

USPS Preliminary Financial Information (Unaudited)

September 2010

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue	\$5,270	\$5,198	\$4,960	1.4%	6.3%	\$66,900	\$65,715	\$67,979	1.8%	-1.6%
Government Appropriations	\$37	\$11	(\$10)	NM	NM	\$152	\$126	\$111	20.9%	36.4%
Total Operating Revenue	\$5,307	\$5,209	\$4,950	1.9%	7.2%	\$67,052	\$65,841	\$68,090	1.8%	-1.5%
Operating Expenses:										
Personnel Compensation and Benefits	\$4,215	\$4,229	\$4,505	-0.3%	-6.1%	\$51,282	\$51,028	\$52,921	0.5%	-3.6%
Workers' Compensation Caseload Expense	\$108	\$111	\$262	-2.3%	-58.8%	\$1,066	\$1,163	\$880	-8.3%	21.1%
Transportation	\$484	\$519	\$455	-6.8%	6.2%	\$5,878	\$6,013	\$6,026	-2.3%	-2.5%
Supplies and Services	\$227	\$331	\$189	-31.5%	20.1%	\$2,236	\$2,511	\$2,321	-11.0%	-3.7%
Other Expenses	\$682	\$729	\$691	-6.5%	-1.4%	\$6,964	\$7,119	\$6,940	-2.2%	0.4%
Total Controllable Operating Expenses	\$5,715	\$5,918	\$6,102	-3.4%	-3.0%	\$67,426	\$67,833	\$69,088	-0.6%	-1.8%
Controllable Operating Loss	(\$408)	(\$709)	(\$1,152)			(\$374)	(\$1,992)	(\$998)		
PSRHSB Expenses	\$458	\$458	(\$3,550)	0.0%	-112.9%	\$5,500	\$5,500	\$1,400	0.0%	292.8%
Workers' Compensation (a)	(\$81)	(\$7)	(\$93)	NM	-12.6%	\$2,500	\$90	\$1,343	NM	86.2%
Net Operating (Loss) Income	(\$784)	(\$1,160)	\$2,491			(\$8,374)	(\$7,582)	(\$3,740)		
Interest Income	\$2	\$2	\$2	4.0%	-0.2%	\$25	\$25	\$26	3.5%	-1.6%
Interest Expense	\$13	\$21	\$12	-40.1%	8.3%	\$156	\$212	\$80	-26.3%	94.5%
Net (Loss) Income	(\$795)	(\$1,179)	\$2,482			(\$8,505)	(\$7,769)	(\$3,794)		
Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mailing Services Volume	14,012	13,487	13,944	3.9%	0.5%	169,154	164,720	175,363	2.7%	-3.5%
Total Shipping Services Volume	118	109	112	8.3%	5.4%	1,420	1,422	1,381	-0.1%	2.8%
Total Mail Volume	14,130	13,596	14,056	3.9%	0.5%	170,574	166,142	176,745	2.7%	-3.5%
Total Workhours (Millions)	96	95	100	1.1%	-3.6%	1,183	1,165	1,258	1.5%	-6.0%
Total Career Employees						583,908				
Total Non-Career Employees						87,779				

(a) This represents 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 September 2010 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)

September 2010

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Mailing Services:						
<i>First Class:</i>						
Volume*	5,837,494	6,497,993	-10.2%	78,203,156	83,766,266	-6.6%
Revenue	\$2,505,680	\$2,863,399	-12.5%	\$34,025,523	\$35,883,254	-5.2%
<i>Standard Mail:</i>						
Volume*	7,538,074	6,786,490	11.1%	82,524,808	82,448,280	0.1%
Revenue	\$1,485,790	\$1,479,261	0.4%	\$17,330,882	\$17,345,129	-0.1%
<i>Periodicals:</i>						
Volume*	537,014	560,163	-4.1%	7,269,470	7,900,900	-8.0%
Revenue	\$160,238	\$168,899	-5.1%	\$1,878,835	\$2,038,147	-7.8%
<i>Package Services:</i>						
Volume*	49,494	54,052	-8.4%	658,266	730,526	-9.9%
Revenue	\$126,375	\$130,346	-3.0%	\$1,515,609	\$1,683,699	-10.0%
Total Mailing Services:						
Volume*	14,012,322	13,944,252	0.5%	169,154,120	175,363,436	-3.5%
Revenue **	\$4,496,341	\$4,164,139	8.0%	\$58,395,039	\$59,862,297	-2.5%
Total Shipping Services:						
Volume*	118,054	112,030	5.4%	1,419,584	1,381,387	2.8%
Revenue	\$812,798	\$788,374	3.1%	\$8,681,541	\$8,253,924	5.2%
Postal Service Totals						
Volume*	14,130,376	14,056,282	0.5%	170,573,704	176,744,822	-3.5%
Revenue	\$5,309,139	\$4,952,513	7.2%	\$67,076,580	\$68,116,221	-1.5%

* 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)

September 2010

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:										
Salaries & Benefits										
City Delivery	\$1,388	\$1,369	\$1,390	1.4%	-0.2%	\$16,941	\$16,615	\$17,096	2.0%	-0.9%
Mail Processing	745	680	792	9.6%	-6.0%	9,342	8,691	10,151	7.5%	-8.0%
Customer Services and Retail	527	509	563	3.6%	-6.4%	6,574	6,364	7,170	3.3%	-8.3%
Rural Delivery	493	502	481	-2.0%	2.3%	5,962	5,982	5,943	-0.3%	0.3%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	816	908	831	-10.1%	-1.8%	\$9,724	\$10,623	\$10,030	-8.5%	-3.1%
Total Salaries & Benefits	\$3,969	\$3,968	\$4,058	0.0%	-2.2%	\$48,543	\$48,276	\$50,390	0.6%	-3.7%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$192	\$193	\$172	-0.8%	11.6%	\$2,247	\$2,240	\$1,990	0.3%	12.9%
Workers Compensation Caseload Expenses	108	111	262	-2.3%	-58.8%	1,066	1,163	880	-8.3%	21.1%
All Other Personnel Related Expenses	54	67	275	-19.4%	-80.2%	491	512	541	-4.2%	-9.3%
Total Other Personnel Related Expenses	\$354	\$371	\$709	-11.2%	-124.9%	\$3,804	\$3,915	\$3,411	24.2%	91.8%
Controllable Personnel Compensation and Benefits	\$4,323	\$4,339	\$4,767	-0.4%	-9.3%	\$52,347	\$52,191	\$53,801	0.3%	-2.7%
PSRHF Expenses										
Workers' Compensation (a)	\$458	\$458	(\$3,550)	0.0%	-112.9%	\$5,500	\$5,500	\$1,400	0.0%	292.9%
Total Personnel Compensation and Benefits	\$4,700	\$4,791	\$1,124	-1.9%	318.2%	\$60,348	\$57,780	\$56,544	4.4%	6.7%
Non-Personnel Expenses:										
Transportation	\$484	\$519	\$455	-6.8%	6.2%	\$5,878	\$6,013	\$6,026	-2.3%	-2.5%
Supplies and Services	227	331	189	-31.5%	20.1%	2,236	2,511	2,321	-11.0%	-3.7%
Depreciation and Amortization	210	186	204	12.9%	2.8%	2,469	2,295	2,270	7.6%	8.7%
Rent	86	111	89	-22.5%	-3.2%	1,051	1,096	1,083	-4.1%	-3.0%
Utilities and Heating Fuel	61	97	63	-37.5%	-3.7%	641	672	697	-4.7%	-7.9%
Vehicle Maintenance Service	72	90	68	-19.8%	6.1%	820	820	760	0.1%	7.9%
Information Technology	80	83	73	-3.7%	10.0%	447	594	464	-24.9%	-3.7%
Rural Carrier Equipment Maintenance Allowance	44	44	39	0.0%	11.9%	534	540	510	-1.2%	4.6%
Other	129	118	155	9.5%	-16.8%	1,004	1,102	1,156	-8.9%	-13.2%
Total Non-Personnel Expenses	\$1,392	\$1,578	\$1,335	-11.8%	4.2%	\$15,078	\$15,643	\$15,287	-3.6%	-1.4%
Total Operating Expenses	\$6,091	\$6,369	\$2,459	-4.4%	147.7%	\$75,426	\$73,423	\$71,830	2.7%	5.0%
Interest Expense	\$13	\$21	\$12	-40.1%	8.3%	\$156	\$212	\$80	-26.3%	94.5%
Total Expenses	\$6,104	\$6,390	\$2,471	-4.5%	147.1%	\$75,582	\$73,635	\$71,910	2.6%	5.1%

(a) This represents the impact of discount and inflation rate changes and the actuarial revaluation of existing cases.

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USPS Preliminary Workhours (Unaudited)

September 2010

(Thousands)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours										
City Delivery	33,293	33,261	34,205	0.1%	-2.7%	408,488	398,150	424,683	2.6%	-3.8%
Mail Processing	17,905	16,995	19,167	5.4%	-6.6%	224,645	211,149	251,200	6.4%	-10.6%
Customer Services	12,740	12,349	13,853	3.2%	-8.0%	160,621	154,342	178,715	4.1%	-10.1%
Rural Delivery	14,591	15,125	14,528	-3.5%	0.4%	177,152	181,479	181,090	-2.4%	-2.2%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	17,564	17,362	17,966	1.2%	-2.2%	212,041	219,904	222,337	-3.6%	-4.6%
Total Workhours	96,093	95,092	99,719	1.1%	-3.6%	1,182,947	1,165,025	1,258,025	1.5%	-6.0%

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