

USPS Preliminary Financial Information (Unaudited)

February 2015

(\$ Millions)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:					
Mail and Services Revenue*	\$5,290	\$5,338	\$5,274	-0.9%	0.3%
Government Appropriations	12	12	8	0.0%	50.0%
<b>Total Operating Revenue</b>	<b>\$5,302</b>	<b>\$5,350</b>	<b>\$5,282</b>	<b>-0.9%</b>	<b>0.4%</b>
Operating Expenses:					
Personnel Compensation and Benefits	\$3,885	\$3,899	\$3,764	-0.4%	3.2%
Workers Compensation Cash (b)	115	114	115	0.9%	0.0%
Transportation	499	517	502	-3.5%	-0.6%
Supplies and Services	198	218	196	-9.2%	1.0%
Other Expenses**	529	588	539	-10.0%	-1.9%
<b>Total Controllable Operating Expenses</b>	<b>\$5,226</b>	<b>\$5,336</b>	<b>\$5,116</b>	<b>-2.1%</b>	<b>2.2%</b>
<b>Controllable Operating Income (Loss)</b>	<b>\$76</b>	<b>\$14</b>	<b>\$166</b>		
PSRHBFB Expenses	\$475	\$475	\$475	0.0%	0.0%
Workers Compensation (a)	(666)	77	60	NMF	NMF
<b>Net Operating Income (Loss)</b>	<b>\$267</b>	<b>(\$538)</b>	<b>(\$369)</b>	<b>-149.6%</b>	<b>-172.4%</b>
Interest Income	\$2	\$2	\$2	0.0%	0.0%
Interest Expense	\$14	\$14	\$14	0.0%	0.0%
<b>Net Income (Loss)</b>	<b>\$255</b>	<b>(\$550)</b>	<b>(\$381)</b>		

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:					
Mail and Services Revenue*	\$29,850	\$29,657	\$28,973	0.7%	3.0%
Government Appropriations	70	65	44	7.7%	59.1%
<b>Total Operating Revenue</b>	<b>\$29,920</b>	<b>\$29,722</b>	<b>\$29,017</b>	<b>0.7%</b>	<b>3.1%</b>
Operating Expenses:					
Personnel Compensation and Benefits	\$21,283	\$21,619	\$20,744	-1.6%	2.6%
Workers Compensation Cash (b)	601	567	554	6.0%	8.5%
Transportation	2,846	2,862	2,827	-0.6%	0.7%
Supplies and Services	1,099	1,164	1,026	-5.6%	7.1%
Other Expenses**	2,690	2,903	2,788	-7.3%	-3.5%
<b>Total Controllable Operating Expenses</b>	<b>\$28,519</b>	<b>\$29,115</b>	<b>\$27,939</b>	<b>-2.0%</b>	<b>2.1%</b>
<b>Controllable Operating Income (Loss)</b>	<b>\$1,401</b>	<b>\$607</b>	<b>\$1,078</b>		
PSRHBFB Expenses	\$2,375	\$2,375	\$2,375	0.0%	0.0%
Workers Compensation (a)	830	385	396	115.6%	109.6%
<b>Net Operating Income (Loss)</b>	<b>(\$1,804)</b>	<b>(\$2,153)</b>	<b>(\$1,693)</b>		
Interest Income	\$10	\$10	\$10	0.0%	0.0%
Interest Expense	\$76	\$77	\$78	-1.3%	-2.6%
<b>Net Income (Loss)</b>	<b>(\$1,870)</b>	<b>(\$2,220)</b>	<b>(\$1,761)</b>		

Other Operating Statistics:					
Mail Volume: (Millions)					
Total Mail (excludes all Int'l)**	11,384	11,331	11,531	0.5%	-1.3%
Total Shipping & Package Services**	341	332	293	2.7%	16.4%
International Total**	66	67	71	-1.5%	-7.0%
<b>Total Mail, Shipping &amp; Package Services**</b>	<b>11,791</b>	<b>11,730</b>	<b>11,895</b>	<b>0.5%</b>	<b>-0.9%</b>
Total Workhours (Millions)	86	85	84	1.2%	2.4%
Total Career Employees					
Total Non-Career Employees					

	65,003	63,531	64,876	2.3%	0.2%
	1,974	1,948	1,764	1.3%	11.9%
	409	374	417	9.4%	-1.9%
	67,386	65,853	67,056	2.3%	0.5%
	473	469	465	0.9%	1.7%
	490,291		484,771		1.1%
	131,078		129,082		1.5%

\*February 2015 has same number delivery days compared to February 2014.

\*\*Numbers may not add due to rounding and/or adjustments. Percentages calculated using rounded numbers.

(a) This represents non-cash adjustments; the impact of discount and inflation rate changes and the actuarial revaluation of new and existing cases.

(b) This amount includes estimated cash outlays including administrative fee.

NMF=Not Meaningful Figure, percentages +/- 200% or greater or division by zero

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 current month 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: Results derived from reclassified products based on Postal Service Revenue Pieces and Weights Reports)

**February 2015**

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
<b>Mailing Services:</b>						
<i>First Class (excludes all parcels and Int'l): (Note 4)</i>						
Volume***	4,905,669	4,994,168	-1.8%	27,313,098	27,510,696	-0.7%
Revenue	\$2,231,631	\$2,268,280	-1.6%	\$12,359,338	\$11,994,355	3.0%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	5,973,075	6,065,069	-1.5%	35,030,800	34,562,807	1.4%
Revenue	\$1,317,328	\$1,339,926	-1.7%	\$7,677,014	\$7,344,348	4.5%
<i>Periodicals:</i>						
Volume***	481,320	449,212	7.1%	2,450,309	2,528,549	-3.1%
Revenue	\$128,847	\$122,889	4.8%	\$666,811	\$660,528	1.0%
<b>Total Mail (Note 1)</b>						
Volume***	11,383,840	11,531,079	-1.3%	65,002,913	64,876,089	0.2%
Revenue	\$3,886,416	\$3,934,968	-1.2%	\$21,634,525	\$21,178,607	2.2%
<i>Package Services (ex. Inbound Intl. Surface Parcel Post &lt;at UPU Rates&gt; &amp; select Standard Post):</i>						
Volume***	37,569	37,295	0.7%	244,210	241,025	1.3%
Revenue	\$57,872	\$58,551	-1.2%	\$351,110	\$351,741	-0.2%
<b>Total Shipping &amp; Package Services (Note 2)</b>						
Volume***	341,068	292,842	16.5%	1,974,321	1,763,513	12.0%
Revenue	\$1,218,561	\$1,095,568	11.2%	\$6,999,656	\$6,454,193	8.5%
<b>International Total</b>						
Volume***	66,169	71,198	-7.1%	409,103	416,729	-1.8%
Revenue	\$199,247	\$230,464	-13.5%	\$1,295,331	\$1,348,684	-4.0%
<b>Total Mail, Shipping &amp; Package Services</b>						
Volume***	11,791,077	11,895,119	-0.9%	67,386,338	67,056,331	0.5%
Revenue (Note 3)	\$5,304,224	\$5,261,000	0.8%	\$29,929,512	\$28,981,484	3.3%

\*\*\*The sampling portion of the RPW system is designed to be statistically valid on a quarterly and annual basis.

Note 1: Includes Total Market Dominant Services, Other Market Dominant Revenue and excludes all International.

Note 2: Includes Total Competitive Services, Other Competitive Revenue and excludes all International.

Note 3: Revenue on this report includes investment and interest income. The differences in SPLY revenues between Page 2 and Page 1 are due to additional statistical data available at each quarter-end.

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**USPS Preliminary Expenses (Unaudited)**

**February 2015**

**(\$ Millions)**

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
<b>Personnel Compensation and Benefits:</b>					
Salaries & Benefits*					
City Delivery	\$1,329	\$1,331	\$1,293	-0.2%	2.8%
Mail Processing	649	634	627	2.4%	3.5%
Operations - Customer Service	462	451	433	2.4%	6.7%
Rural Delivery	508	508	488	0.0%	4.1%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	675	696	681	-3.0%	-0.9%
<b>Total Salaries &amp; Benefits</b>	<b>\$3,623</b>	<b>\$3,620</b>	<b>\$3,522</b>	<b>0.1%</b>	<b>2.9%</b>
<b>Other Personnel Related Expenses</b>					
Retiree Health Benefits Current Premiums	\$260	\$268	\$249	-3.0%	4.4%
Workers Compensation Cash (b)	115	114	115	0.9%	0.0%
All Other Personnel Related Expenses**	3	11	(7)	-72.7%	-142.9%
<b>Total Other Personnel Related Expenses</b>	<b>\$378</b>	<b>\$393</b>	<b>\$357</b>	<b>-3.8%</b>	<b>5.9%</b>
<b>Controllable Personnel Compensation and Benefits</b>	<b>\$4,001</b>	<b>\$4,013</b>	<b>\$3,879</b>	<b>-0.3%</b>	<b>3.1%</b>
<b>PSRHBF Expenses</b>	<b>\$475</b>	<b>\$475</b>	<b>\$475</b>	<b>0.0%</b>	<b>0.0%</b>
Workers' Compensation (a)	(666)	77	60	NMF	NMF
<b>Total Personnel Compensation and Benefits</b>	<b>\$3,810</b>	<b>\$4,565</b>	<b>\$4,414</b>	<b>-16.5%</b>	<b>-13.7%</b>

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
City Delivery	\$7,183	\$7,279	\$6,977	-1.3%	3.0%
Mail Processing	3,612	3,646	3,532	-0.9%	2.3%
Operations - Customer Service	2,451	2,477	2,366	-1.0%	3.6%
Rural Delivery	2,759	2,763	2,638	-0.1%	4.6%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	3,963	4,081	3,966	-2.9%	-0.1%
<b>Total Salaries &amp; Benefits</b>	<b>\$19,968</b>	<b>\$20,246</b>	<b>\$19,479</b>	<b>-1.4%</b>	<b>2.5%</b>
Retiree Health Benefits Current Premiums	\$1,279	\$1,316	\$1,224	-2.8%	4.5%
Workers Compensation Cash (b)	601	567	554	6.0%	8.5%
All Other Personnel Related Expenses**	36	57	41	-36.8%	-12.2%
<b>Total Other Personnel Related Expenses</b>	<b>\$1,916</b>	<b>\$1,940</b>	<b>\$1,819</b>	<b>-1.2%</b>	<b>5.3%</b>
<b>Controllable Personnel Compensation and Benefits</b>	<b>\$21,884</b>	<b>\$22,186</b>	<b>\$21,298</b>	<b>-1.4%</b>	<b>2.8%</b>
PSRHBF Expenses	\$2,375	\$2,375	\$2,375	0.0%	0.0%
Workers' Compensation (a)	830	385	396	115.6%	109.6%
<b>Total Personnel Compensation and Benefits</b>	<b>\$25,089</b>	<b>\$24,946</b>	<b>\$24,069</b>	<b>0.6%</b>	<b>4.2%</b>

Non-Personnel Expenses:					
Transportation	\$499	\$517	\$502	-3.5%	-0.6%
Supplies and Services	198	218	196	-9.2%	1.0%
Depreciation and Amortization	151	155	153	-2.6%	-1.3%
Rent	84	86	83	-2.3%	1.2%
Utilities and Heating Fuel	53	57	53	-7.0%	0.0%
Vehicle Maintenance Service	81	97	90	-16.5%	-10.0%
Information Technology	51	59	44	-13.6%	15.9%
Rural Carrier Equipment Maintenance Allowance	38	43	41	-11.6%	-7.3%
Other**	70	90	75	-22.2%	-6.7%
<b>Total Non-Personnel Expenses</b>	<b>\$1,225</b>	<b>\$1,322</b>	<b>\$1,237</b>	<b>-7.3%</b>	<b>-1.0%</b>

Transportation	\$2,846	\$2,862	\$2,827	-0.6%	0.7%
Supplies and Services	1,099	1,164	1,026	-5.6%	7.1%
Depreciation and Amortization	722	769	772	-6.1%	-6.5%
Rent	427	425	419	0.5%	1.9%
Utilities and Heating Fuel	257	262	250	-1.9%	2.8%
Vehicle Maintenance Service	430	472	453	-8.9%	-5.1%
Information Technology	221	263	210	-16.0%	5.2%
Rural Carrier Equipment Maintenance Allowance	225	237	227	-5.1%	-0.9%
Other**	407	475	457	-14.3%	-10.9%
<b>Total Non-Personnel Expenses</b>	<b>\$6,634</b>	<b>\$6,929</b>	<b>\$6,641</b>	<b>-4.3%</b>	<b>-0.1%</b>

<b>Total Operating Expenses</b>	<b>\$5,035</b>	<b>\$5,888</b>	<b>\$5,651</b>	<b>-14.5%</b>	<b>-10.9%</b>
Interest Expense	14	14	14	0.0%	0.0%
<b>Total Expenses</b>	<b>\$5,049</b>	<b>\$5,902</b>	<b>\$5,665</b>	<b>-14.5%</b>	<b>-10.9%</b>

<b>Total Operating Expenses</b>	<b>\$31,723</b>	<b>\$31,875</b>	<b>\$30,710</b>	<b>-0.5%</b>	<b>3.3%</b>
Interest Expense	76	77	78	-1.3%	-2.6%
<b>Total Expenses</b>	<b>\$31,799</b>	<b>\$31,952</b>	<b>\$30,788</b>	<b>-0.5%</b>	<b>3.3%</b>

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**USPS Preliminary Workhours (Unaudited)**

**February 2015**

**(Thousands)**

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*					
City Delivery	31,380	31,190	30,549	0.6%	2.7%
Mail Processing	15,211	14,790	15,008	2.9%	1.4%
Customer Services	11,400	10,824	10,518	5.3%	8.4%
Rural Delivery	13,861	13,732	13,447	0.9%	3.1%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	14,140	14,200	14,935	-0.4%	-5.3%
<b>Total Workhours</b>	<b>85,992</b>	<b>84,736</b>	<b>84,457</b>	<b>1.5%</b>	<b>1.8%</b>

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
City Delivery	171,274	169,379	165,772	1.1%	3.3%
Mail Processing	88,104	87,263	87,685	1.0%	0.5%
Customer Services	59,890	59,436	57,843	0.8%	3.5%
Rural Delivery	75,970	75,534	73,349	0.6%	3.6%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	77,361	76,915	79,964	0.6%	-3.3%
<b>Total Workhours</b>	<b>472,599</b>	<b>468,527</b>	<b>464,613</b>	<b>0.9%</b>	<b>1.7%</b>

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