11,470.1	0.1
1,204.7	1,137.0	6.0	Permit Imprint	14,797.7	14,035.3	5.4
167.2	165.6	1.0	Periodicals & Standard	2,185.5	2,126.6	2.8
66.8	46.3	44.3	Official Mail	862.5	935.8	- 7.8
639.6	579.0	10.5	Presort First-Class & Package Svc./Permit Imprint	8,805.3	8,112.2	8.5
58.4	49.8	17.3	Box Rents	700.6	682.5	2.7
54.3	61.7	- 12.0	Money Order Fees	224.4	234.1	- 4.1
<u>117.6</u>	<u>120.1</u>	- 2.1	Other	<u>1,657.3</u>	<u>1,633.9</u>	1.4
\$ 4,894.8	\$ 4,721.0	3.7	Subtotal	\$ 65,852.4	\$ 64,164.4	2.6
Government Appropriation:						
<u>5.1</u>	<u>4.7</u>	8.3	Revenue Forgone	<u>66.5</u>	<u>64.8</u>	2.6
\$ 4,899.9	\$ 4,725.7	3.7	Total Operating Revenue	\$ 65,918.9	\$ 64,229.2	2.6
<u>2.9</u>	<u>3.2</u>	- 7.1	Investment Income	<u>35.0</u>	<u>40.6</u>	- 13.8
<u>\$ 4,902.8</u>	<u>\$ 4,728.9</u>	3.7	Total Revenue	<u>\$ 65,953.9</u>	<u>\$ 64,269.8</u>	2.6

Note: Totals may not sum due to rounding.

REVENUE BY CATEGORY
Accounting Period 13, FY 2001
(\$ Millions)

Current Period				Year-to-Date		
Actual	Budget	% Budget		Actual	Budget	% Budget
\$ 2,050.3	\$ 2,383.8	[14.0]	Commercial Revenue	\$ 26,422.4	\$ 29,068.9	[9.1]
			Permit Revenue			
<u>1,604.7</u>	<u>1,514.4</u>	6.0	Other Commercial Accounts Revenue	<u>22,534.9</u>	<u>21,369.2</u>	5.5
\$ 3,655.0	\$ 3,898.2	[6.2]	Total Commercial Revenue	\$ 48,957.3	\$ 50,438.1	[2.9]
			Retail Revenue			
961.5	978.5	[1.7]	Retail Postage Revenue	13,686.9	13,719.1	[0.2]
117.7	114.6	2.6	Retail Services Revenue	986.3	991.7	[0.5]
6.5	8.9	[26.7]	Retail Products Revenue	115.5	125.1	[7.7]
<u>112.0</u>	<u>125.8</u>	[11.0]	Other Retail Channels Revenue	<u>1,670.4</u>	<u>1,785.4</u>	[6.4]
\$ 1,197.7	\$ 1,227.8	[2.4]	Total Retail Revenue	\$ 16,459.1	\$ 16,621.3	[0.9]
\$ 4,852.7	\$ 5,126.0	[5.3]	Total Commercial & Retail Revenue	\$ 65,416.4	\$ 67,059.4	[2.5]
42.1	15.9	165.0	Other Income	436.0	586.4	[25.6]
<u>5.1</u>	<u>5.1</u>	0.0	Revenue Forgone	<u>66.5</u>	<u>66.7</u>	[0.3]
\$ 4,899.9	\$ 5,147.0	[4.8]	Total Operating Revenue	\$ 65,918.9	\$ 67,712.5	[2.6]
<u>2.9</u>	<u>2.1</u>	37.7	Investment Income	<u>35.0</u>	<u>27.1</u>	28.9
\$ 4,902.8	\$ 5,149.1	[4.8]	Total Revenue *	\$ 65,953.9	\$ 67,739.6	[2.6]

[]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

* The revenue plan reflects rates as requested in the R2000-1 Omnibus Rate Case.

EXPENSE ANALYSIS
Accounting Period 13, FY 2001
(\$ Millions)

Current Period						Year-to-Date					
Actual	Budget	Var. to Budget	% Budget	SPLY	% SPLY	Actual	Budget	Var. to Budget	% Budget	SPLY	% SPLY
\$ 3,810.3	\$ 3,904.2	\$ - 93.9	- 2.4	\$ 3,744.1	1.8	\$ 51,197.6	\$ 51,584.4	\$ - 386.8	- 0.7	\$ 49,047.8	4.4
Non-Personnel Expense:											
401.8	374.6	[27.2]	[7.3]	333.8	20.5	5,061.2	4,825.9	[235.3]	[4.9]	4,661.1	8.6
* 462.7	345.2	[117.5]	[34.1]	350.5	32.0	3,226.7	3,432.0	- 205.3	- 6.0	3,167.2	1.9
643.5	603.4	[40.1]	[6.6]	570.9	12.7	6,057.9	6,293.2	- 235.3	- 3.7	5,704.4	6.2
<u>\$ 1,508.0</u>	<u>\$ 1,323.2</u>	<u>[\$ 184.8]</u>	<u>[14.0]</u>	<u>\$ 1,255.2</u>	<u>20.1</u>	<u>\$ 14,345.8</u>	<u>\$ 14,551.1</u>	<u>\$ - 205.3</u>	<u>- 1.4</u>	<u>\$ 13,532.7</u>	<u>6.0</u>
\$ 5,318.3	\$ 5,227.4	[\$ 90.9]	[1.7]	\$ 4,999.3	6.4	\$ 65,543.4	\$ 66,135.5	\$ - 592.1	- 0.9	\$ 62,580.5	4.7
21.5	28.6	- 7.1	- 25.0	18.2	18.2	353.4	423.1	- 69.7	- 16.5	262.8	34.5
109.3	123.9	- 14.6	- 11.9	99.5	9.7	1,596.3	1,611.0	- 14.7	- 0.9	1,560.3	2.3
<u>\$ 5,449.1</u>	<u>\$ 5,379.9</u>	<u>[\$ 69.2]</u>	<u>[1.3]</u>	<u>\$ 5,117.0</u>	<u>6.5</u>	<u>\$ 67,493.1</u>	<u>\$ 68,169.6</u>	<u>\$ - 676.5</u>	<u>- 1.0</u>	<u>\$ 64,403.6</u>	<u>4.8</u>

[]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

* In Fiscal Year (FY) 2001, the Postal Service began accruing for the cost of holiday transportation when incurred, rather than recognizing the expense when paid. The impact of this change in accounting policy is to increase the reported growth in AP 4 transportation expenses by \$137 million, relative to the same period last year (SPLY).

ANALYSIS OF OPERATING EXPENSES
Accounting Period 13, FY 2001
Personnel Compensation
(\$ Millions)

Current Period						Year-to-Date						
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY		Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
						<u>Total Compensation</u>						
						Operations:						
\$ 25.4	\$ 28.2	\$ -2.8	-9.9	\$ 25.5	-0.6	-Support	\$ 343.1	\$ 366.6	\$ -23.5	-6.4	\$ 342.8	0.1
816.1	853.3	-37.2	-4.4	831.1	-1.8	-Mail Processing	11,341.9	11,495.8	-154.0	-1.3	11,405.1	-0.6
310.4	315.4	-5.1	-1.6	298.3	4.0	-Rural Delivery	4,064.7	4,051.7	[12.9]	[0.3]	3,815.0	6.5
1,096.6	1,108.1	-11.5	-1.0	1,047.8	4.7	-Other Delivery	14,539.4	14,410.2	[129.3]	[0.9]	13,728.9	5.9
77.7	77.8	-0.2	-0.2	75.6	2.8	-Vehicles Services	1,033.6	1,031.5	[2.1]	[0.2]	1,000.1	3.4
190.6	196.5	-5.9	-3.0	186.6	2.1	-Plant & Equip Maint	2,528.9	2,580.0	-51.1	-2.0	2,433.9	3.9
545.8	562.4	-16.6	-3.0	556.8	-2.0	-Customer Services	7,478.4	7,490.3	-11.9	-0.2	7,403.7	1.0
20.1	25.9	-5.8	-22.6	22.4	-10.4	Controller	289.9	330.1	-40.1	-12.2	300.7	-3.6
22.8	26.9	-4.1	-15.1	23.6	-3.5	Human Resources	320.5	348.7	-28.2	-8.1	318.3	0.7
30.6	33.6	-2.9	-8.8	30.9	-0.9	Customer Service & Sales	415.3	443.7	-28.3	-6.4	452.5	-8.2
159.3	162.6	-3.2	-2.0	155.8	2.3	Administration	2,091.9	2,090.2	[1.7]	[0.1]	2,040.2	2.5
142.9	165.8	-22.9	-13.8	136.2	4.9	Other Salaries & Benefits	1,891.6	1,890.2	[1.4]	[0.1]	1,740.4	8.7
\$ 3,438.4	\$ 3,556.5	\$ -118.1	-3.3	\$ 3,390.7	1.4	Total Salaries & Benefits	\$ 46,339.3	\$ 46,528.9	\$ -189.6	-0.4	\$ 44,981.5	3.0
76.6	78.7	-2.1	-2.6	70.5	8.7	Workers' Compensation	968.9	996.1	-27.2	-2.7	909.9	6.5
4.7	5.6	-0.9	-16.8	3.1	50.3	Unemployment Compensation	60.8	73.1	-12.3	-16.8	39.9	52.3
88.4	107.4	-19.0	-17.7	126.0	-29.8	Deferred Retirement Cost	1,376.6	1,395.6	-19.0	-1.4	1,316.1	4.6
68.8	61.3	[7.5]	[12.2]	52.4	31.3	CSRS Annuitant COLA	803.9	796.4	[7.5]	[0.9]	676.6	18.8
66.3	66.0	[0.3]	[0.5]	57.0	16.3	Annuitant Health Benefits	862.0	858.0	[4.0]	[0.5]	741.4	16.3
67.2	28.7	[38.5]	[134.2]	44.3	51.4	Other Compensation	786.1	936.2	-150.2	-16.0	382.4	105.5
\$ 3,810.3	\$ 3,904.2	\$ -93.9	-2.4	\$ 3,744.1	1.8	Total Personnel Compensation	\$ 51,197.6	\$ 51,584.4	\$ -386.8	-0.7	\$ 49,047.8	4.4

[]=Unfavorable variance to budget

* Recasted Data

Note: Totals may not sum due to rounding.

ANALYSIS OF NON-PERSONNEL EXPENSES
Accounting Period 13, FY 2001
(\$ Millions)

Current Period							Year-to-Date						
Actual	Budget	Var. to Budget		SPLY *	% SPLY	Description	Actual	Budget	Var. to Budget		SPLY *	% SPLY	
\$ 401.8	\$ 374.6	[\$ 27.2]	[7.3]	\$ 333.8	20.5	Transportation	\$ 5,061.2	\$ 4,825.9	[\$ 235.3]	[4.9]	\$ 4,661.1	8.6	
462.7	345.2	[117.5]	[34.1]	350.5	32.0	Supplies & Services	3,226.7	3,432.0	- 205.3	- 6.0	3,167.2	1.9	
182.2	180.2	[1.9]	[1.1]	171.0	6.5	Depreciation	2,234.5	2,272.9	- 38.4	- 1.7	2,039.0	9.6	
87.7	78.0	[9.7]	[12.4]	67.1	30.8	Rent	877.1	911.0	- 33.9	- 3.7	820.5	6.9	
65.8	67.8	- 2.0	- 2.9	60.8	8.2	Fuel & Utilities	532.1	543.0	- 10.9	- 2.0	460.5	15.5	
30.8	30.3	[0.5]	[1.7]	29.0	6.1	Rural Carrier Equip Maint Allowance	392.8	390.3	[2.5]	[0.6]	360.0	9.1	
37.1	38.1	- 1.0	- 2.7	39.9	- 7.0	Vehicle Maintenance	434.5	414.5	[20.0]	[4.8]	386.0	12.6	
77.6	57.9	[19.7]	[34.0]	47.9	62.1	Information Technology	364.8	437.9	- 73.1	- 16.7	312.4	16.8	
38.5	42.5	- 4.0	- 9.5	32.8	17.2	Building Projects Expensed	165.5	227.5	- 62.0	- 27.3	195.4	- 15.3	
6.7	5.7	[1.0]	[16.9]	5.4	23.9	Contract Job Cleaners	70.7	70.4	[0.3]	[0.4]	65.9	7.3	
17.3	15.4	[1.9]	[12.4]	18.8	- 8.1	Travel & Relocation	148.4	165.4	- 17.0	- 10.3	155.5	- 4.6	
32.9	30.2	[2.7]	[9.0]	37.1	- 11.5	Communications	218.1	252.5	- 34.5	- 13.6	276.5	- 21.1	
5.2	6.2	- 1.0	- 16.2	5.4	- 3.4	Contract Stations	71.3	73.4	- 2.2	- 2.9	69.6	2.4	
4.7	4.4	[0.3]	[6.2]	6.1	- 23.4	Printing	37.1	43.4	- 6.2	- 14.4	45.8	- 19.0	
7.4	9.8	- 2.3	- 23.8	7.1	4.6	Training	69.3	93.5	- 24.2	- 25.9	55.6	24.7	
6.8	5.3	[1.5]	[27.7]	6.5	5.2	Carfare & Tolls	61.7	66.2	- 4.4	- 6.7	62.7	- 1.5	
4.5	3.1	[1.4]	[44.3]	6.1	- 27.0	Vehicle Hire	45.4	44.8	[0.6]	[1.2]	47.2	- 3.9	
3.4	3.9	- 0.6	- 14.2	4.6	- 26.5	Accident Cost	25.8	48.2	- 22.5	- 46.6	45.4	- 43.3	
- 1.1	- 5.0	[3.9]	[78.4]	- 3.1	64.7	Capitalized Interest	- 50.4	- 65.0	[14.6]	[22.5]	- 51.8	2.7	
36.1	29.6	[6.5]	[21.8]	28.3	27.4	Miscellaneous	359.3	303.3	[56.0]	[18.5]	358.2	0.3	
\$ 1,508.0	\$ 1,323.2	[\$ 184.8]	[14.0]	\$ 1,255.2	20.1	Total Other Operating Expenses	\$ 14,345.8	\$ 14,551.1	-\$ 205.3	- 1.4	\$ 13,532.7	6.0	

[]=Unfavorable variance to budget

* Recasted Data

Note: Totals may not sum due to rounding.

STATEMENT OF FINANCIAL POSITION
Accounting Period 13, FY 2001
(\$ Millions)

Assets	September 7, 2001	August 10, 2001	September 30, 2000 *
Current Assets:			
Cash and cash equivalents _1/	\$ 233	\$ 156	\$ 677
U.S. Government securities, at amortized cost which approximates market	6	6	6
Receivables:			
Foreign countries	370	376	349
U.S. Government	130	127	134
Other	<u>216</u>	<u>235</u>	<u>213</u>
	716	738	696
Less allowances	<u>110</u>	<u>119</u>	<u>107</u>
	606	619	589
Supplies, advances and prepayments	<u>327</u>	<u>346</u>	<u>383</u>
Total Current Assets	1,172	1,127	1,655
Other assets _2/	375	375	375
Property and equipment, at cost:			
Buildings	18,807	18,746	17,685
Equipment	15,449	15,337	13,973
Land	<u>2,684</u>	<u>2,680</u>	<u>2,534</u>
	36,940	36,763	34,192
Less allowances for depreciation	<u>14,675</u>	<u>14,569</u>	<u>13,143</u>
	22,265	22,194	21,049
Construction in progress	1,953	2,040	2,389
Leasehold improvements, net	<u>651</u>	<u>648</u>	<u>632</u>
	24,869	24,882	24,070
Deferred Retirement Costs _3/	<u>32,135</u>	<u>32,529</u>	<u>32,183</u>
Total Assets	<u>\$ 58,551</u>	<u>\$ 58,913</u>	<u>\$ 58,283</u>

_1/ Includes securities with maturities of 90 days or less in accordance with Statement of Financial Accounting Standards (SFAS) No. 95.

_2/ Includes \$373 million as of September 30, 2000, August 10, 2001 and September 7, 2001 for appropriation receivable for revenue forgone.

_3/ Represents the Postal Service's deferred retirement liability to OPM for increases in basic pay and annuitants' COLAs. Amounts applicable to future periods are capitalized as deferred retirement costs and amortized over 30 years for basic pay and 15 years for annuitants' COLAs.

* Audited year-end data

STATEMENT OF FINANCIAL POSITION
Accounting Period 13, FY 2001
(\$ Millions)

Liabilities and Equities	September 7, 2001	August 10, 2001	September 30, 2000 *
Current Liabilities:			
Compensation and employees' benefits	\$ 8,332	\$ 6,859	\$ 5,295
Estimated prepaid postage	1,623	1,619	1,594
Payables and accrued expenses:			
Foreign countries	499	485	439
U.S. Government	138	177	150
Other	<u>2,821</u>	<u>2,396</u>	<u>1,300</u>
	3,458	3,058	1,889
Appropriation for free & reduced rate mail	4	9	0
Prepaid permit mail and box rentals	1,528	1,487	1,969
Outstanding postal money orders	967	916	716
Current portion of debt	<u>241</u>	<u>1,290</u>	<u>6,814</u>
Total Current Liabilities	16,153	15,238	18,277
Long-term debt, less current portion	5,302	4,552	2,502
Other Liabilities:			
Amounts payable for retirement benefits _3/	30,663	32,275	30,212
Workers' compensation claims	5,808	5,869	5,029
Employees' accumulated leave	1,890	1,913	2,090
Other	<u>1,168</u>	<u>1,174</u>	<u>819</u>
Total Other Liabilities	39,529	41,231	38,150
Capital Contributions of the US Government	3,034	3,034	3,034
Deficit Since Reorganization	<u>- 5,467</u>	<u>- 5,142</u>	<u>- 3,680</u>
Equity/Capital Deficiency	<u>- 2,433</u>	<u>- 2,108</u>	<u>- 646</u>
Total Liabilities and Equity	<u>\$ 58,551</u>	<u>\$ 58,913</u>	<u>\$ 58,283</u>

_3/ Represents the Postal Service's deferred retirement liability to OPM for increases in basic pay and annuitants' COLAs. Amounts applicable to future periods are capitalized as deferred retirement costs and amortized over 30 years for basic pay and 15 years for annuitants' COLAs.

* Audited year-end data

**CAPITAL INVESTMENTS
FY 2001
(\$ Millions)**

MAJOR CATEGORIES	COMMITMENTS			CASH OUTLAYS		
	A/P 13 Year-to-Date			A/P 13 Year-to-Date		
	ACTUAL	PLAN	SPLY	ACTUAL	PLAN	SPLY
CONSTRUCTION AND BUILDING PURCHASE	\$ 158.9	\$ 279.0	\$ 730.8	\$ 587.0	\$ 656.2	\$ 860.6
BUILDING IMPROVEMENTS	213.6	290.2	605.3	452.1	507.1	639.2
MAIL PROCESSING EQUIPMENT	447.6	507.0	1,000.6	900.2	705.5	789.4
VEHICLES	47.7	49.0	126.7	284.7	212.1	241.4
RETAIL EQUIPMENT	62.3	75.6	333.8	218.9	196.8	235.2
POSTAL SUPPORT EQUIPMENT	221.5	399.9	363.4	361.1	422.3	403.6
TOTAL COMMITMENTS/CASH OUTLAYS *	\$ 1,151.6	\$ 1,600.7	\$ 3,160.6	\$ 2,803.9	\$ 2,700.0	\$ 3,169.4

Note: Totals may not sum due to rounding.

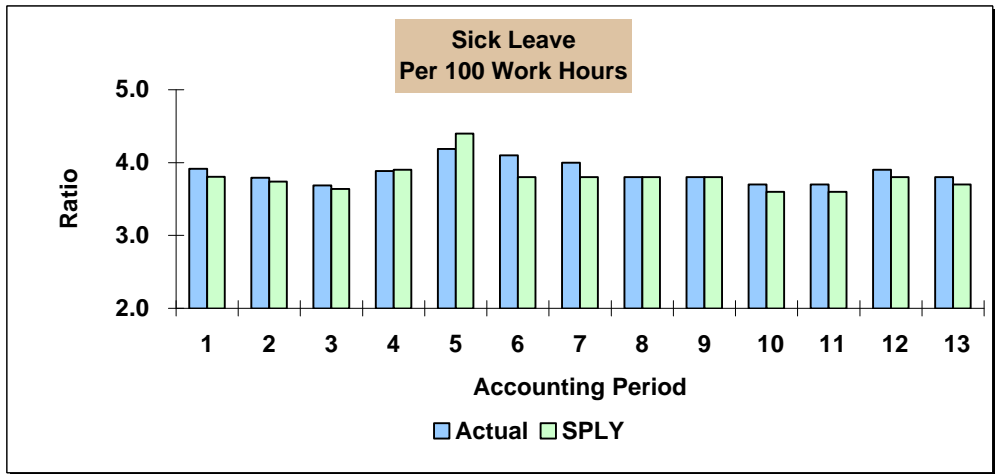
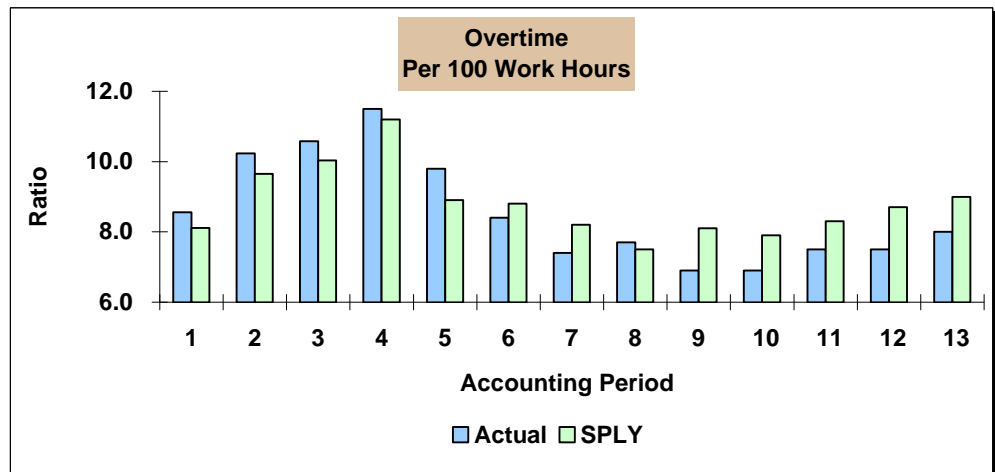
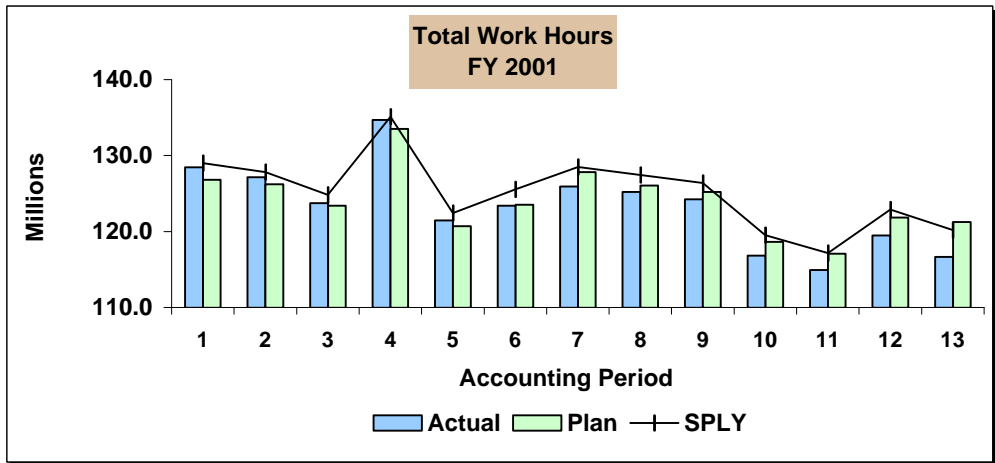
* The capital plan was reduced from \$3.6 billion to \$2.6 billion and is reflected above.

**RESOURCES ON ORDER
(\$ Millions)**

MAJOR CATEGORIES	September 7, 2001	September 30, 2000
CONSTRUCTION AND BUILDING PURCHASE	\$ 245.8	\$ 693.2
BUILDING IMPROVEMENTS	194.1	458.1
MAIL PROCESSING EQUIPMENT	1,115.2	1,617.0
VEHICLES	137.5	375.2
RETAIL EQUIPMENT	71.8	228.7
POSTAL SUPPORT EQUIPMENT	120.5	269.2
INVENTORIES	308.4	230.2
RESEARCH AND DEVELOPMENT	36.2	38.9
MISCELLANEOUS EXPENSE COMMITMENTS	3,359.1	3,463.1
TOTAL RESOURCES ON ORDER	\$ 5,588.7	\$ 7,373.5

Note: Totals may not sum due to rounding.

STATEMENT OF CASH FLOWS	
(\$ Millions)	
For the Fiscal Year through September 7, 2001	
Cash flows from operating activities:	
Net income/(loss) (Government Fiscal Year Basis)	\$ (1,787)
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	2,099
Increase/(decrease) in other liabilities	349
Increase/(decrease) in employees' accumulated leave	(200)
Increase/(decrease) in non-current workers' compensation claims	779
Increase/(decrease) in retirement, net	499
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	3,037
Increase/(decrease) in deferred revenue	(408)
Increase/(decrease) in payables and accrued expenses	1,569
(Increase)/decrease in receivables	(17)
(Increase)/decrease in supplies, advances and prepayments	56
Increase/(decrease) in outstanding postal money orders	251
Net cash provided by operating activities	6,227
Cash flows from investing activities:	
Sale/(purchase) of U.S. Government securities, net	0
Purchase of property and equipment, net	(2,898)
Net cash used in investing activities	(2,898)
Cash flows from financing activities:	
Increase/(decrease) in debt	(3,773)
(Increase)/decrease in other non-current assets	0
Net cash used by financing activities	(3,773)
Net (decrease)/increase in cash and cash equivalents	(444)
Cash and cash equivalents at beginning of period	677
Cash and cash equivalents at end of period	\$ 233



WORK HOURS & OVERTIME/SICK LEAVE RATIOS
 Accounting Period 13, FY 2001
 (Data in Thousands)

Current Period					Total Work Hours	Year-to-Date				
Actual	Var. to Budget	% Budget	SPLY *	% SPLY		Actual	Var. to Budget	% Budget	SPLY *	% SPLY
699	- 71	- 9.2	730	- 4.2	Operations:					
28,752	- 1,255	- 4.2	30,054	- 4.3	-Support	9,612	- 613	- 6.0	10,000	- 3.9
13,117	- 194	- 1.5	12,957	1.2	-Mail Processing	408,604	- 2,925	- 0.7	422,844	- 3.4
35,862	- 591	- 1.6	36,646	- 2.1	-Rural Delivery	172,542	- 753	- 0.4	168,325	2.5
2,473	- 34	- 1.4	2,472	0.0	-Other Delivery	486,555	[2,645]	[0.5]	489,981	- 0.7
6,209	- 246	- 3.8	6,228	- 0.3	-Vehicles Services	33,489	- 168	- 0.5	33,550	- 0.2
18,578	- 762	- 3.9	19,540	- 4.9	-Plant & Equip Maint	83,211	- 2,226	- 2.6	82,738	0.6
600	- 186	- 23.7	701	- 14.3	-Customer Services	258,955	- 1,773	- 0.7	265,562	- 2.5
635	- 119	- 15.8	693	- 8.3	Controller	8,892	- 1,246	- 12.3	9,570	- 7.1
970	- 99	- 9.3	1,011	- 4.1	Human Resources	9,276	- 722	- 7.2	9,542	- 2.8
5,029	- 112	- 2.2	5,099	- 1.4	Customer Service & Sale:	13,427	- 916	- 6.4	14,975	- 10.3
3,718	- 949	- 20.3	4,048	- 8.2	Administration	67,076	[39]	[0.1]	67,727	- 1.0
					Other	52,603	[902]	[1.7]	52,192	0.8
116,642	- 4,618	- 3.8	120,179	- 2.9	Total Work Hours	1,604,242	- 7,756	- 0.6	1,627,006	- 1.4

Overtime						
Actual	Budget	SPLY		Actual	Budget	SPLY
8.0%	8.0%	9.0%	Overtime Ratio	8.6%	8.1%	8.9%
			Per 100 Work Hours			

Sick Leave						
Actual	Budget	SPLY		Actual	Budget	SPLY
3.8%	--	3.7%	Sick Leave Ratio	3.9%	--	3.9%
			Per 100 Work Hours			

[]=Unfavorable variance to budget

* Recasted Data

Note: Totals may not sum due to rounding.