

**USPS Financial Information (Unaudited)**

**February 2017**

(\$ Millions)	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
<b>Operating Revenue:</b>										
Mail and Services Revenue*	\$5,370	\$5,526	\$5,781	-2.8%	-7.1%	\$30,455	\$30,528	\$30,990	-0.2%	-1.7%
Government Appropriations	4	5	4	-20.0%	0.0%	16	22	17	-27.3%	-5.9%
<b>Total Operating Revenue</b>	<b>\$5,374</b>	<b>\$5,531</b>	<b>\$5,785</b>	<b>-2.8%</b>	<b>-7.1%</b>	<b>\$30,471</b>	<b>\$30,550</b>	<b>\$31,007</b>	<b>-0.3%</b>	<b>-1.7%</b>
<b>Operating Expenses:</b>										
Personnel Compensation and Benefits**	\$3,995	\$3,945	\$4,104	1.3%	-2.7%	\$22,090	\$21,870	\$21,747	1.0%	1.6%
Workers Compensation Cash (a)	96	116	99	-17.2%	-3.0%	598	592	574	1.0%	4.2%
Transportation	535	550	568	-2.7%	-5.8%	3,166	3,068	3,017	3.2%	4.9%
Supplies and Services	232	234	233	-0.9%	-0.4%	1,224	1,229	1,106	-0.4%	10.7%
Other Expenses**	526	528	533	-0.4%	-1.3%	2,796	2,717	2,716	2.9%	2.9%
<b>Total Controllable Operating Expenses</b>	<b>\$5,384</b>	<b>\$5,373</b>	<b>\$5,537</b>	<b>0.2%</b>	<b>-2.8%</b>	<b>\$29,874</b>	<b>\$29,476</b>	<b>\$29,160</b>	<b>1.4%</b>	<b>2.4%</b>
<b>Controllable Operating Income (Loss)</b>	<b>(\$10)</b>	<b>\$158</b>	<b>\$248</b>			<b>\$597</b>	<b>\$1,074</b>	<b>\$1,847</b>		
RHB Unfunded Liabilities Amortization (b) (c)	76	236	\$483	-67.8%	-84.3%	378	1,189	\$2,417	-68.2%	-84.4%
FERS Unfunded Liabilities Amortization (b)	21	21	20	0.0%	5.0%	103	103	100	0.0%	3.0%
CSRS Unfunded Liabilities Amortization (b)	103	103	-	0.0%	100.0%	513	513	-	0.0%	100.0%
Workers Compensation (d)	39	-	338	100.0%	-88.5%	(1,403)	-	478	-100.0%	NMF
<b>Net Operating Income (Loss)</b>	<b>(\$249)</b>	<b>(\$202)</b>	<b>(\$593)</b>			<b>\$1,006</b>	<b>(\$731)</b>	<b>(\$1,148)</b>		
Interest Income	\$4	\$4	\$3	0.0%	33.3%	\$17	\$13	\$12	30.8%	41.7%
Interest Expense	\$17	\$18	\$18	-5.6%	-5.6%	\$93	\$95	\$93	-2.1%	0.0%
<b>Net Income (Loss)</b>	<b>(\$262)</b>	<b>(\$216)</b>	<b>(\$608)</b>			<b>\$930</b>	<b>(\$813)</b>	<b>(\$1,229)</b>		
<b>Mail Volume: (Millions)</b>										
Total Mail (excludes all Int'l)**	10,934	11,325	12,035	-3.5%	-9.1%	62,590	63,420	64,249	-1.3%	-2.6%
Total Shipping & Package Services**	419	415	391	1.0%	7.2%	2,494	2,405	2,247	3.7%	11.0%
International Total**	73	82	74	-11.0%	-1.4%	445	455	457	-2.2%	-2.6%
<b>Total Mail, Shipping &amp; Package Services**</b>	<b>11,426</b>	<b>11,822</b>	<b>12,500</b>	<b>-3.3%</b>	<b>-8.6%</b>	<b>65,529</b>	<b>66,280</b>	<b>66,953</b>	<b>-1.1%</b>	<b>-2.1%</b>
Total Workhours (Millions)	88	87	91	1.1%	-3.3%	494	484	485	2.1%	1.9%
Total Career Employees						507,644		497,054		2.1%
Total Non-Career Employees						136,738		133,645		2.3%

\*February 2017 has one less delivery day and one less retail day as compared to February 2016. Actual total operating revenue is 2.5% lower than like-day SPLY, and actual compensation and benefits is higher than like-day SPLY amounts by 1.0%.

\*\*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)

February 2017

(Thousands)

Mailing Services:

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

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
Volume***	4,650,688	5,035,176	-7.6%	25,996,430	27,103,274	-4.1%
Revenue	\$2,033,117	\$2,300,097	-11.6%	\$11,388,994	\$12,420,458	-8.3%

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

Volume***	5,830,457	6,508,394	-10.4%	34,238,450	34,565,180	-0.9%
Revenue	\$1,244,431	\$1,455,520	-14.5%	\$7,219,888	\$7,703,479	-6.3%

Periodicals:

Volume***	428,862	467,255	-8.2%	2,200,707	2,339,194	-5.9%
Revenue	\$111,492	\$127,447	-12.5%	\$575,086	\$646,815	-11.1%

Total Mail (Note 1)

Volume***	10,934,113	12,035,447	-9.2%	62,590,005	64,249,162	-2.6%
Revenue	\$3,602,407	\$4,121,191	-12.6%	\$20,364,459	\$21,919,238	-7.1%

Package Services

Volume***	40,756	39,090	4.3%	273,101	260,241	4.9%
Revenue	\$57,667	\$58,166	-0.9%	\$347,723	\$354,158	-1.8%

Total Shipping & Package Services (Note 2)

Volume***	418,645	390,615	7.2%	2,494,416	2,247,151	11.0%
Revenue	\$1,578,424	\$1,461,925	8.0%	\$8,947,458	\$7,874,611	13.6%

International Total

Volume***	73,233	73,536	-0.4%	444,450	456,527	-2.6%
Revenue	\$197,215	\$204,715	-3.7%	\$1,175,937	\$1,224,802	-4.0%

Total Mail, Shipping & Package Services

Volume***	11,425,991	12,499,598	-8.6%	65,528,871	66,952,840	-2.1%
Revenue (Note 3)	\$5,378,046	\$5,787,831	-7.1%	\$30,487,854	\$31,018,650	-1.7%

\*\*\*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)**

**February 2017**

(\$ Millions)	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
<b>Personnel Compensation and Benefits:</b>										
Salaries & Benefits:*										
City Delivery	\$1,334	\$1,312	\$1,398	1.7%	-4.6%	\$7,426	\$7,314	\$7,329	1.5%	1.3%
Mail Processing	649	627	675	3.5%	-3.9%	3,692	3,563	3,647	3.6%	1.2%
Operations - Customer Service	492	475	507	3.6%	-3.0%	2,712	2,627	2,638	3.2%	2.8%
Rural Delivery	562	534	540	5.2%	4.1%	2,997	2,918	2,856	2.7%	4.9%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	710	751	698	-5.5%	1.7%	3,992	4,193	3,886	-4.8%	2.7%
<b>Total Salaries &amp; Benefits</b>	<b>\$3,747</b>	<b>\$3,699</b>	<b>\$3,818</b>	<b>1.3%</b>	<b>-1.9%</b>	<b>\$20,819</b>	<b>\$20,615</b>	<b>\$20,356</b>	<b>1.0%</b>	<b>2.3%</b>
<b>Other Personnel Related Expenses:</b>										
Retiree Health Benefits Normal Cost / Current Premiums ( e )	\$243	\$243	\$279	0.0%	-12.9%	\$1,229	\$1,229	\$1,349	0.0%	-8.9%
Workers Compensation Cash ( a )	96	116	99	-17.2%	-3.0%	598	592	574	1.0%	4.2%
All Other Personnel Related Expenses**	5	3	7	66.7%	-28.6%	42	26	42	61.5%	0.0%
<b>Total Other Personnel Related Expenses</b>	<b>\$344</b>	<b>\$362</b>	<b>\$385</b>	<b>-5.0%</b>	<b>-10.6%</b>	<b>\$1,869</b>	<b>\$1,847</b>	<b>\$1,965</b>	<b>1.2%</b>	<b>-4.9%</b>
<b>Controllable Personnel Compensation and Benefits</b>	<b>\$4,091</b>	<b>\$4,061</b>	<b>\$4,203</b>	<b>0.7%</b>	<b>-2.7%</b>	<b>\$22,688</b>	<b>\$22,462</b>	<b>\$22,321</b>	<b>1.0%</b>	<b>1.6%</b>
RHB Unfunded Liabilities Amortization ( b ) ( c )	\$76	\$236	\$483	-67.8%	-84.3%	\$378	\$1,189	\$2,417	-68.2%	-84.4%
FERS Unfunded Liabilities Amortization ( b )	\$21	\$21	20	0.0%	5.0%	\$103	\$103	100	0.0%	3.0%
CSRS Unfunded Liabilities Amortization ( b )	\$103	\$103	-	0.0%	100.0%	\$513	\$513	-	0.0%	100.0%
Workers' Compensation ( d )	39	-	338	100.0%	-88.5%	(1,403)	-	478	-100.0%	NMF
<b>Total Personnel Compensation and Benefits</b>	<b>\$4,330</b>	<b>\$4,421</b>	<b>\$5,044</b>	<b>-2.1%</b>	<b>-14.2%</b>	<b>\$22,279</b>	<b>\$24,267</b>	<b>\$25,316</b>	<b>-8.2%</b>	<b>-12.0%</b>
<b>Non-Personnel Expenses:</b>										
Transportation	\$535	\$550	\$568	-2.7%	-5.8%	\$3,166	\$3,068	\$3,017	3.2%	4.9%
Supplies and Services	232	234	233	-0.9%	-0.4%	1,224	1,229	1,106	-0.4%	10.7%
Depreciation and Amortization	138	135	152	2.2%	-9.2%	686	671	725	2.2%	-5.4%
Rent	89	83	83	7.2%	7.2%	438	414	412	5.8%	6.3%
Utilities and Heating Fuel	47	49	53	-4.1%	-11.3%	239	250	240	-4.4%	-0.4%
Vehicle Maintenance Service	51	50	51	2.0%	0.0%	265	255	262	3.9%	1.1%
Vehicle Fuel	30	26	25	15.4%	20.0%	169	160	143	5.6%	18.2%
Information Technology	40	51	41	-21.6%	-2.4%	259	286	209	-9.4%	23.9%
Rural Carrier Equipment Maintenance Allowance	37	39	37	-5.1%	0.0%	204	194	204	5.2%	0.0%
Other**	94	95	90	-1.1%	4.4%	536	487	520	10.1%	3.1%
<b>Total Non-Personnel Expenses</b>	<b>\$1,293</b>	<b>\$1,312</b>	<b>\$1,333</b>	<b>-1.4%</b>	<b>-3.0%</b>	<b>\$7,186</b>	<b>\$7,014</b>	<b>\$6,838</b>	<b>2.5%</b>	<b>5.1%</b>
<b>Total Operating Expenses</b>	<b>\$5,623</b>	<b>\$5,733</b>	<b>\$6,377</b>	<b>-1.9%</b>	<b>-11.8%</b>	<b>\$29,465</b>	<b>\$31,281</b>	<b>\$32,154</b>	<b>-5.8%</b>	<b>-8.4%</b>
Interest Expense	17	18	18	-5.6%	-5.6%	93	95	93	-2.1%	0.0%
<b>Total Expenses</b>	<b>\$5,640</b>	<b>\$5,751</b>	<b>\$6,395</b>	<b>-1.9%</b>	<b>-11.8%</b>	<b>\$29,558</b>	<b>\$31,376</b>	<b>\$32,247</b>	<b>-5.8%</b>	<b>-8.3%</b>

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(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.

(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)**

**February 2017**

**(Thousands)**

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours:*					
City Delivery	32,221	32,061	33,353	0.5%	-3.4%
Mail Processing	15,408	15,218	16,132	1.2%	-4.5%
Customer Services	12,416	12,170	12,887	2.0%	-3.7%
Rural Delivery	14,735	14,506	14,835	1.6%	-0.7%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	13,365	13,451	14,213	-0.6%	-6.0%
<b>Total Workhours</b>	<b>88,145</b>	<b>87,406</b>	<b>91,420</b>	<b>0.8%</b>	<b>-3.6%</b>

Year-to-Date					
Actual	Plan	SPLY	% Plan	% SPLY	
180,502	177,296	175,869	1.8%	2.6%	
91,323	88,508	90,316	3.2%	1.1%	
69,402	67,285	67,593	3.1%	2.7%	
81,964	79,495	78,775	3.1%	4.0%	
71,110	71,626	72,712	-0.7%	-2.2%	
<b>494,301</b>	<b>484,210</b>	<b>485,265</b>	<b>2.1%</b>	<b>1.9%</b>	

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