

USPS Preliminary Financial Information (Unaudited)

November 2014

(\$ Millions)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
<b>Operating Revenue:</b>										
Mail and Services Revenue*	\$5,484	\$5,531	\$5,588	-0.8%	-1.9%	\$11,869	\$11,617	\$11,479	2.2%	3.4%
Government Appropriations	15	13	8	15.4%	87.5%	29	27	16	7.4%	81.3%
<b>Total Operating Revenue</b>	<b>\$5,499</b>	<b>\$5,544</b>	<b>\$5,596</b>	<b>-0.8%</b>	<b>-1.7%</b>	<b>\$11,898</b>	<b>\$11,644</b>	<b>\$11,495</b>	<b>2.2%</b>	<b>3.5%</b>
<b>Operating Expenses:</b>										
Personnel Compensation and Benefits	\$4,057	\$4,092	\$4,100	-0.9%	-1.0%	\$8,414	\$8,502	\$8,340	-1.0%	0.9%
Workers Compensation Cash (b)	122	113	112	8.0%	8.9%	246	224	218	9.8%	12.8%
Transportation	537	539	523	-0.4%	2.7%	1,069	1,097	1,076	-2.6%	-0.7%
Supplies and Services	231	232	200	-0.4%	15.5%	411	401	366	2.5%	12.3%
Other Expenses**	483	574	542	-15.9%	-10.9%	1,042	1,119	1,085	-6.9%	-4.0%
<b>Total Controllable Operating Expenses</b>	<b>\$5,430</b>	<b>\$5,550</b>	<b>\$5,477</b>	<b>-2.2%</b>	<b>-0.9%</b>	<b>\$11,182</b>	<b>\$11,343</b>	<b>\$11,085</b>	<b>-1.4%</b>	<b>0.9%</b>
<b>Controllable Operating Income (Loss)</b>	<b>\$69</b>	<b>(\$6)</b>	<b>\$119</b>			<b>\$716</b>	<b>\$301</b>	<b>\$410</b>		
PSRHF Expenses	\$475	\$475	\$475	0.0%	0.0%	\$950	\$950	\$950	0.0%	0.0%
Workers Compensation (a)	428	77	(210)	NMF	NMF	825	155	(1)	NMF	NMF
<b>Net Operating Income (Loss)</b>	<b>(\$834)</b>	<b>(\$558)</b>	<b>(\$146)</b>			<b>(\$1,059)</b>	<b>(\$804)</b>	<b>(\$539)</b>		
Interest Income	\$2	\$2	\$2	0.0%	0.0%	\$4	\$4	\$4	0.0%	0.0%
Interest Expense	\$15	\$15	\$15	0.0%	0.0%	\$31	\$32	\$33	-3.1%	-6.1%
<b>Net Income (Loss)</b>	<b>(\$847)</b>	<b>(\$571)</b>	<b>(\$159)</b>			<b>(\$1,086)</b>	<b>(\$832)</b>	<b>(\$568)</b>		

<b>Other Operating Statistics:</b>										
Mail Volume: (Millions)										
Total Mail (excludes all Int'l)**	12,773	12,742	13,468	0.2%	-5.2%	27,920	26,637	27,694	4.8%	0.8%
Total Shipping & Package Services**	371	350	336	6.0%	10.4%	754	718	672	5.0%	12.2%
International Total**	73	70	85	4.3%	-14.1%	153	132	155	15.9%	-1.3%
<b>Total Mail, Shipping &amp; Package Services**</b>	<b>13,217</b>	<b>13,162</b>	<b>13,889</b>	<b>0.4%</b>	<b>-4.8%</b>	<b>28,827</b>	<b>27,487</b>	<b>28,521</b>	<b>4.9%</b>	<b>1.1%</b>
Total Workhours (Millions)	88	88	90	0.0%	-2.2%	186	185	186	0.5%	0.0%
Total Career Employees						487,054		490,174		-0.6%
Total Non-Career Employees						149,382		138,336		8.0%

\*November 2014 has one less delivery day compared to November 2013.

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(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.

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)

**November 2014**

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
<b>Mailing Services:</b>						
<i>First Class (excludes all parcels and Int'l):</i>						
Volume***	4,827,487	4,976,966	-3.0%	10,322,429	10,584,020	-2.5%
Revenue	\$2,187,533	\$2,151,358	1.7%	\$4,678,582	\$4,575,389	2.3%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	7,391,192	7,840,153	-5.7%	16,440,898	15,844,976	3.8%
Revenue	\$1,632,042	\$1,655,312	-1.4%	\$3,602,537	\$3,338,598	7.9%
<i>Periodicals:</i>						
Volume***	450,664	501,417	-10.1%	1,021,072	1,076,949	-5.2%
Revenue	\$126,381	\$132,564	-4.7%	\$284,210	\$285,931	-0.6%
<b>Total Mail (Note 1)</b>						
Volume***	12,773,298	13,468,483	-5.2%	27,919,537	27,693,934	0.8%
Revenue	\$3,959,001	\$4,179,276	-5.3%	\$8,793,449	\$8,656,383	1.6%
<i>Package Services (ex. Inbound Intl. Surface Parcel Post &lt;at UPU Rates&gt;):</i>						
Volume***	44,603	48,959	-8.9%	104,287	100,874	3.4%
Revenue	\$64,638	\$65,857	-1.9%	\$141,126	\$134,348	5.0%
<b>Total Shipping &amp; Package Services (Note 2)</b>						
Volume***	370,546	335,476	10.5%	754,016	672,432	12.1%
Revenue	\$1,295,772	\$1,158,911	11.8%	\$2,617,118	\$2,341,277	11.8%
<b>International Total</b>						
Volume***	72,951	84,748	-13.9%	153,422	154,848	-0.9%
Revenue	\$245,842	\$270,004	-8.9%	\$491,783	\$521,056	-5.6%
<b>Total Mail, Shipping &amp; Package Services</b>						
Volume***	13,216,794	13,888,707	-4.8%	28,826,975	28,521,215	1.1%
Revenue (Note 3)	\$5,500,615	\$5,608,191	-1.9%	\$11,902,350	\$11,518,717	3.3%

\*\*\*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 Preliminary Expenses (Unaudited)**

**November 2014**

**(\$ Millions)**

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
<b>Personnel Compensation and Benefits:</b>					
Salaries & Benefits*					
City Delivery	\$1,360	\$1,362	\$1,364	-0.1%	-0.3%
Mail Processing	697	708	687	-1.6%	1.5%
Customer Services and Retail	443	452	448	-2.0%	-1.1%
Rural Delivery	513	512	528	0.2%	-2.8%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	789	786	819	0.4%	-3.7%
<b>Total Salaries &amp; Benefits</b>	<b>\$3,802</b>	<b>\$3,820</b>	<b>\$3,846</b>	<b>-0.5%</b>	<b>-1.1%</b>
<b>Other Personnel Related Expenses</b>					
Retiree Health Benefits Current Premiums	\$253	\$261	\$243	-3.1%	4.1%
Workers Compensation Cash (b)	122	113	112	8.0%	8.9%
All Other Personnel Related Expenses**	3	12	11	-75.0%	-72.7%
<b>Total Other Personnel Related Expenses</b>	<b>\$378</b>	<b>\$386</b>	<b>\$366</b>	<b>-2.1%</b>	<b>3.3%</b>
<b>Controllable Personnel Compensation and Benefits</b>	<b>\$4,180</b>	<b>\$4,206</b>	<b>\$4,212</b>	<b>-0.6%</b>	<b>-0.8%</b>
<b>PSRHBF Expenses</b>	<b>\$475</b>	<b>\$475</b>	<b>\$475</b>	<b>0.0%</b>	<b>0.0%</b>
Workers' Compensation (a)	428	77	(210)	NMF	NMF
<b>Total Personnel Compensation and Benefits</b>	<b>\$5,083</b>	<b>\$4,758</b>	<b>\$4,477</b>	<b>6.8%</b>	<b>13.5%</b>

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
City Delivery	\$2,824	\$2,843	\$2,782	-0.7%	1.5%
Mail Processing	1,413	1,447	1,401	-2.3%	0.9%
Customer Services and Retail	926	959	923	-3.4%	0.3%
Rural Delivery	1,080	1,082	1,056	-0.2%	2.3%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	1,654	1,627	1,670	1.7%	-1.0%
<b>Total Salaries &amp; Benefits</b>	<b>\$7,897</b>	<b>\$7,958</b>	<b>\$7,832</b>	<b>-0.8%</b>	<b>0.8%</b>
Retiree Health Benefits Current Premiums	\$506	\$522	\$485	-3.1%	4.3%
Workers Compensation Cash (b)	246	224	218	9.8%	12.8%
All Other Personnel Related Expenses**	10	22	23	-54.5%	-56.5%
<b>Total Other Personnel Related Expenses</b>	<b>\$762</b>	<b>\$768</b>	<b>\$726</b>	<b>-0.8%</b>	<b>5.0%</b>
<b>Controllable Personnel Compensation and Benefits</b>	<b>\$8,659</b>	<b>\$8,726</b>	<b>\$8,558</b>	<b>-0.8%</b>	<b>1.2%</b>
PSRHBF Expenses	\$950	\$950	\$950	0.0%	0.0%
Workers' Compensation (a)	825	155	(1)	NMF	NMF
<b>Total Personnel Compensation and Benefits</b>	<b>\$10,434</b>	<b>\$9,831</b>	<b>\$9,507</b>	<b>6.1%</b>	<b>9.8%</b>

<b>Non-Personnel Expenses:</b>					
Transportation	\$537	\$539	\$523	-0.4%	2.7%
Supplies and Services	231	232	200	-0.4%	15.5%
Depreciation and Amortization	139	151	154	-7.9%	-9.7%
Rent	87	86	83	1.2%	4.8%
Utilities and Heating Fuel	43	46	44	-6.5%	-2.3%
Vehicle Maintenance Service	80	95	83	-15.8%	-3.6%
Information Technology	21	51	31	-58.8%	-32.3%
Rural Carrier Equipment Maintenance Allowance	43	53	44	-18.9%	-2.3%
Other**	69	91	103	-24.2%	-33.0%
<b>Total Non-Personnel Expenses</b>	<b>\$1,250</b>	<b>\$1,344</b>	<b>\$1,265</b>	<b>-7.0%</b>	<b>-1.2%</b>

Transportation	\$1,069	\$1,097	\$1,076	-2.6%	-0.7%
Supplies and Services	411	401	366	2.5%	12.3%
Depreciation and Amortization	294	303	309	-3.0%	-4.9%
Rent	165	173	167	-4.6%	-1.2%
Utilities and Heating Fuel	95	101	92	-5.9%	3.3%
Vehicle Maintenance Service	173	181	174	-4.4%	-0.6%
Information Technology	76	86	69	-11.6%	10.1%
Rural Carrier Equipment Maintenance Allowance	91	107	92	-15.0%	-1.1%
Other**	149	168	182	-11.3%	-18.1%
<b>Total Non-Personnel Expenses</b>	<b>\$2,523</b>	<b>\$2,617</b>	<b>\$2,527</b>	<b>-3.6%</b>	<b>-0.2%</b>

<b>Total Operating Expenses</b>	<b>\$6,333</b>	<b>\$6,102</b>	<b>\$5,742</b>	<b>3.8%</b>	<b>10.3%</b>
Interest Expense	15	15	15	0.0%	0.0%
<b>Total Expenses</b>	<b>\$6,348</b>	<b>\$6,117</b>	<b>\$5,757</b>	<b>3.8%</b>	<b>10.3%</b>

<b>Total Operating Expenses</b>	<b>\$12,957</b>	<b>\$12,448</b>	<b>\$12,034</b>	<b>4.1%</b>	<b>7.7%</b>
Interest Expense	31	32	33	-3.1%	-6.1%
<b>Total Expenses</b>	<b>\$12,988</b>	<b>\$12,480</b>	<b>\$12,067</b>	<b>4.1%</b>	<b>7.6%</b>

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**USPS Preliminary Workhours (Unaudited)**

**November 2014**

**(Thousands)**

	Current Period				
	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*					
City Delivery	32,196	31,641	32,208	1.8%	0.0%
Mail Processing	17,003	17,232	17,235	-1.3%	-1.3%
Customer Services	10,621	10,776	10,889	-1.4%	-2.5%
Rural Delivery	14,047	13,948	14,291	0.7%	-1.7%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	14,347	14,597	15,113	-1.7%	-5.1%
<b>Total Workhours</b>	<b>88,214</b>	<b>88,194</b>	<b>89,736</b>	<b>0.0%</b>	<b>-1.7%</b>

	Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY
City Delivery	67,613	66,139	66,390	2.2%	1.8%
Mail Processing	34,364	34,804	34,860	-1.3%	-1.4%
Customer Services	22,388	22,852	22,690	-2.0%	-1.3%
Rural Delivery	29,818	29,527	29,535	1.0%	1.0%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	31,351	31,287	32,211	0.2%	-2.7%
<b>Total Workhours</b>	<b>185,534</b>	<b>184,609</b>	<b>185,686</b>	<b>0.5%</b>	<b>-0.1%</b>

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