

USPS Financial Information (Unaudited)

July 2015

(\$ Millions)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:					
Mail and Services Revenue*	\$5,546	\$5,808	\$5,477	-4.5%	1.3%
Government Appropriations	11	9	14	22.2%	-21.4%
Total Operating Revenue	\$5,557	\$5,817	\$5,491	-4.5%	1.2%
Operating Expenses:					
Personnel Compensation and Benefits**(c)	\$4,155	\$4,123	\$4,005	0.8%	3.7%
Workers Compensation Cash (b)	116	118	122	-1.7%	-4.9%
Transportation	549	542	537	1.3%	2.2%
Supplies and Services	204	221	195	-7.7%	4.6%
Other Expenses**	565	552	572	2.4%	-1.2%
Total Controllable Operating Expenses	\$5,589	\$5,556	\$5,431	0.6%	2.9%
Controllable Operating Income (Loss)	(\$32)	\$261	\$60		
PSRHBF Expenses	\$475	\$475	\$475	0.0%	0.0%
Workers Compensation (a)	410	77	(75)	NMF	NMF
Net Operating Income (Loss)	(\$917)	(\$291)	(\$340)		
Interest Income	\$2	\$2	\$2	0.0%	0.0%
Interest Expense	\$16	\$17	\$15	-5.9%	6.7%
Net Income (Loss)	(\$931)	(\$306)	(\$353)		

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Mail and Services Revenue*	\$57,712	\$58,311	\$56,599	-1.0%	2.0%
Government Appropriations	131	119	117	10.1%	12.0%
Total Operating Revenue	\$57,843	\$58,430	\$56,716	-1.0%	2.0%
Personnel Compensation and Benefits**(c)	\$42,094	\$42,024	\$40,901	0.2%	2.9%
Workers Compensation Cash (b)	1,210	1,196	1,166	1.2%	3.8%
Transportation	5,526	5,604	5,509	-1.4%	0.3%
Supplies and Services	2,215	2,358	2,105	-6.1%	5.2%
Other Expenses**	5,471	5,895	5,849	-7.2%	-6.5%
Total Controllable Operating Expenses	\$56,516	\$57,077	\$55,530	-1.0%	1.8%
Controllable Operating Income (Loss)	\$1,327	\$1,353	\$1,186		
PSRHBF Expenses	\$4,750	\$4,750	\$4,750	0.0%	0.0%
Workers Compensation (a)	183	769	836	-76.2%	-78.1%
Net Operating Income (Loss)	(\$3,606)	(\$4,166)	(\$4,400)		
Interest Income	\$20	\$20	\$20	0.0%	0.0%
Interest Expense	\$154	\$160	\$154	-3.8%	0.0%
Net Income (Loss)	(\$3,740)	(\$4,306)	(\$4,534)		

Other Operating Statistics:					
Mail Volume: (Millions)					
Total Mail (excludes all Int'l)**	11,866	12,179	12,112	-2.6%	-2.0%
Total Shipping & Package Services**	374	368	317	1.6%	18.0%
International Total**	74	60	61	23.3%	21.3%
Total Mail, Shipping & Package Services**	12,314	12,607	12,490	-2.3%	-1.4%
Total Workhours (Millions)	93	92	91	1.1%	2.2%
Total Career Employees					
Total Non-Career Employees					

Total Mail (excludes all Int'l)**	124,873	124,001	126,136	0.7%	-1.0%
Total Shipping & Package Services**	3,819	3,786	3,350	0.9%	14.0%
International Total**	798	712	758	12.1%	5.3%
Total Mail, Shipping & Package Services**	129,490	128,499	130,244	0.8%	-0.6%
Total Workhours (Millions)	942	934	925	0.9%	1.8%
Total Career Employees	489,880		485,437		0.9%
Total Non-Career Employees	129,984		131,753		-1.3%

*July 2015 has the same number of delivery days and 0.75 more retail days as compared to July 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.

(c) Plan expenses were reduced to reflect Tier 2 employee savings of \$73 million for the month and \$515 million year-to-date.

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)

July 2015

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Mailing Services:						
<i>First Class (excludes all parcels and Int'l): (Note 4)</i>						
Volume***	5,077,549	5,261,773	-3.5%	52,648,274	53,786,839	-2.1%
Revenue	\$2,317,484	\$2,372,803	-2.3%	\$23,871,609	\$23,895,919	-0.1%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	6,300,944	6,293,127	0.1%	66,967,954	66,804,772	0.2%
Revenue	\$1,405,486	\$1,388,824	1.2%	\$14,723,008	\$14,450,511	1.9%
<i>Periodicals:</i>						
Volume***	462,380	522,965	-11.6%	4,899,553	5,101,989	-4.0%
Revenue	\$123,894	\$136,640	-9.3%	\$1,327,734	\$1,356,933	-2.2%
Total Mail (Note 1)						
Volume***	11,866,383	12,112,222	-2.0%	124,873,414	126,135,754	-1.0%
Revenue	\$4,041,274	\$4,111,466	-1.7%	\$41,956,051	\$41,986,116	-0.1%
<i>Package Services (ex. Inbound Intl. Surface Parcel Post <at UPU Rates> & select Standard Post):</i>						
Volume***	44,954	40,997	9.7%	464,976	449,587	3.4%
Revenue	\$64,216	\$63,227	1.6%	\$665,152	\$666,992	-0.3%
Total Shipping & Package Services (Note 2)						
Volume***	374,055	317,128	18.0%	3,818,691	3,350,516	14.0%
Revenue	\$1,302,972	\$1,136,445	14.7%	\$13,474,450	\$12,193,454	10.5%
International Total						
Volume***	73,665	61,047	20.7%	798,359	757,938	5.3%
Revenue	\$214,495	\$236,296	-9.2%	\$2,431,985	\$2,547,668	-4.5%
Total Mail, Shipping & Package Services						
Volume***	12,314,103	12,490,397	-1.4%	129,490,464	130,244,208	-0.6%
Revenue (Note 3)	\$5,558,741	\$5,484,207	1.4%	\$57,862,486	\$56,727,238	2.0%

***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.

This monthly PRC report is based on the original RPW methodology. Beginning Q2 FY2015 the 10-Q is based on a NEW RPW methodology pending PRC approval. Hence the Revenue and Volume numbers by individual category will not be the same in the two reports.

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USPS Preliminary Expenses (Unaudited)

July 2015

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:										
Salaries & Benefits*										
City Delivery	\$1,414	\$1,390	\$1,361	1.7%	3.9%	\$14,231	\$14,260	\$13,839	-0.2%	2.8%
Mail Processing	671	656	648	2.3%	3.5%	7,050	6,956	6,854	1.4%	2.9%
Operations - Customer Service	513	519	455	-1.2%	12.7%	5,001	5,013	4,678	-0.2%	6.9%
Rural Delivery	566	564	548	0.4%	3.3%	5,573	5,525	5,347	0.9%	4.2%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**(c)	717	710	731	1.0%	-1.9%	7,567	7,484	7,614	1.1%	-0.6%
Total Salaries & Benefits (c)	\$3,881	\$3,839	\$3,743	1.1%	3.7%	\$39,422	\$39,238	\$38,332	0.5%	2.8%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$263	\$271	\$253	-3.0%	4.0%	\$2,585	\$2,667	\$2,481	-3.1%	4.2%
Workers Compensation Cash (b)	116	118	122	-1.7%	-4.9%	1,210	1,196	1,166	1.2%	3.8%
All Other Personnel Related Expenses**	11	13	9	-15.4%	22.2%	87	119	88	-26.9%	-1.1%
Total Other Personnel Related Expenses	\$390	\$402	\$384	-3.0%	1.6%	\$3,882	\$3,982	\$3,735	-2.5%	3.9%
Controllable Personnel Compensation and Benefits	\$4,271	\$4,241	\$4,127	0.7%	3.5%	\$43,304	\$43,220	\$42,067	0.2%	2.9%
PSRHF Expenses	\$475	\$475	\$475	0.0%	0.0%	\$4,750	\$4,750	\$4,750	0.0%	0.0%
Workers' Compensation (a)	410	77	(75)	NMF	NMF	183	769	836	-76.2%	-78.1%
Total Personnel Compensation and Benefits	\$5,156	\$4,793	\$4,527	7.6%	13.9%	\$48,237	\$48,739	\$47,653	-1.0%	1.2%
Non-Personnel Expenses:										
Transportation	\$549	\$542	\$537	1.3%	2.2%	\$5,526	\$5,604	\$5,509	-1.4%	0.3%
Supplies and Services	204	221	195	-7.7%	4.6%	2,215	2,358	2,105	-6.1%	5.2%
Depreciation and Amortization	150	155	153	-3.2%	-2.0%	1,463	1,548	1,543	-5.5%	-5.2%
Rent	80	82	83	-2.4%	-3.6%	830	841	825	-1.3%	0.6%
Utilities and Heating Fuel	53	52	53	1.9%	0.0%	514	532	516	-3.4%	-0.4%
Vehicle Maintenance Service	87	77	92	13.0%	-5.4%	874	942	923	-7.2%	-5.3%
Information Technology	57	59	61	-3.4%	-6.6%	475	590	476	-19.5%	-0.2%
Rural Carrier Equipment Maintenance Allowance	41	41	48	0.0%	-14.6%	429	474	460	-9.5%	-6.7%
Other**	97	86	82	12.8%	18.3%	885	968	1,106	-8.6%	-20.0%
Total Non-Personnel Expenses	\$1,318	\$1,315	\$1,304	0.2%	1.1%	\$13,211	\$13,857	\$13,463	-4.7%	-1.9%
Total Operating Expenses	\$6,474	\$6,108	\$5,831	6.0%	11.0%	\$61,448	\$62,596	\$61,116	-1.8%	0.5%
Interest Expense	16	17	15	-5.9%	6.7%	154	160	154	-3.8%	0.0%
Total Expenses	\$6,490	\$6,125	\$5,846	6.0%	11.0%	\$61,602	\$62,756	\$61,270	-1.8%	0.5%

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USPS Workhours (Unaudited)

July 2015

(Thousands)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*					
City Delivery	33,803	33,538	32,963	0.8%	2.5%
Mail Processing	15,939	15,648	15,481	1.9%	3.0%
Customer Services	12,872	12,437	11,005	3.5%	17.0%
Rural Delivery	15,732	15,547	15,455	1.2%	1.8%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	15,123	15,202	16,236	-0.5%	-6.9%
Total Workhours	93,469	92,372	91,140	1.2%	2.6%

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
City Delivery	340,746	338,303	332,084	0.7%	2.6%
Mail Processing	169,902	167,659	167,539	1.3%	1.4%
Customer Services	124,085	124,633	114,265	-0.4%	8.6%
Rural Delivery	153,827	151,990	149,287	1.2%	3.0%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	153,442	151,178	161,840	1.5%	-5.2%
Total Workhours	942,002	933,763	925,015	0.9%	1.8%

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