

USPS Financial Information (Unaudited)

August 2015

(\$ Millions)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:					
Mail and Services Revenue*	\$5,473	\$5,626	\$5,635	-2.7%	-2.9%
Government Appropriations	10	9	14	11.1%	-28.6%
Total Operating Revenue	\$5,483	\$5,635	\$5,649	-2.7%	-2.9%
Operating Expenses:					
Personnel Compensation and Benefits**(c)	\$4,135	\$4,105	\$3,997	0.7%	3.5%
Workers Compensation Cash (b)	115	114	126	0.9%	-8.7%
Transportation	517	515	535	0.4%	-3.4%
Supplies and Services	208	239	179	-13.0%	16.2%
Other Expenses**	569	566	533	0.5%	6.8%
Total Controllable Operating Expenses	\$5,544	\$5,539	\$5,370	0.1%	3.2%
Controllable Operating Income (Loss)	(\$61)	\$96	\$279		
PSRHBF Expenses	\$475	\$475	\$475	0.0%	0.0%
Workers Compensation (a)	(175)	77	502	NMF	-134.9%
Net Operating Income (Loss)	(\$361)	(\$456)	(\$698)		
Interest Income	\$2	\$2	\$2	0.0%	0.0%
Interest Expense	\$16	\$18	\$15	-11.1%	6.7%
Net Income (Loss)	(\$375)	(\$472)	(\$711)		

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Mail and Services Revenue*	\$63,185	\$63,937	\$62,235	-1.2%	1.5%
Government Appropriations	141	128	130	10.2%	8.5%
Total Operating Revenue	\$63,326	\$64,065	\$62,365	-1.2%	1.5%
Personnel Compensation and Benefits**(c)	\$46,229	\$46,129	\$44,898	0.2%	3.0%
Workers Compensation Cash (b)	1,326	1,310	1,292	1.2%	2.6%
Transportation	6,044	6,119	6,044	-1.2%	0.0%
Supplies and Services	2,424	2,597	2,284	-6.7%	6.1%
Other Expenses**	6,038	6,462	6,382	-6.6%	-5.4%
Total Controllable Operating Expenses	\$62,061	\$62,617	\$60,900	-0.9%	1.9%
Controllable Operating Income (Loss)	\$1,265	\$1,448	\$1,465		
PSRHBF Expenses	\$5,225	\$5,225	\$5,225	0.0%	0.0%
Workers Compensation (a)	8	846	1,338	-99.1%	-99.4%
Net Operating Income (Loss)	(\$3,968)	(\$4,623)	(\$5,098)		
Interest Income	\$22	\$22	\$22	0.0%	0.0%
Interest Expense	\$170	\$177	\$169	-4.0%	0.6%
Net Income (Loss)	(\$4,116)	(\$4,778)	(\$5,245)		

Other Operating Statistics:					
Mail Volume: (Millions)					
Total Mail (excludes all Int'l)**	11,481	11,821	12,002	-2.9%	-4.3%
Total Shipping & Package Services**	376	373	329	0.8%	14.3%
International Total**	67	67	68	0.0%	-1.5%
Total Mail, Shipping & Package Services**	11,924	12,261	12,399	-2.7%	-3.8%
Total Workhours (Millions)	93	93	91	0.0%	2.2%
Total Career Employees					
Total Non-Career Employees					

	136,354	135,822	138,138	0.4%	-1.3%
	4,195	4,159	3,679	0.9%	14.0%
	865	779	826	11.0%	4.7%
	141,414	140,760	142,643	0.5%	-0.9%
	1,035	1,028	1,016	0.7%	1.9%
	490,187		487,842		0.5%
	130,101		129,894		0.2%

*August 2015 has the same number of delivery days and same number of retail days as compared to August 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 \$77 million for the month and \$592 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)

August 2015

(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***	4,817,814	4,954,647	-2.8%	57,466,088	58,741,486	-2.2%
Revenue	\$2,210,796	\$2,246,990	-1.6%	\$26,082,405	\$26,142,910	-0.2%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	6,176,091	6,554,561	-5.8%	73,144,045	73,359,332	-0.3%
Revenue	\$1,375,105	\$1,447,133	-5.0%	\$16,098,113	\$15,897,644	1.3%
<i>Periodicals:</i>						
Volume***	461,914	464,906	-0.6%	5,361,467	5,566,896	-3.7%
Revenue	\$128,322	\$132,195	-2.9%	\$1,456,055	\$1,489,128	-2.2%
Total Mail (Note 1)						
Volume***	11,481,134	12,002,481	-4.3%	136,354,548	138,138,235	-1.3%
Revenue	\$3,967,261	\$4,242,470	-6.5%	\$45,923,312	\$46,228,586	-0.7%
<i>Package Services (ex. Inbound Intl. Surface Parcel Post <at UPU Rates> & select Standard Post):</i>						
Volume***	47,437	47,996	-1.2%	512,413	497,583	3.0%
Revenue	\$70,568	\$72,614	-2.8%	\$735,720	\$739,606	-0.5%
Total Shipping & Package Services (Note 2)						
Volume***	375,922	328,528	14.4%	4,194,613	3,679,044	14.0%
Revenue	\$1,318,137	\$1,163,160	13.3%	\$14,792,586	\$13,356,614	10.8%
International Total						
Volume***	66,516	67,842	-2.0%	864,875	825,780	4.7%
Revenue	\$199,638	\$236,917	-15.7%	\$2,631,624	\$2,784,585	-5.5%
Total Mail, Shipping & Package Services						
Volume***	11,923,572	12,398,851	-3.8%	141,414,036	142,643,059	-0.9%
Revenue (Note 3)	\$5,485,036	\$5,642,547	-2.8%	\$63,347,522	\$62,369,785	1.6%

***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.

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.

USPS Expenses (Unaudited)

August 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	\$1,400	\$1,395	\$1,352	0.4%	3.6%	\$15,630	\$15,655	\$15,191	-0.2%	2.9%
Mail Processing	666	656	652	1.5%	2.1%	7,716	7,612	7,505	1.4%	2.8%
Operations - Customer Service	505	513	448	-1.6%	12.7%	5,506	5,526	5,126	-0.4%	7.4%
Rural Delivery	562	562	539	0.0%	4.3%	6,135	6,087	5,886	0.8%	4.2%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**(c)	724	696	739	4.0%	-2.0%	8,293	8,179	8,354	1.4%	-0.7%
Total Salaries & Benefits (c)	\$3,857	\$3,822	\$3,730	0.9%	3.4%	\$43,280	\$43,059	\$42,062	0.5%	2.9%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$262	\$270	\$251	-3.0%	4.4%	\$2,847	\$2,937	\$2,733	-3.1%	4.2%
Workers Compensation Cash (b)	115	114	126	0.9%	-8.7%	1,326	1,310	1,292	1.2%	2.6%
All Other Personnel Related Expenses**	16	13	16	23.1%	0.0%	102	133	103	-23.3%	-1.0%
Total Other Personnel Related Expenses	\$393	\$397	\$393	-1.0%	0.0%	\$4,275	\$4,380	\$4,128	-2.4%	3.6%
Controllable Personnel Compensation and Benefits	\$4,250	\$4,219	\$4,123	0.7%	3.1%	\$47,555	\$47,439	\$46,190	0.2%	3.0%
PSRHBFB Expenses										
Workers' Compensation (a)	(175)	77	502	NMF	-134.9%	8	846	1,338	-99.1%	-99.4%
Total Personnel Compensation and Benefits	\$4,550	\$4,771	\$5,100	-4.6%	-10.8%	\$52,788	\$53,510	\$52,753	-1.3%	0.1%
Non-Personnel Expenses:										
Transportation	\$517	\$515	\$535	0.4%	-3.4%	\$6,044	\$6,119	\$6,044	-1.2%	0.0%
Supplies and Services	208	239	179	-13.0%	16.2%	2,424	2,597	2,284	-6.7%	6.1%
Depreciation and Amortization	153	156	149	-1.9%	2.7%	1,617	1,703	1,692	-5.0%	-4.4%
Rent	77	76	78	1.3%	-1.3%	907	916	903	-1.0%	0.4%
Utilities and Heating Fuel	60	59	55	1.7%	9.1%	574	591	571	-2.9%	0.5%
Vehicle Maintenance Service	88	89	91	-1.1%	-3.3%	962	1,031	1,014	-6.7%	-5.1%
Information Technology	52	58	40	-10.3%	30.0%	527	648	516	-18.7%	2.1%
Rural Carrier Equipment Maintenance Allowance	43	42	49	2.4%	-12.2%	472	516	509	-8.5%	-7.3%
Other**	96	86	71	11.6%	35.2%	979	1,057	1,177	-7.4%	-16.8%
Total Non-Personnel Expenses	\$1,294	\$1,320	\$1,247	-2.0%	3.8%	\$14,506	\$15,178	\$14,710	-4.4%	-1.4%
Total Operating Expenses	\$5,844	\$6,091	\$6,347	-4.1%	-7.9%	\$67,294	\$68,688	\$67,463	-2.0%	-0.3%
Interest Expense	16	18	15	-11.1%	6.7%	170	177	169	-4.0%	0.6%
Total Expenses	\$5,860	\$6,109	\$6,362	-4.1%	-7.9%	\$67,464	\$68,865	\$67,632	-2.0%	-0.2%

*August 2015 has the same number of delivery days and same number of retail days as compared to August 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 \$77 million for the month and \$592 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.

USPS Workhours (Unaudited)

August 2015

(Thousands)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*					
City Delivery	33,901	34,075	33,009	-0.5%	2.7%
Mail Processing	15,848	15,926	15,651	-0.5%	1.3%
Customer Services	12,795	12,608	10,899	1.5%	17.4%
Rural Delivery	15,760	15,629	15,228	0.8%	3.5%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	14,969	15,049	15,922	-0.5%	-6.0%
Total Workhours	93,273	93,287	90,709	0.0%	2.8%

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
City Delivery	374,674	372,614	365,159	0.6%	2.6%
Mail Processing	185,755	183,936	183,210	1.0%	1.4%
Customer Services	136,897	137,383	125,179	-0.4%	9.4%
Rural Delivery	169,556	167,771	164,504	1.1%	3.1%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	168,413	166,614	177,773	1.1%	-5.3%
Total Workhours	1,035,295	1,028,318	1,015,825	0.7%	1.9%

*August 2015 has the same number of delivery days and same number of retail days as compared to August 2014.

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

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.