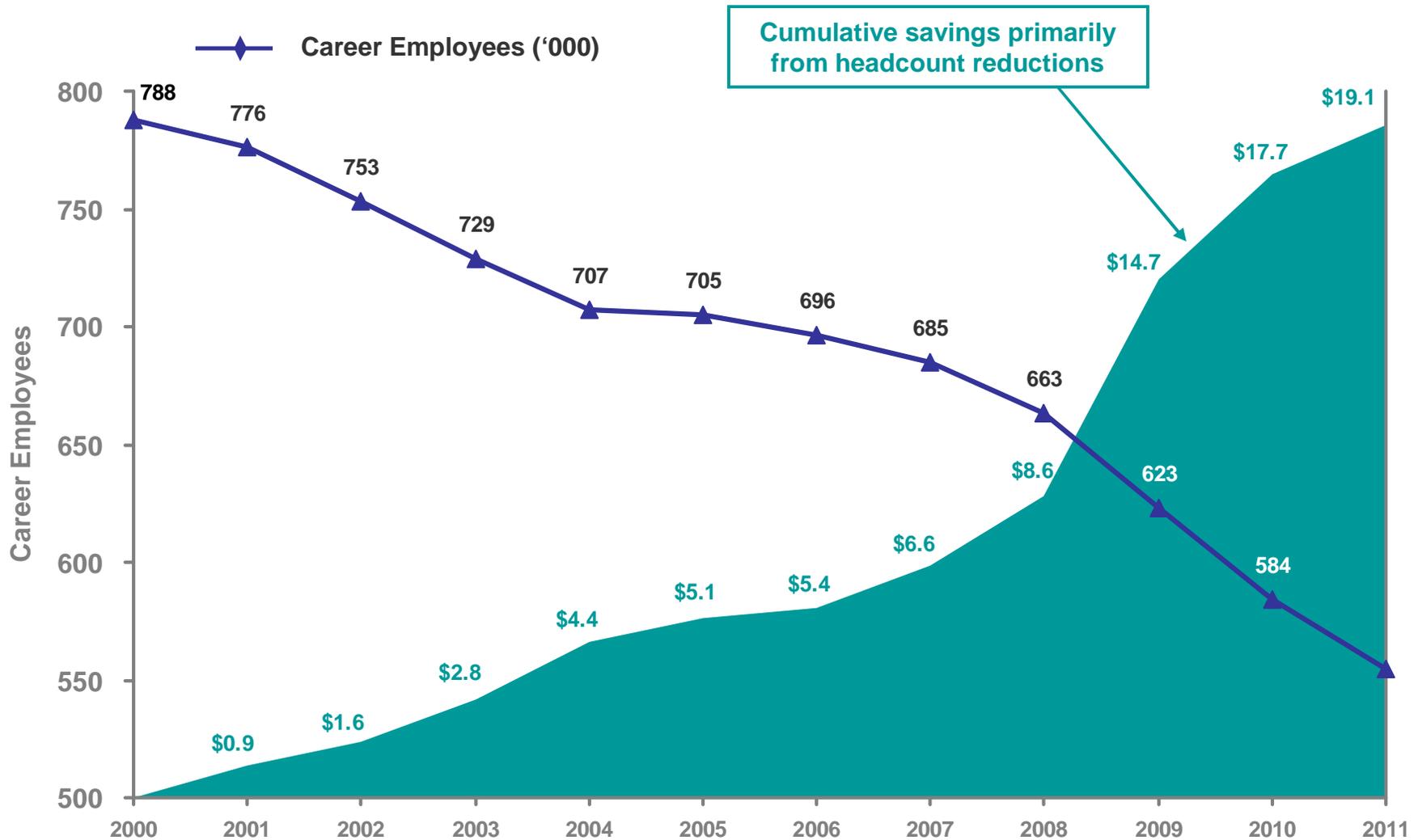


USPS Quarter 3, FY 2011 Financials & a Look-Ahead

**Mailers' Technical Advisory
Committee
August 17, 2011**



We Have Performed and Will Succeed!! Cumulative Savings vs. Workhours and Complement

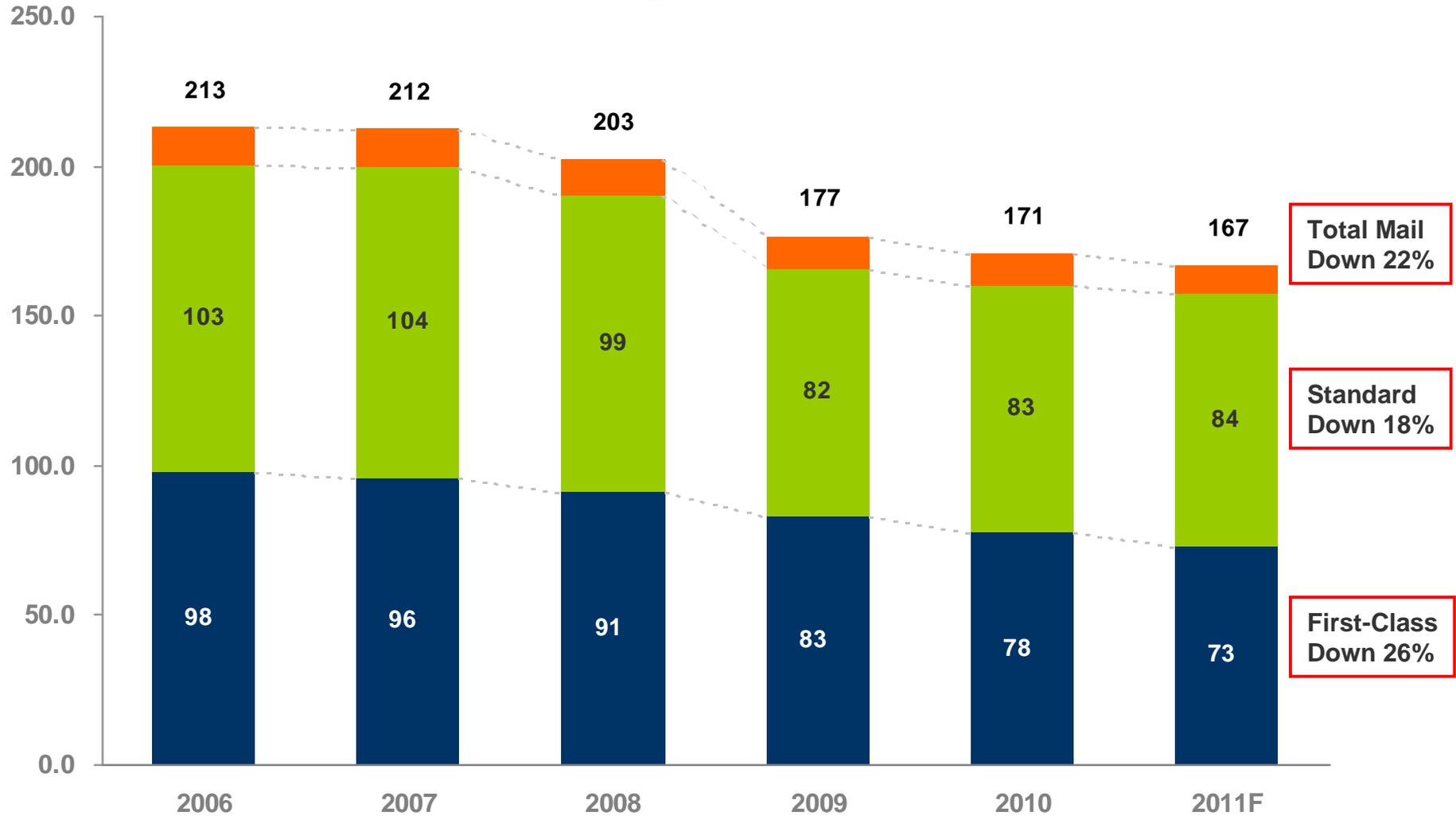




USPS Mail Volume

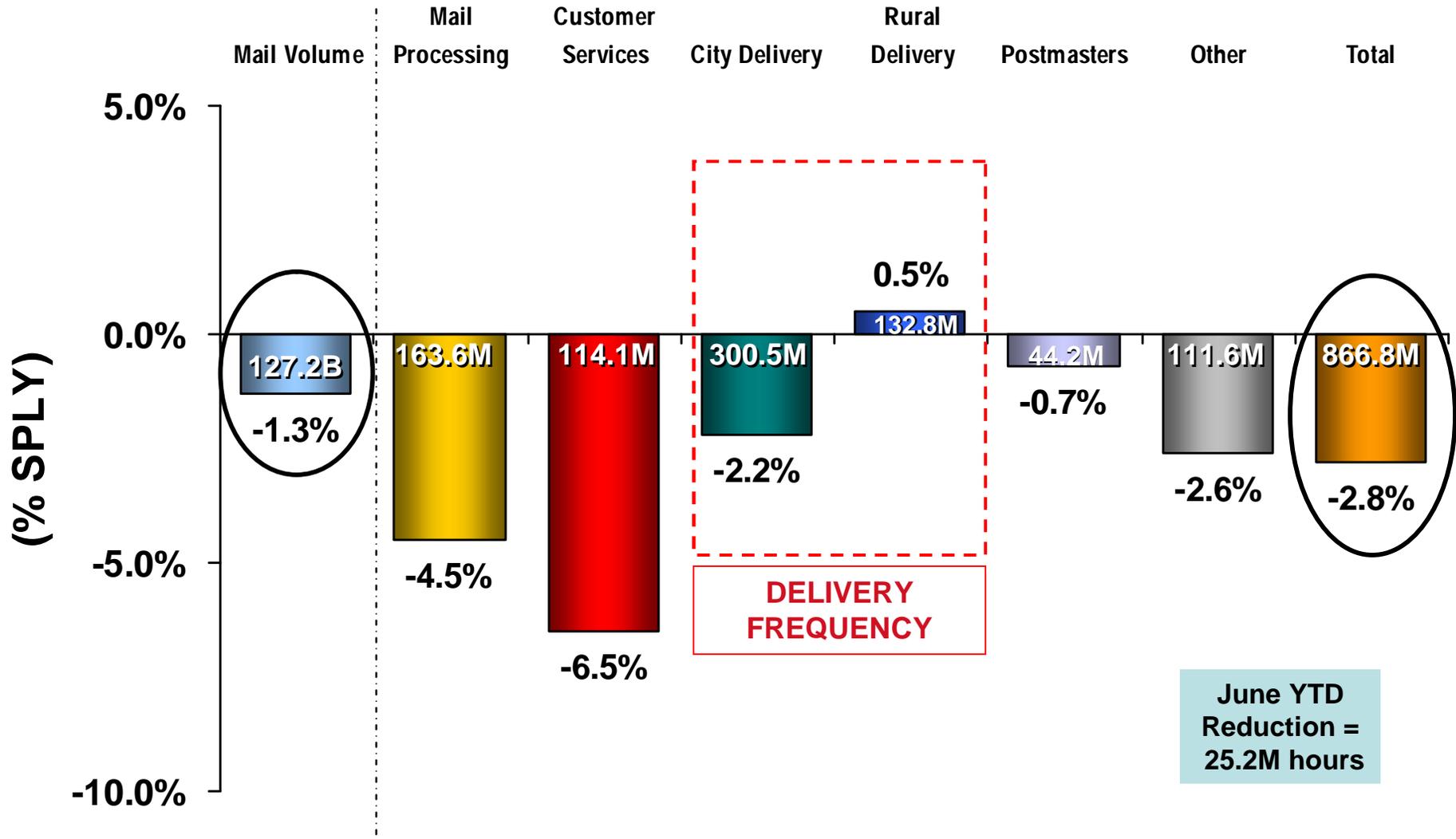
Billion Pieces

■ First-Class Mail ■ Standard Mail ■ Other





Workhour and Volume Changes June YTD – FY 2011





June YTD Financial Results

June YTD (Billions)	FY 2011	FY 2010
Revenue	\$49.9	\$51.1
Expenses	50.9	50.6
Operating Income (Loss)*	(1.0)	0.5
Retiree Hlth. Benefits Pre-Funding	(4.1)	(4.1)
Workers Comp Discount Rate Adj	0.7	(1.5)
Workers Comp Claims, Adj & Contingency	(1.3)	(0.3)
Net Income (Loss)	(\$5.7)	(\$5.4)
Volume (Pieces)	127.2	128.8

* Before RHB Pre-Funding, Non-Cash Adjustments to Workers' Compensation & Contingency



June YTD Financial Results

June YTD (Billions)	FY 2011	FY 2010
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Expenses	<u>50.9</u>	<u>50.6</u>
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June YTD Revenue

June YTD (Billions)	FY 2011	FY 2010
First Class Mail *	\$ 24.4	\$ 26.3
Standard Mail	13.4	13.0
Periodicals Mail	1.4	1.4
Packages Services	1.2	1.2
Other Mailing Services *	2.6	2.8
Total Mailing Services	\$ 43.0	\$ 44.7
Total Shipping Services *	\$ 6.9	\$ 6.4
Total Revenue	\$ 49.9	\$ 51.1

* Minor reclassification pending PRC approval



June YTD Expenses

June YTD (Billions)	FY 2011	FY 2010
Compensation	\$27.7	\$28.3
Benefits	11.3	10.9
Transportation	4.8	4.4
Depreciation	1.7	1.8
Supplies & Services	1.7	1.7
Rent, Utilities & Other	3.7	3.5
Operating Expenses *	\$50.9	\$50.6

* Before RHB Pre-Funding & Non-Cash Adjustments to Workers' Compensation Liabilities



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