

USPS Preliminary Financial Information (Unaudited)

June 2011

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue	\$5,144	\$5,353	\$5,108	-3.9%	0.7%	\$49,772	\$51,208	\$51,003	-2.8%	-2.4%
Government Appropriations	12	9	10	27.3%	12.2%	105	91	94	15.8%	11.4%
Total Operating Revenue	\$5,156	\$5,362	\$5,118	-3.9%	0.7%	\$49,877	\$51,299	\$51,097	-2.8%	-2.4%
Operating Expenses:										
Personnel Compensation and Benefits	\$4,072	\$4,125	\$4,108	-1.3%	-0.9%	\$38,154	\$38,081	\$38,430	0.2%	-0.7%
Workers Compensation Caseload Expense	98	97	89	0.5%	9.9%	834	863	784	-3.4%	6.5%
Transportation	499	457	500	9.3%	-0.3%	4,770	4,502	4,420	5.9%	7.9%
Supplies and Services	175	204	181	-14.3%	-3.1%	1,656	1,824	1,655	-9.2%	0.1%
Other Expenses	979	669	586	46.4%	67.2%	5,719	5,565	5,216	2.8%	9.6%
Total Controllable Operating Expenses	\$5,822	\$5,551	\$5,463	4.9%	6.6%	\$51,133	\$50,836	\$50,505	0.6%	1.2%
Controllable Operating Income (Loss)	(\$667)	(\$189)	(\$345)			(\$1,256)	\$462	\$593		
PSRHBFB Expenses	\$458	\$458	\$459	0.0%	0.0%	\$4,125	\$4,125	\$4,125	0.0%	0.0%
Workers Compensation (a)	(133)	17	1,660	NM	NM	166	162	1,749	NM	NM
Net Operating Income (Loss)	(\$993)	(\$665)	(\$2,463)			(\$5,547)	(\$3,825)	(\$5,281)		
Interest Income	\$2	\$2	\$2	-9.7%	-1.3%	\$19	\$20	\$19	-5.2%	-0.8%
Interest Expense	\$14	\$19	\$13	-27.0%	9.0%	\$129	\$161	\$117	-19.7%	11.0%
Net Income (Loss)	(\$1,004)	(\$681)	(\$2,474)			(\$5,657)	(\$3,967)	(\$5,379)		
Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mailing Services Volume	12,926	13,408	13,103	-3.6%	-1.3%	126,072	129,023	127,754	-2.3%	-1.3%
Total Shipping Services Volume	120	123	114	-2.4%	4.7%	1,134	1,156	1,091	-1.9%	3.9%
Total Mail Volume	13,045	13,531	13,217	-3.6%	-1.3%	127,206	130,179	128,846	-2.3%	-1.3%
Total Workhours (Millions)	94	95	97	-0.8%	-3.4%	867	860	892	0.8%	-2.8%
Total Career Employees						563,402				
Total Non-Career Employees						89,947				

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 June 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.

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

June 2011

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Mailing Services:						
<i>First Class:</i>						
Volume*	5,948,497	6,106,382	-2.6%	56,159,919	60,072,313	-6.5%
Revenue	\$2,619,001	\$2,651,519	-1.2%	\$24,536,713	\$26,168,996	-6.2%
<i>Standard Mail:</i>						
Volume*	6,299,825	6,287,093	0.2%	63,668,188	61,274,430	3.9%
Revenue	\$1,326,704	\$1,312,248	1.1%	\$13,405,875	\$12,966,243	3.4%
<i>Periodicals:</i>						
Volume*	596,483	620,709	-3.9%	5,378,746	5,540,474	-2.9%
Revenue	\$150,221	\$157,423	-4.6%	\$1,376,526	\$1,427,717	-3.6%
<i>Package Services:</i>						
Volume*	44,927	48,170	-6.7%	496,470	495,976	0.1%
Revenue	\$109,169	\$114,214	-4.4%	\$1,178,321	\$1,148,112	2.6%
Total Mailing Services:						
Volume*	12,925,639	13,102,511	-1.3%	126,071,798	127,754,445	-1.3%
Revenue **	\$4,433,670	\$4,447,698	-0.3%	\$42,926,029	\$44,443,199	-3.4%
Total Shipping Services:						
Volume*	119,674	114,278	4.7%	1,133,735	1,091,291	3.9%
Revenue	\$724,014	\$672,861	7.6%	\$6,969,994	\$6,673,135	4.4%
Postal Service Totals						
Volume*	13,045,312	13,216,790	-1.3%	127,205,533	128,845,736	-1.3%
Revenue	\$5,157,684	\$5,120,559	0.7%	\$49,896,023	\$51,116,334	-2.4%

* 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)

June 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	\$1,404	\$1,357	\$1,400	3.4%	0.3%	\$12,809	\$12,547	\$12,716	2.1%	0.7%
Mail Processing	709	674	731	5.3%	-2.9%	6,834	6,516	7,103	4.9%	-3.8%
Customer Services and Retail	511	501	536	2.0%	-4.8%	4,759	4,664	4,976	2.0%	-4.4%
Rural Delivery	505	519	492	-2.7%	2.7%	4,548	4,596	4,449	-1.0%	2.2%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	729	815	746	-10.6%	-2.4%	7,241	7,627	7,246	-5.1%	-0.1%
Total Salaries & Benefits	\$3,857	\$3,866	\$3,905	-0.4%	-1.2%	\$36,191	\$35,950	\$36,490	0.8%	-0.8%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$207	\$208	\$201	-0.3%	3.2%	\$1,818	\$1,820	\$1,665	-0.1%	9.2%
Worker's Compensation Caseload Expenses	98	97	89	0.5%	9.9%	834	863	784	-3.4%	6.5%
All Other Personnel Related Expenses	8	51	3	-84.5%	175.9%	145	311	274	-53.4%	-47.2%
Total Other Personnel Related Expenses	\$313	\$357	\$293	-12.4%	6.8%	\$2,797	\$2,994	\$2,723	-6.6%	2.7%
Controllable Personnel Compensation and Benefits	\$4,170	\$4,222	\$4,197	-1.2%	-0.7%	\$38,988	\$38,945	\$39,213	0.1%	-0.6%
PSRHBF Expenses	\$458	\$458	\$459	0.0%	0.0%	\$4,125	\$4,125	\$4,125	0.0%	0.0%
Workers' Compensation (a)	(133)	17	1,660	NM	NM	166	162	1,749	NM	NM
Total Personnel Compensation and Benefits	\$4,496	\$4,697	\$6,315	-4.3%	-22.8%	\$43,279	\$43,232	\$45,087	0.1%	-3.2%
Non-Personnel Expenses:										
Transportation	\$499	\$457	\$500	9.3%	-0.3%	\$4,770	\$4,502	\$4,420	5.9%	7.9%
Supplies and Services	175	204	180	-14.3%	-3.1%	1,656	1,824	1,655	-9.2%	0.1%
Depreciation and Amortization	195	211	204	-7.8%	-4.6%	1,738	1,903	1,843	-8.7%	-5.7%
Rent	81	92	87	-12.1%	-7.1%	783	824	792	-5.0%	-1.2%
Utilities and Heating Fuel	54	51	44	4.8%	22.3%	481	495	461	-2.8%	4.3%
Vehicle Maintenance Service	86	62	69	38.9%	23.9%	725	613	614	18.2%	18.1%
Information Technology	40	77	31	-47.7%	31.4%	328	421	285	-22.1%	15.3%
Rural Carrier Equipment Maintenance Allowance	47	43	47	9.0%	1.6%	403	407	398	-0.8%	1.5%
Other	476	132	105	259.7%	353.7%	1,261	902	825	39.9%	52.8%
Total Non-Personnel Expenses	\$1,653	\$1,329	\$1,266	24.3%	1.2%	\$12,144	\$11,892	\$11,291	2.1%	4.3%
Total Operating Expenses	\$6,148	\$6,027	\$7,581	2.0%	-18.9%	\$55,424	\$55,124	\$56,378	0.5%	-1.7%
Interest Expense	14	19	13	-27.0%	9.0%	129	161	117	-19.7%	11.0%
Total Expenses	\$6,162	\$6,046	\$7,594	1.9%	-18.9%	\$55,553	\$55,285	\$56,495	0.5%	-1.7%

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)

June 2011

(Thousands)

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	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours										
City Delivery	32,940	32,725	33,892	0.7%	-2.8%	300,512	298,194	307,412	0.8%	-2.2%
Mail Processing	16,840	16,449	17,528	2.4%	-3.9%	163,562	157,013	171,230	4.2%	-4.5%
Customer Services	12,185	12,203	13,095	-0.1%	-6.9%	114,140	112,941	122,017	1.1%	-6.5%
Rural Delivery	14,869	15,215	14,711	-2.3%	1.1%	132,813	133,037	132,193	-0.2%	0.5%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	16,940	17,942	17,841	-5.6%	-5.0%	155,791	159,048	159,137	-2.0%	-2.1%
Total Workhours	93,774	94,534	97,067	-0.8%	-3.4%	866,818	860,233	891,989	0.8%	-2.8%

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