



End-of-Year Financial Briefing

November 15, 2011

Joe Corbett
Chief Financial Officer & Executive Vice President



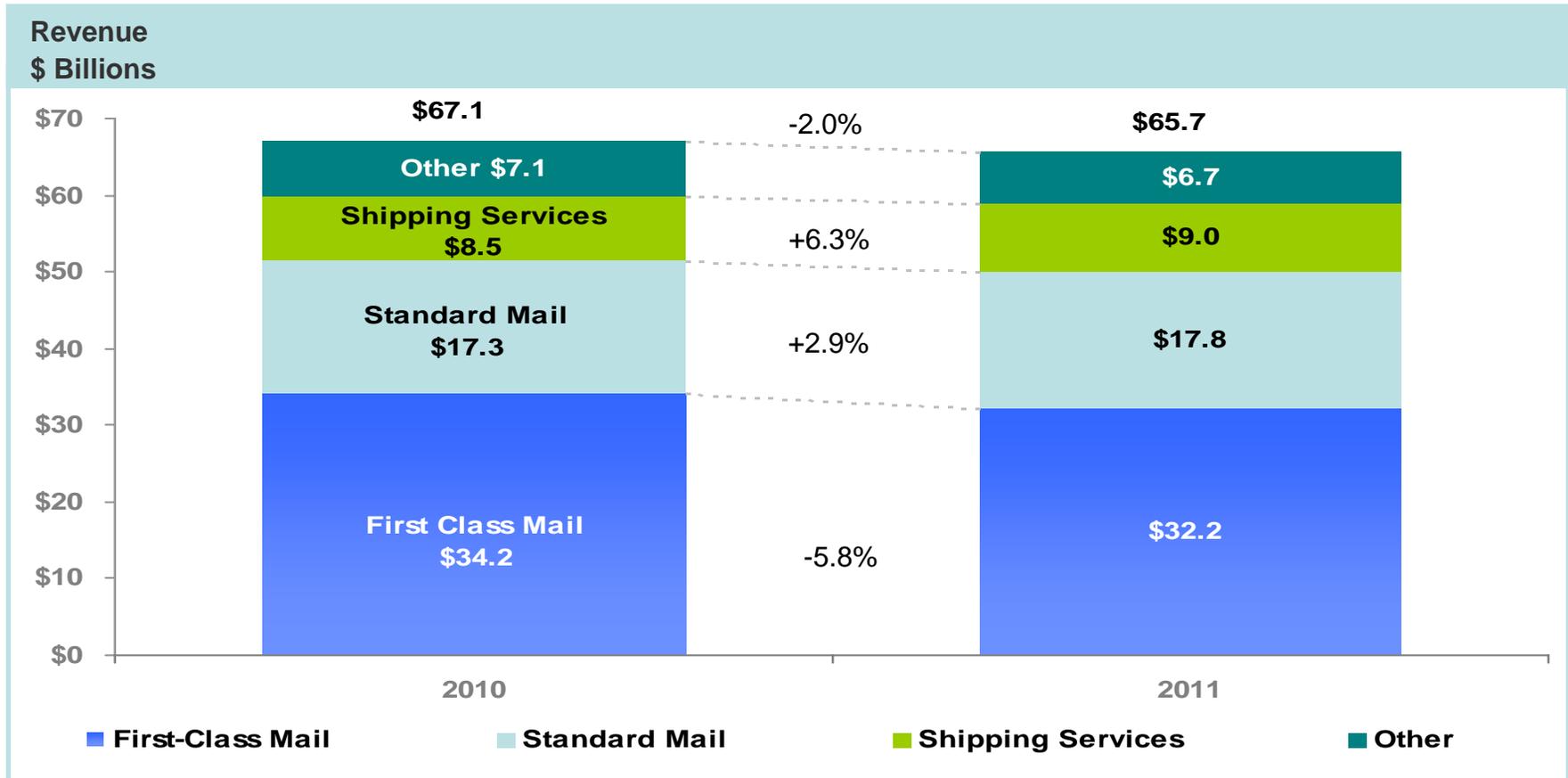
Financial Results

September YTD (Billions)	FY 2011	FY 2010
Revenue	\$65.7	\$67.1
Expenses	67.9	67.7
Operating Income (Loss)*	(2.2)	(0.6)
Retiree Hlth. Benefits Pre-Funding	-	(5.5)
Workers Comp: Fair Value Adj.	(1.0)	(2.0)
Workers Comp Claims, Adj. & Contingency	(1.9)	(0.4)
Net Income (Loss)	(\$5.1)	(\$8.5)
Volume (Pieces)	167.9	170.9

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



Revenue FY2010 – FY2011



Financial Results

September YTD (Billions)	FY 2011	FY 2010
Revenue	\$65.7	\$67.1
Expenses	<u>67.9</u>	<u>67.7</u>
Operating Income (Loss)*	(2.2)	(0.6)
Retiree Hlth. Benefits Pre-Funding	-	(5.5)
Workers Comp: Fair Value Adj.	(1.0)	(2.0)
Workers Comp Claims, Adj. & Contingency	<u>(1.9)</u>	<u>(0.4)</u>
Net Income (Loss)	<u>(\$5.1)</u>	<u>(\$8.5)</u>
Volume (Pieces)	167.9	170.9

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



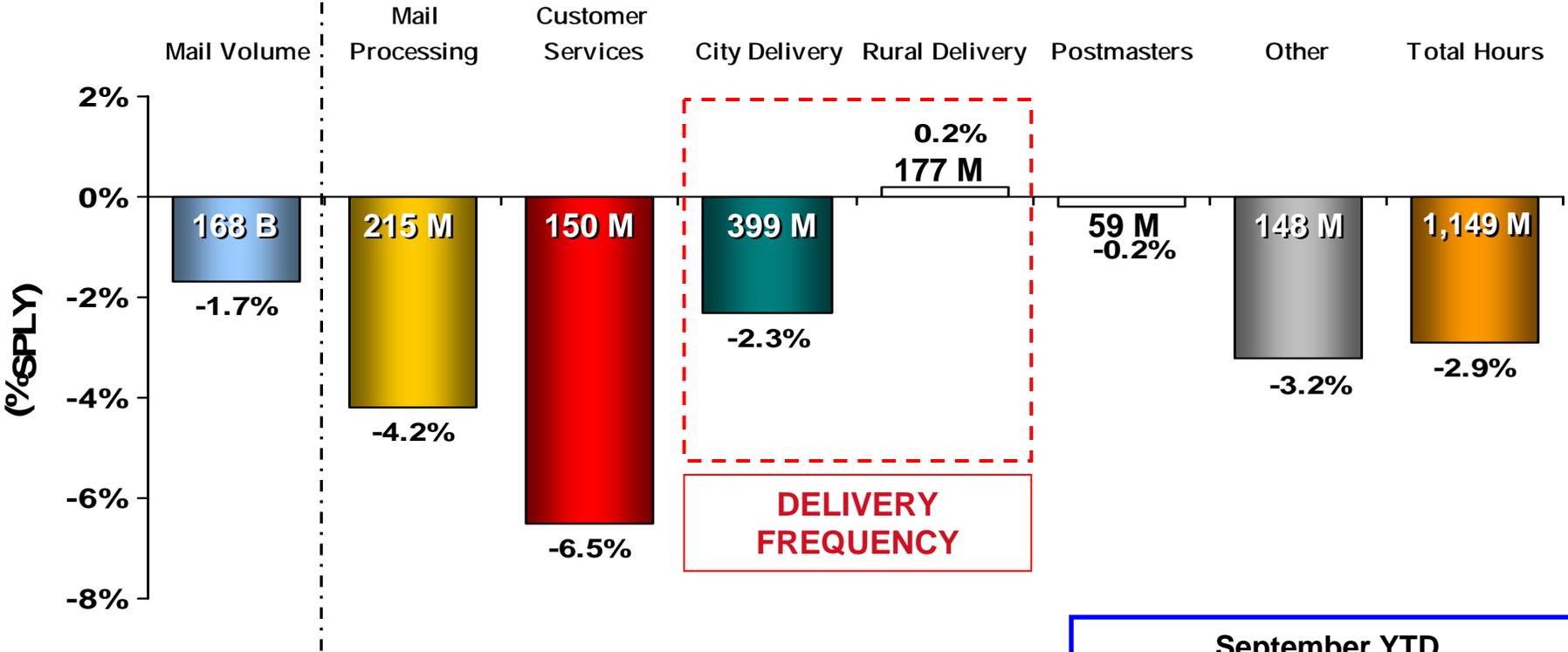
Operating Expenses

September YTD (Billions)	FY 2011	FY 2010
Compensation	\$36.8	\$37.5
Benefits	15.2	14.7
Transportation	6.4	5.9
Depreciation	2.3	2.5
Supplies & Services	2.3	2.2
Rent, Utilities & Other	4.9	4.9
Operating Expenses *	\$67.9	\$67.7

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



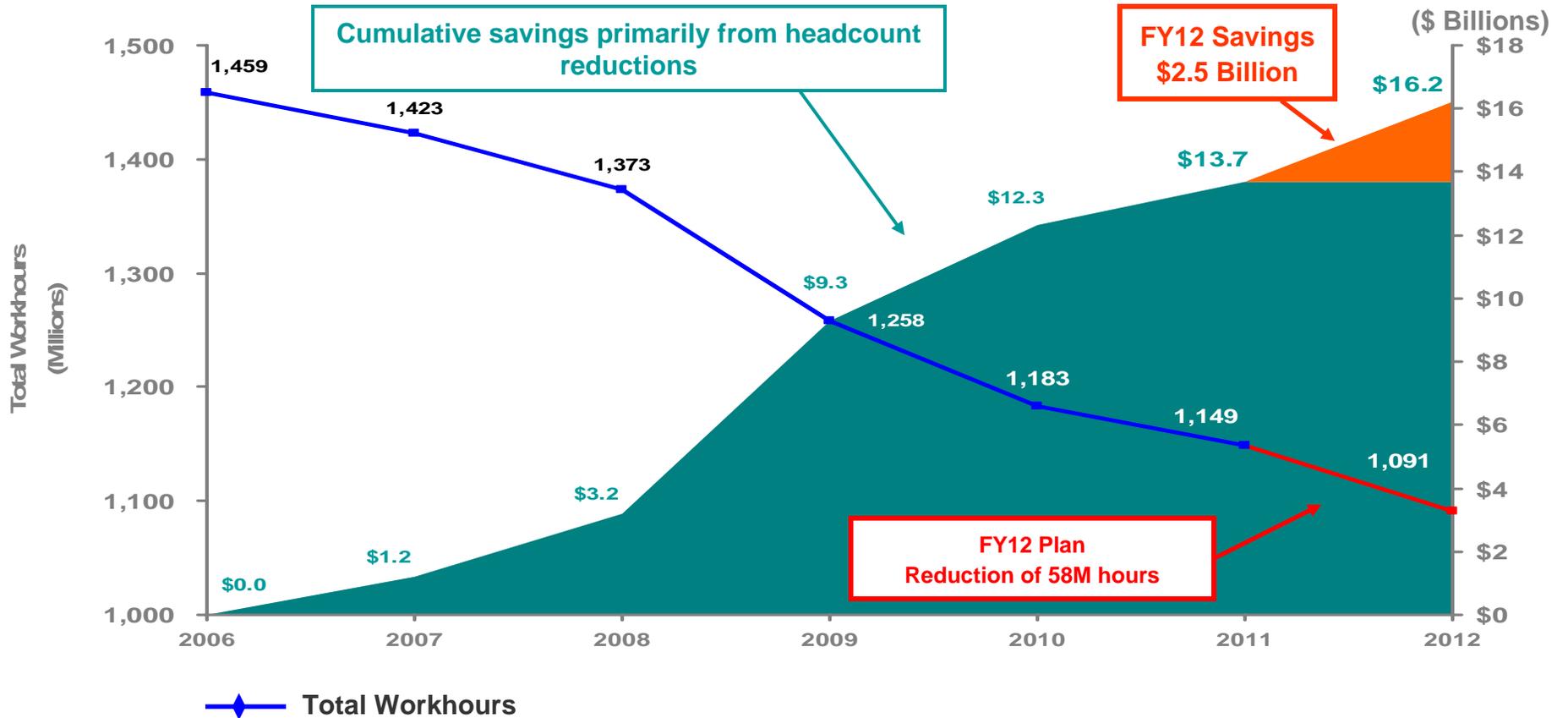
Workhour Changes September YTD – FY 2011



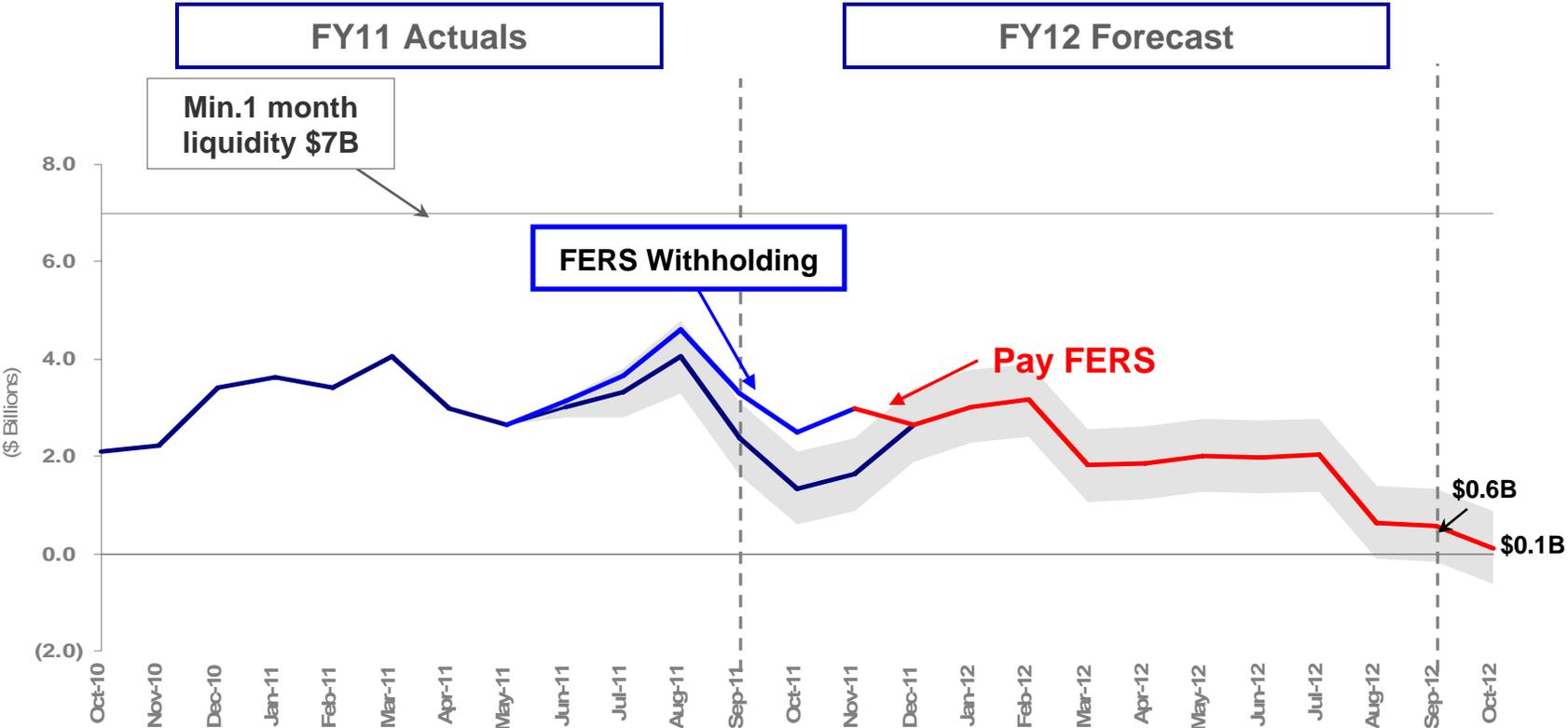
**September YTD
Reduction to SPLY = 34.1M hrs**



Cumulative Savings vs. Workhours



Available Liquidity at Month-End FERS Impacts



Assumes: No RHB pre-funding in 2011 or 2012
Pay FERS amounts withheld and resume contributions in December



Q & A

Additional questions can be emailed to:

Susan.Mcgowan@usps.gov

David.A.Partenheimer@usps.gov

