

USPS Financial Information (Unaudited)

September 2015

(\$ Millions)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:					
Mail and Services Revenue*	\$5,594	\$5,634	\$5,453	-0.7%	2.6%
Government Appropriations	8	8	12	0.0%	-33.3%
Total Operating Revenue	\$5,602	\$5,642	\$5,465	-0.7%	2.5%
Operating Expenses:					
Personnel Compensation and Benefits**(c)	\$4,160	\$4,076	\$4,080	2.1%	2.0%
Workers Compensation Cash (b)	126	115	104	9.6%	21.2%
Transportation	536	605	542	-11.4%	-1.1%
Supplies and Services	283	295	266	-4.1%	6.4%
Other Expenses**	412	610	420	-32.5%	-1.9%
Total Controllable Operating Expenses	\$5,517	\$5,701	\$5,412	-3.2%	1.9%
Controllable Operating Income (Loss)	\$85	(\$59)	\$53		
PSRHBF Expenses	\$475	\$475	\$475	0.0%	0.0%
FERS Supplemental (d)	\$241	\$0	\$7	NMF	NMF
Workers Compensation (a)	300	76	(179)	NMF	NMF
Net Operating Income (Loss)	(\$931)	(\$610)	(\$250)		
Interest Income	\$2	\$2	\$2	0.0%	0.0%
Interest Expense	\$15	\$17	\$15	-11.8%	0.0%
Net Income (Loss)	(\$944)	(\$625)	(\$263)		

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Mail and Services Revenue*	\$68,779	\$69,572	\$67,687	-1.1%	1.6%
Government Appropriations	149	135	143	10.4%	4.2%
Total Operating Revenue	\$68,928	\$69,707	\$67,830	-1.1%	1.6%
Personnel Compensation and Benefits**(c)	\$50,389	\$50,205	\$48,979	0.4%	2.9%
Workers Compensation Cash (b)	1,453	1,425	1,396	2.0%	4.1%
Transportation	6,579	6,723	6,586	-2.1%	-0.1%
Supplies and Services	2,705	2,892	2,550	-6.5%	6.1%
Other Expenses**	6,452	7,074	6,802	-8.8%	-5.1%
Total Controllable Operating Expenses	\$67,578	\$68,319	\$66,313	-1.1%	1.9%
Controllable Operating Income (Loss)	\$1,350	\$1,388	\$1,517		
PSRHBF Expenses	\$5,700	\$5,700	\$5,700	0.0%	0.0%
FERS Supplemental (d)	\$241	\$0	\$7	NMF	NMF
Workers Compensation (a)	307	922	1,158	-66.7%	-73.5%
Net Operating Income (Loss)	(\$4,898)	(\$5,234)	(\$5,348)		
Interest Income	\$23	\$25	\$24	-8.0%	-4.2%
Interest Expense	\$185	\$194	\$184	-4.6%	0.5%
Net Income (Loss)	(\$5,060)	(\$5,403)	(\$5,508)		

Other Operating Statistics:					
Mail Volume: (Millions)					
Total Mail (excludes all Int'l)**	12,333	12,011	12,538	2.7%	-1.6%
Total Shipping & Package Services**	336	378	290	-11.1%	15.9%
International Total**	75	73	68	2.7%	10.3%
Total Mail, Shipping & Package Services**	12,743	12,462	12,896	2.3%	-1.2%
Total Workhours (Millions)	93	94	91	-1.1%	2.2%
Total Career Employees					
Total Non-Career Employees					

Total Mail (excludes all Int'l)**	148,687	147,905	150,676	0.5%	-1.3%
Total Shipping & Package Services**	4,530	4,487	3,969	1.0%	14.1%
International Total**	940	852	894	10.3%	5.1%
Total Mail, Shipping & Package Services**	154,157	153,244	155,539	0.6%	-0.9%
Total Workhours (Millions)	1,128	1,122	1,107	0.5%	1.9%
Total Career Employees	491,863		488,300		0.7%
Total Non-Career Employees	129,974		129,577		0.3%

*September 2015 has the same number of delivery days and same number of retail days as compared to September 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 \$81 million for the month and \$674 million year-to-date.

(d) This represents a supplemental expense related to the actuarial revaluation of the Federal Employee Retirement System (FERS) liability.

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 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)

September 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***	4,953,181	5,097,168	-2.8%	62,419,269	63,838,654	-2.2%
Revenue	\$2,228,547	\$2,266,418	-1.7%	\$28,310,952	\$28,409,327	-0.3%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	6,885,807	6,948,929	-0.9%	80,029,852	80,308,261	-0.3%
Revenue	\$1,548,013	\$1,528,776	1.3%	\$17,646,127	\$17,426,420	1.3%
<i>Periodicals:</i>						
Volume***	476,708	477,819	-0.2%	5,838,175	6,044,715	-3.4%
Revenue	\$133,165	\$136,198	-2.2%	\$1,589,220	\$1,625,325	-2.2%
Total Mail (Note 1)						
Volume***	12,332,511	12,538,026	-1.6%	148,687,058	150,676,261	-1.3%
Revenue	\$4,302,823	\$4,370,637	-1.6%	\$50,226,135	\$50,599,222	-0.7%
<i>Package Services (ex. Inbound Intl. Surface Parcel Post <at UPU Rates> & select Standard Post):</i>						
Volume***	52,163	49,907	4.5%	564,576	547,490	3.1%
Revenue	\$70,332	\$71,994	-2.3%	\$806,052	\$811,600	-0.7%
Total Shipping & Package Services (Note 2)						
Volume***	335,561	289,852	15.8%	4,530,175	3,968,896	14.1%
Revenue	\$1,170,277	\$975,819	19.9%	\$15,962,863	\$14,332,434	11.4%
International Total						
Volume***	74,872	67,735	10.5%	939,747	893,515	5.2%
Revenue	\$130,559	\$138,079	-5.4%	\$2,762,183	\$2,922,664	-5.5%
Total Mail, Shipping & Package Services						
Volume***	12,742,944	12,895,613	-1.2%	154,156,980	155,538,672	-0.9%
Revenue (Note 3)	\$5,603,659	\$5,484,535	2.2%	\$68,951,181	\$67,854,320	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.

These reports reflect changes implemented as a result of Commission Order No. 2728. That order directed the Postal Service to implement a change in methodology regarding the treatment of forever revenue and breakage and a change in the methodology for the Book Revenue Adjustment Factor (BRAAF). See also PRC Docket No. RM20015-9.

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USPS Expenses (Unaudited)

September 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	\$1,396	\$1,372	\$1,355	1.7%	3.0%	\$17,026	\$17,028	\$16,546	0.0%	2.9%
Mail Processing	671	659	665	1.8%	0.9%	8,386	8,271	8,171	1.4%	2.6%
Operations - Customer Service	503	520	458	-3.3%	9.8%	6,009	6,046	5,583	-0.6%	7.6%
Rural Delivery	538	565	535	-4.8%	0.6%	6,673	6,652	6,421	0.3%	3.9%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**(c)	769	677	791	13.6%	-2.8%	9,062	8,855	9,145	2.3%	-0.9%
Total Salaries & Benefits (c)	\$3,877	\$3,793	\$3,804	2.2%	1.9%	\$47,156	\$46,852	\$45,866	0.6%	2.8%
Other Personnel Related Expenses										
Retiree Health Benefits Current Premiums	\$264	\$271	\$253	-2.6%	4.3%	\$3,111	\$3,208	\$2,985	-3.0%	4.2%
Workers Compensation Cash (b)	126	115	104	9.6%	21.2%	1,453	1,425	1,396	2.0%	4.1%
All Other Personnel Related Expenses**	19	12	23	58.3%	-17.4%	122	145	128	-15.9%	-4.7%
Total Other Personnel Related Expenses	\$409	\$398	\$380	2.8%	7.6%	\$4,686	\$4,778	\$4,509	-1.9%	3.9%
Controllable Personnel Compensation and Benefits	\$4,286	\$4,191	\$4,184	2.3%	2.4%	\$51,842	\$51,630	\$50,375	0.4%	2.9%
PSRHBFB Expenses	\$475	\$475	\$475	0.0%	0.0%	\$5,700	\$5,700	\$5,700	0.0%	0.0%
FERS Supplemental (d)	\$241	\$0	\$7	NMF	NMF	\$241	\$0	\$7	NMF	NMF
Workers' Compensation (a)	300	76	(179)	NMF	NMF	307	922	1,158	-66.7%	-73.5%
Total Personnel Compensation and Benefits	\$5,302	\$4,742	\$4,487	11.8%	18.2%	\$58,090	\$58,252	\$57,240	-0.3%	1.5%
Non-Personnel Expenses:										
Transportation	\$536	\$605	\$542	-11.4%	-1.1%	\$6,579	\$6,723	\$6,586	-2.1%	-0.1%
Supplies and Services	283	295	266	-4.1%	6.4%	2,705	2,892	2,550	-6.5%	6.1%
Depreciation and Amortization	153	157	151	-2.5%	1.3%	1,769	1,860	1,843	-4.9%	-4.0%
Rent	76	75	83	1.3%	-8.4%	983	991	986	-0.8%	-0.3%
Utilities and Heating Fuel	56	65	56	-13.8%	0.0%	630	656	627	-4.0%	0.5%
Vehicle Maintenance Service	92	76	95	21.1%	-3.2%	1,053	1,107	1,108	-4.9%	-5.0%
Information Technology	59	64	80	-7.8%	-26.3%	586	711	596	-17.6%	-1.7%
Rural Carrier Equipment Maintenance Allowance	41	39	47	5.1%	-12.8%	514	555	556	-7.4%	-7.6%
Other**	(65)	135	(92)	-148.1%	-29.3%	917	1,193	1,086	-23.1%	-15.6%
Total Non-Personnel Expenses	\$1,231	\$1,511	\$1,228	-18.5%	0.2%	\$15,736	\$16,688	\$15,938	-5.7%	-1.3%
Total Operating Expenses	\$6,533	\$6,253	\$5,715	4.5%	14.3%	\$73,826	\$74,940	\$73,178	-1.5%	0.9%
Interest Expense	15	17	15	-11.8%	0.0%	185	194	184	-4.6%	0.5%
Total Expenses	\$6,548	\$6,270	\$5,730	4.4%	14.3%	\$74,011	\$75,134	\$73,362	-1.5%	0.9%

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USPS Workhours

September 2015

(Thousands)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*					
City Delivery	33,591	33,834	32,784	-0.7%	2.5%
Mail Processing	16,109	16,265	15,902	-1.0%	1.3%
Customer Services	12,751	12,944	11,081	-1.5%	15.1%
Rural Delivery	15,196	15,317	14,934	-0.8%	1.8%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	14,927	15,158	16,289	-1.5%	-8.4%
Total Workhours	92,574	93,518	90,990	-1.0%	1.7%

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
City Delivery	408,292	406,622	397,989	0.4%	2.6%
Mail Processing	201,869	200,064	199,133	0.9%	1.4%
Customer Services	149,653	150,598	136,267	-0.6%	9.8%
Rural Delivery	184,726	183,399	179,466	0.7%	2.9%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	183,347	181,363	194,086	1.1%	-5.5%
Total Workhours	1,127,887	1,122,046	1,106,941	0.5%	1.9%

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