

USPS Preliminary Financial Information (Unaudited)

March 2013

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue*	\$5,587	\$5,435	\$5,632	2.8%	-0.8%	\$33,968	\$33,549	\$33,859	1.3%	0.3%
Government Appropriations	9	11	11	-24.3%	-17.9%	41	63	45	-34.3%	-8.2%
Total Operating Revenue	\$5,596	\$5,446	\$5,643	2.8%	-0.8%	\$34,009	\$33,612	\$33,904	1.2%	0.3%
Operating Expenses:										
Personnel Compensation and Benefits	\$4,094	\$4,150	\$4,273	-1.3%	-4.2%	\$25,501	\$25,391	\$25,476	0.4%	0.1%
Workers Compensation Caseload Expense	101	109	103	-6.8%	-1.5%	638	661	632	-3.5%	0.9%
Transportation	572	572	561	0.0%	1.9%	3,500	3,584	3,444	-2.3%	1.6%
Supplies and Services	231	227	188	1.6%	22.7%	1,140	1,258	1,081	-9.4%	5.4%
Other Expenses**	626	589	584	6.2%	7.1%	3,359	3,366	3,416	-0.2%	-1.7%
Total Controllable Operating Expenses	\$5,624	\$5,647	\$5,709	-0.4%	-1.5%	\$34,138	\$34,260	\$34,049	-0.4%	0.3%
Controllable Operating Income (Loss)	(\$28)	(\$201)	(\$66)			(\$129)	(\$648)	(\$145)		
PSRHBFB Expenses	\$467	\$467	\$1,017	0.0%	-54.1%	\$2,800	\$2,800	\$6,100	0.0%	-54.1%
Workers Compensation (a)	82	-	(302)	NM	-127.2%	116	-	137	NM	-15.3%
Net Operating Income (Loss)	(\$577)	(\$668)	(\$781)			(\$3,045)	(\$3,448)	(\$6,382)		
Interest Income	\$2	\$2	\$2	4.9%	-4.8%	\$12	\$11	\$12	4.0%	-2.5%
Interest Expense	\$16	\$18	\$16	-11.0%	1.3%	\$97	\$98	\$94	-1.8%	2.5%
Net Income (Loss)	(\$591)	(\$684)	(\$795)			(\$3,130)	(\$3,535)	(\$6,464)		

Other Operating Statistics:										
Mail Volume: (Millions)										
Total Mail (excludes all Int'l)	12,865	12,079	13,128	6.5%	-2.0%	79,871	77,613	80,566	2.9%	-0.9%
Total Shipping & Package Services (Includes all Int'l)	387	402	396	-3.8%	-2.2%	2,421	2,396	2,354	1.1%	2.8%
Total Mail, Shipping & Package Services	13,252	12,481	13,524	6.2%	-2.0%	82,292	80,009	82,920	2.9%	-0.8%
Total Workhours (Millions)	94	92	98	2.3%	-4.3%	561	550	568	2.0%	-1.4%
Total Career Employees						497,896				
Total Non-Career Employees						118,461				

*March 2013 contains one less weekday/delivery day compared to March 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 March 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)

March 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***	5,523,185	5,781,263	-4.5%	34,454,619	36,002,634	-4.3%
Revenue	\$2,387,227	\$2,459,181	-2.9%	\$14,650,233	\$15,085,269	-2.9%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	6,768,882	6,737,630	0.5%	41,837,399	40,873,117	2.4%
Revenue	\$1,440,990	\$1,411,238	2.1%	\$8,674,136	\$8,436,935	2.8%
<i>Periodicals:</i>						
Volume***	533,782	569,208	-6.2%	3,244,863	3,409,235	-4.8%
Revenue	\$142,962	\$150,335	-4.9%	\$842,651	\$875,266	-3.7%
<i>Package Services (excludes Standard Post & Commercial Parcel Post):</i>						
Volume***	56,456	61,426	-8.1%	284,505	305,076	-6.7%
Revenue	\$89,437	\$83,277	7.4%	\$416,475	\$441,186	-5.6%
Total Mail (excludes all Int'l)						
Volume***	12,864,840	13,127,735	-2.0%	79,871,480	80,565,670	-0.9%
Revenue	\$3,862,055	\$4,140,316	-6.7%	\$25,526,427	\$26,036,364	-2.0%
Total Shipping & Package Services (includes all Int'l)						
Volume***	387,191	395,862	-2.2%	2,420,820	2,354,018	2.8%
Revenue	\$1,735,790	\$1,504,813	15.3%	\$8,494,310	\$7,880,144	7.8%
Total Mail, Shipping & Package Services						
Volume***	13,252,031	13,523,597	-2.0%	82,292,300	82,919,688	-0.8%
Revenue^	\$5,597,845	\$5,645,129	-0.8%	\$34,020,735	\$33,916,508	0.3%

***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)

March 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	\$1,456	\$1,418	\$1,494	2.7%	-2.6%	\$8,670	\$8,455	\$8,609	2.6%	0.7%
Mail Processing	697	707	756	-1.3%	-7.8%	4,360	4,383	4,562	-0.5%	-4.4%
Customer Services and Retail	461	485	522	-5.0%	-11.7%	2,886	2,939	3,065	-1.8%	-5.8%
Rural Delivery	534	529	544	0.8%	-1.9%	3,081	3,086	3,082	-0.2%	0.0%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	699	761	720	-8.2%	-2.8%	4,703	4,809	4,789	-2.2%	-1.8%
Total Salaries & Benefits	\$3,847	\$3,900	\$4,036	-1.4%	-4.7%	\$23,700	\$23,672	\$24,107	0.1%	-1.7%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$236	\$233	\$225	1.3%	5.1%	\$1,387	\$1,399	\$1,292	-0.9%	7.4%
Worker's Compensation Caseload Expenses	101	109	103	-6.8%	-1.5%	638	661	632	-3.5%	0.9%
All Other Personnel Related Expenses (includes Retirement Incentive)*	11	16	12	-33.0%	-11.4%	413	320	77	29.0%	433.6%
Total Other Personnel Related Expenses	\$348	\$358	\$340	-2.7%	2.5%	\$2,438	\$2,380	\$2,001	2.5%	21.9%
Controllable Personnel Compensation and Benefits	\$4,195	\$4,258	\$4,376	-1.5%	-4.1%	\$26,138	\$26,052	\$26,108	0.3%	0.1%
PSRHB Expenses										
Workers' Compensation (a)	\$467	\$467	\$1,017	0.0%	-54.1%	\$2,800	\$2,800	\$6,100	0.0%	-54.1%
Workers' Compensation (a)	82	-	(302)	NM	-127.2%	116	-	137	NM	-15.3%
Total Personnel Compensation and Benefits	\$4,744	\$4,725	\$5,091	0.4%	-6.8%	\$29,054	\$28,852	\$32,345	0.7%	-10.2%
Non-Personnel Expenses:										
Transportation	\$572	\$572	\$561	0.0%	1.9%	\$3,500	\$3,584	\$3,444	-2.3%	1.6%
Supplies and Services	231	227	188	1.6%	22.7%	1,140	1,258	1,081	-9.4%	5.4%
Depreciation and Amortization	161	163	172	-1.1%	-6.3%	968	1,005	1,070	-3.7%	-9.5%
Rent	84	87	86	-3.3%	-2.6%	508	534	524	-4.9%	-3.0%
Utilities and Heating Fuel	57	52	55	9.6%	4.4%	299	298	307	0.2%	-2.9%
Vehicle Maintenance Service	95	99	92	-3.7%	3.4%	521	494	500	5.5%	4.2%
Information Technology	39	49	41	-20.8%	-4.6%	226	248	209	-8.7%	8.4%
Rural Carrier Equipment Maintenance Allowance	47	43	50	7.7%	-6.4%	275	293	287	-6.5%	-4.3%
Other**	143	97	88	47.0%	61.2%	563	494	520	14.0%	8.2%
Total Non-Personnel Expenses	\$1,429	\$1,389	\$1,333	2.9%	7.1%	\$8,000	\$8,208	\$7,942	-2.5%	0.7%
Total Operating Expenses	\$6,173	\$6,114	\$6,424	1.0%	-3.9%	\$37,054	\$37,060	\$40,287	0.0%	-8.0%
Interest Expense	16	18	16	-11.0%	1.3%	97	98	94	-1.8%	2.5%
Total Expenses	\$6,189	\$6,132	\$6,440	0.9%	-3.9%	\$37,151	\$37,158	\$40,381	0.0%	-8.0%

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USPS Preliminary Workhours (Unaudited)

March 2013

(Thousands)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*										
City Delivery	33,584	32,378	34,308	3.7%	-2.1%	196,901	191,163	196,526	3.0%	0.2%
Mail Processing	17,072	16,171	17,902	5.6%	-4.6%	106,330	102,805	109,567	3.4%	-3.0%
Customer Services	11,643	11,574	12,681	0.6%	-8.2%	71,052	69,936	73,837	1.6%	-3.8%
Rural Delivery	15,142	14,983	15,729	1.1%	-3.7%	87,469	86,598	88,495	1.0%	-1.2%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	16,507	16,689	17,586	-1.1%	-6.1%	99,009	99,444	100,059	-0.4%	-1.0%
Total Workhours	93,948	91,795	98,206	2.3%	-4.3%	560,761	549,946	568,484	2.0%	-1.4%

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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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