

USPS Financial Information (Unaudited)

January 2017

(\$ Millions)	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Operating Revenue:										
Mail and Services Revenue*	\$5,893	\$5,942	\$5,859	-0.8%	0.6%	\$25,085	\$25,002	\$25,209	0.3%	-0.5%
Government Appropriations	3	5	4	-40.0%	-25.0%	12	17	13	-29.4%	-7.7%
Total Operating Revenue	\$5,896	\$5,947	\$5,863	-0.9%	0.6%	\$25,097	\$25,019	\$25,222	0.3%	-0.5%
Operating Expenses:										
Personnel Compensation and Benefits**	\$4,331	\$4,191	\$4,176	3.3%	3.7%	\$18,095	\$17,924	\$17,643	1.0%	2.6%
Workers Compensation Cash (a)	110	122	111	-9.8%	-0.9%	500	476	475	5.0%	5.3%
Transportation	613	583	569	5.1%	7.7%	2,639	2,518	2,449	4.8%	7.8%
Supplies and Services	215	244	199	-11.9%	8.0%	985	994	873	-0.9%	12.8%
Other Expenses**	585	544	515	7.5%	13.6%	2,270	2,190	2,183	3.7%	4.0%
Total Controllable Operating Expenses	\$5,854	\$5,684	\$5,570	3.0%	5.1%	\$24,489	\$24,102	\$23,623	1.6%	3.7%
Controllable Operating Income (Loss)	\$42	\$263	\$293			\$608	\$917	\$1,599		
RHB Unfunded Liabilities Amortization (b) (c)	76	236	\$484	-67.8%	-84.3%	302	953	\$1,934	-68.3%	-84.4%
FERS Unfunded Liabilities Amortization (b)	21	21	20	0.0%	5.0%	83	83	80	0.0%	3.8%
CSRS Unfunded Liabilities Amortization (b)	103	103	-	0.0%	100.0%	410	410	-	0.0%	100.0%
Workers Compensation (d)	72	-	701	100.0%	-89.7%	(1,441)	-	140	-100.0%	NMF
Net Operating Income (Loss)	(\$230)	(\$97)	(\$912)			\$1,254	(\$529)	(\$555)		
Interest Income	\$4	\$3	\$3	33.3%	33.3%	\$13	\$9	\$9	44.4%	44.4%
Interest Expense	\$19	\$19	\$19	0.0%	0.0%	\$75	\$77	\$75	-2.6%	0.0%
Net Income (Loss)	(\$245)	(\$113)	(\$928)			\$1,192	(\$597)	(\$621)		
Mail Volume: (Millions)										
Total Mail (excludes all Int'l)**	11,946	12,220	12,055	-2.2%	-0.9%	51,656	52,095	52,214	-0.8%	-1.1%
Total Shipping & Package Services**	468	470	409	-0.4%	14.4%	2,076	1,990	1,857	4.3%	11.8%
International Total**	87	102	85	-14.7%	2.4%	371	374	382	-0.8%	-2.9%
Total Mail, Shipping & Package Services**	12,501	12,792	12,549	-2.3%	-0.4%	54,103	54,459	54,453	-0.7%	-0.6%
Total Workhours (Millions)	96	93	92	3.2%	4.3%	406	397	394	2.3%	3.0%
Total Career Employees						507,422		496,972		2.1%
Total Non-Career Employees						136,589		132,900		2.8%

*January 2017 has same number of delivery days and one more retail day as compared to January 2016. Actual total operating revenue is 3.0% lower than like-day SPLY.

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

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

(b) This represents the OPM estimated amortization expense related to the actuarial revaluation of the Federal Employee Retirement System (FERS), Civil Service Retirement System (CSRS) and Postal Service Retiree Health Benefit Fund (PSRHBF) liabilities. The actual billed amounts will be received between June and October 2017.

(c) SPLY represents the portion of the \$5.8B RHB Prefunding due September 30, 2016

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

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

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)

USPS Financial Information (Unaudited)

January 2017

(Thousands)

Mailing Services:

First Class (excludes all parcels and Int'l):

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Volume***	5,465,584	5,641,611	-3.1%	21,345,742	22,068,098	-3.3%
Revenue	\$2,367,989	\$2,564,551	-7.7%	\$9,355,878	\$10,120,362	-7.6%

USPS Marketing Mail™ (excludes all parcels and Int'l)

Volume***	6,052,801	5,981,734	1.2%	28,407,993	28,056,786	1.3%
Revenue	\$1,282,266	\$1,330,640	-3.6%	\$5,975,457	\$6,247,959	-4.4%

Periodicals:

Volume***	402,005	406,409	-1.1%	1,771,845	1,871,939	-5.3%
Revenue	\$102,896	\$110,608	-7.0%	\$463,594	\$519,368	-10.7%

Total Mail (Note 1)

Volume***	11,946,550	12,055,314	-0.9%	51,655,892	52,213,715	-1.1%
Revenue	\$4,019,729	\$4,217,861	-4.7%	\$16,762,052	\$17,798,047	-5.8%

Package Services

Volume***	54,774	47,115	16.3%	232,346	221,151	5.1%
Revenue	\$73,700	\$68,880	7.0%	\$290,056	\$295,992	-2.0%

Total Shipping & Package Services (Note 2)

Volume***	468,157	408,738	14.5%	2,075,771	1,856,536	11.8%
Revenue	\$1,667,379	\$1,419,791	17.4%	\$7,369,034	\$6,412,685	14.9%

International Total

Volume***	86,667	85,192	1.7%	371,217	382,991	-3.1%
Revenue	\$212,834	\$228,040	-6.7%	\$978,722	\$1,020,087	-4.1%

Total Mail, Shipping & Package Services

Volume***	12,501,374	12,549,244	-0.4%	54,102,880	54,453,242	-0.6%
Revenue (Note 3)	\$5,899,942	\$5,865,692	0.6%	\$25,109,808	\$25,230,819	-0.5%

***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 Expenses (Unaudited)

January 2017

(\$ Millions)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:					
Salaries & Benefits:**					
City Delivery	\$1,462	\$1,395	\$1,425	4.8%	2.6%
Mail Processing	730	691	710	5.6%	2.8%
Operations - Customer Service	539	502	505	7.4%	6.7%
Rural Delivery	567	558	533	1.6%	6.4%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	782	794	718	-1.5%	8.9%
Total Salaries & Benefits	\$4,080	\$3,940	\$3,891	3.6%	4.9%
Other Personnel Related Expenses:					
Retiree Health Benefits Normal Cost / Current Premiums (e)	\$243	\$243	\$278	0.0%	-12.6%
Workers Compensation Cash (a)	110	122	111	-9.8%	-0.9%
All Other Personnel Related Expenses**	8	8	7	0.0%	14.3%
Total Other Personnel Related Expenses	\$361	\$373	\$396	-3.2%	-8.8%
Controllable Personnel Compensation and Benefits	\$4,441	\$4,313	\$4,287	3.0%	3.6%
RHB Unfunded Liabilities Amortization (b) (c)	\$76	\$236	\$484	-67.8%	-84.3%
FERS Unfunded Liabilities Amortization (b)	\$21	\$21	20	0.0%	5.0%
CSRS Unfunded Liabilities Amortization (b)	\$103	\$103	-	0.0%	100.0%
Workers' Compensation (d)	72	-	701	100.0%	-89.7%
Total Personnel Compensation and Benefits	\$4,713	\$4,673	\$5,492	0.9%	-14.2%
Non-Personnel Expenses:					
Transportation	\$613	\$583	\$569	5.1%	7.7%
Supplies and Services	215	244	199	-11.9%	8.0%
Depreciation and Amortization	140	135	146	3.7%	-4.1%
Rent	93	83	78	12.0%	19.2%
Utilities and Heating Fuel	51	48	45	6.3%	13.3%
Vehicle Maintenance Service	50	51	52	-2.0%	-3.8%
Vehicle Fuel	43	33	23	30.3%	87.0%
Information Technology	78	51	44	52.9%	77.3%
Rural Carrier Equipment Maintenance Allowance	38	39	38	-2.6%	0.0%
Other**	92	104	89	-11.5%	3.4%
Total Non-Personnel Expenses	\$1,413	\$1,371	\$1,283	3.1%	10.1%
Total Operating Expenses	\$6,126	\$6,044	\$6,775	1.4%	-9.6%
Interest Expense	19	19	19	0.0%	0.0%
Total Expenses	\$6,145	\$6,063	\$6,794	1.4%	-9.6%

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
Personnel Compensation and Benefits:					
Salaries & Benefits:**					
City Delivery	\$6,091	\$6,002	\$5,931	1.5%	2.7%
Mail Processing	3,043	2,936	2,973	3.6%	2.4%
Operations - Customer Service	2,220	2,153	2,131	3.1%	4.2%
Rural Delivery	2,435	2,385	2,316	2.1%	5.1%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	3,283	3,440	3,187	-4.6%	3.0%
Total Salaries & Benefits	\$17,072	\$16,916	\$16,538	0.9%	3.2%
Other Personnel Related Expenses:					
Retiree Health Benefits Normal Cost / Current Premiums (e)	\$986	\$986	\$1,070	0.0%	-7.9%
Workers Compensation Cash (a)	500	476	475	5.0%	5.3%
All Other Personnel Related Expenses**	37	22	35	68.2%	5.7%
Total Other Personnel Related Expenses	\$1,523	\$1,484	\$1,580	2.6%	-3.6%
Controllable Personnel Compensation and Benefits	\$18,595	\$18,400	\$18,118	1.1%	2.6%
RHB Unfunded Liabilities Amortization (b) (c)	\$302	\$953	\$1,934	-68.3%	-84.4%
FERS Unfunded Liabilities Amortization (b)	\$83	\$83	80	0.0%	3.8%
CSRS Unfunded Liabilities Amortization (b)	\$410	\$410	-	0.0%	100.0%
Workers' Compensation (d)	(1,441)	-	140	-100.0%	NMF
Total Personnel Compensation and Benefits	\$17,949	\$19,846	\$20,272	-9.6%	-11.5%
Non-Personnel Expenses:					
Transportation	\$2,639	\$2,518	\$2,449	4.8%	7.8%
Supplies and Services	985	994	873	-0.9%	12.8%
Depreciation and Amortization	548	536	573	2.2%	-4.4%
Rent	349	331	329	5.4%	6.1%
Utilities and Heating Fuel	192	201	187	-4.5%	2.7%
Vehicle Maintenance Service	214	206	211	3.9%	1.4%
Vehicle Fuel	139	134	119	3.7%	16.8%
Information Technology	219	235	168	-6.8%	30.4%
Rural Carrier Equipment Maintenance Allowance	167	155	167	7.7%	0.0%
Other**	442	392	429	12.8%	3.0%
Total Non-Personnel Expenses	\$5,894	\$5,702	\$5,505	3.4%	7.1%
Total Operating Expenses	\$23,843	\$25,548	\$25,777	-6.7%	-7.5%
Interest Expense	75	77	75	-2.6%	0.0%
Total Expenses	\$23,918	\$25,625	\$25,852	-6.7%	-7.5%

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(c) SPLY represents the portion of the \$5.8B RHB Prefunding due September 30, 2016

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

(e) FY 17 represents Normal Cost Amount to be paid into PSRHBF/ SPLY are actual premiums paid for retirees □

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USPS Workhours (Unaudited)

January 2017

(Thousands)

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours:*					
City Delivery	35,006	33,902	33,540	3.3%	4.4%
Mail Processing	17,770	16,858	17,122	5.4%	3.8%
Customer Services	13,562	12,843	12,745	5.6%	6.4%
Rural Delivery	15,643	15,074	14,925	3.8%	4.8%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	14,320	14,168	14,066	1.1%	1.8%
Total Workhours	96,301	92,845	92,398	3.7%	4.2%

Year-to-Date					
Actual	Plan	SPLY	% Plan	% SPLY	
148,225	145,065	142,504	2.2%	4.0%	
75,869	73,264	74,184	3.6%	2.3%	
56,978	55,156	54,696	3.3%	4.2%	
67,217	64,918	63,965	3.5%	5.1%	
57,706	58,162	58,493	-0.8%	-1.3%	
405,995	396,565	393,842	2.4%	3.1%	

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