

# **Financial Results**

## **Quarter 3 of Fiscal Year 2013**

**August 12, 2013**



# Financial Results

<b>Quarter 3 (3 Months)</b>	<b>FY</b>	<b>FY</b>
<b>(Billions)</b>	<b>2013</b>	<b>2012</b>
<b>Revenue</b>	<b>\$16.2</b>	<b>\$15.6</b>
<b>Expenses *</b>	<b>16.3</b>	<b>16.6</b>
<b>Separation Incentive Costs</b>	<b>-</b>	<b>-</b>
<b>Operating Income (Loss)*</b>	<b>(0.1)</b>	<b>(1.0)</b>
<b>Retiree Health Benefits Pre-Funding</b>	<b>(1.4)</b>	<b>(3.0)</b>
<b>Workers' Comp. Fair Value Adj.</b>	<b>0.9</b>	<b>(0.9)</b>
<b>Workers' Comp. Other Non-Cash Adj.</b>	<b>(0.1)</b>	<b>(0.3)</b>
<b>Net Income (Loss)</b>	<b><u>(\$0.7)</u></b>	<b><u>(\$5.2)</u></b>
<b>Volume (pieces)</b>	<b>37.9</b>	<b>38.3</b>

\* Before RHB pre-funding and non-cash adjustments to workers' compensation liabilities.



# Financial Results

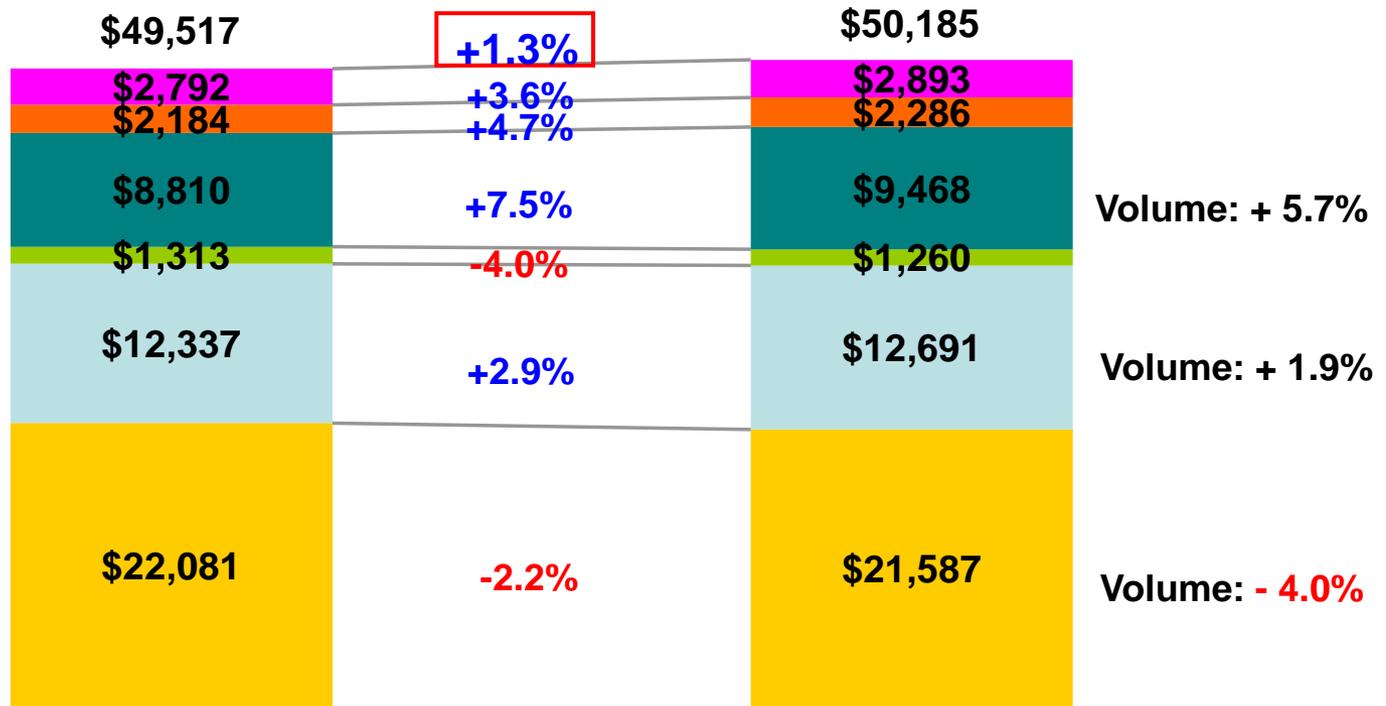
<b>Quarter 3 YTD (9 Months)</b>	<b>FY</b>	<b>FY</b>
<b>(Billions)</b>	<b>2013</b>	<b>2012</b>
<b>Revenue</b>	<b>\$50.2</b>	<b>\$49.5</b>
<b>Expenses *</b>	<b>50.3</b>	<b>50.7</b>
Separation Incentive Costs	<u>0.3</u>	<u>-</u>
<b>Operating Income (Loss)*</b>	<b>(0.4)</b>	<b>(1.2)</b>
Retiree Health Benefits Pre-Funding	(4.2)	(9.1)
Workers' Comp. Fair Value Adj.	1.4	(0.4)
Workers' Comp. Other Non-Cash Adj.	<u>(0.7)</u>	<u>(0.9)</u>
<b>Net Income (Loss)</b>	<b><u>(\$3.9)</u></b>	<b><u>(\$11.6)</u></b>
<b>Liquidity Days (of Oper. Cash)</b>	<b>11</b>	<b>11</b>
<b>Volume (pieces)</b>	<b>120.2</b>	<b>121.2</b>

\* Before RHB pre-funding and non-cash adjustments to workers' compensation liabilities.



# Revenue FY12 Q3 YTD vs. FY13 Q3 YTD

\$ Millions



**FY12 Q3 YTD**

**FY13 Q3 YTD**

■ First-Class 
 ■ Standard 
 ■ Periodicals 
 ■ Ship Svcs & Pkgs 
 ■ International 
 ■ Other



# Financial Results

<b>Quarter 3 YTD - 9 Months</b>	<b>FY</b>	<b>FY</b>
<b>(Billions)</b>	<b>2013</b>	<b>2012</b>
<b>Revenue</b>	<b>\$50.2</b>	<b>\$49.5</b>
<b>Expenses *</b>	<b>50.3</b>	<b>50.7</b>
Separation Incentive Costs	<u>0.3</u>	<u>-</u>
<b>Operating Income (Loss)*</b>	<b>(0.4)</b>	<b>(1.2)</b>
Retiree Health Benefits Pre-Funding	(4.2)	(9.1)
Workers' Comp. Fair Value Adj.	1.4	(0.4)
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# Financial Results

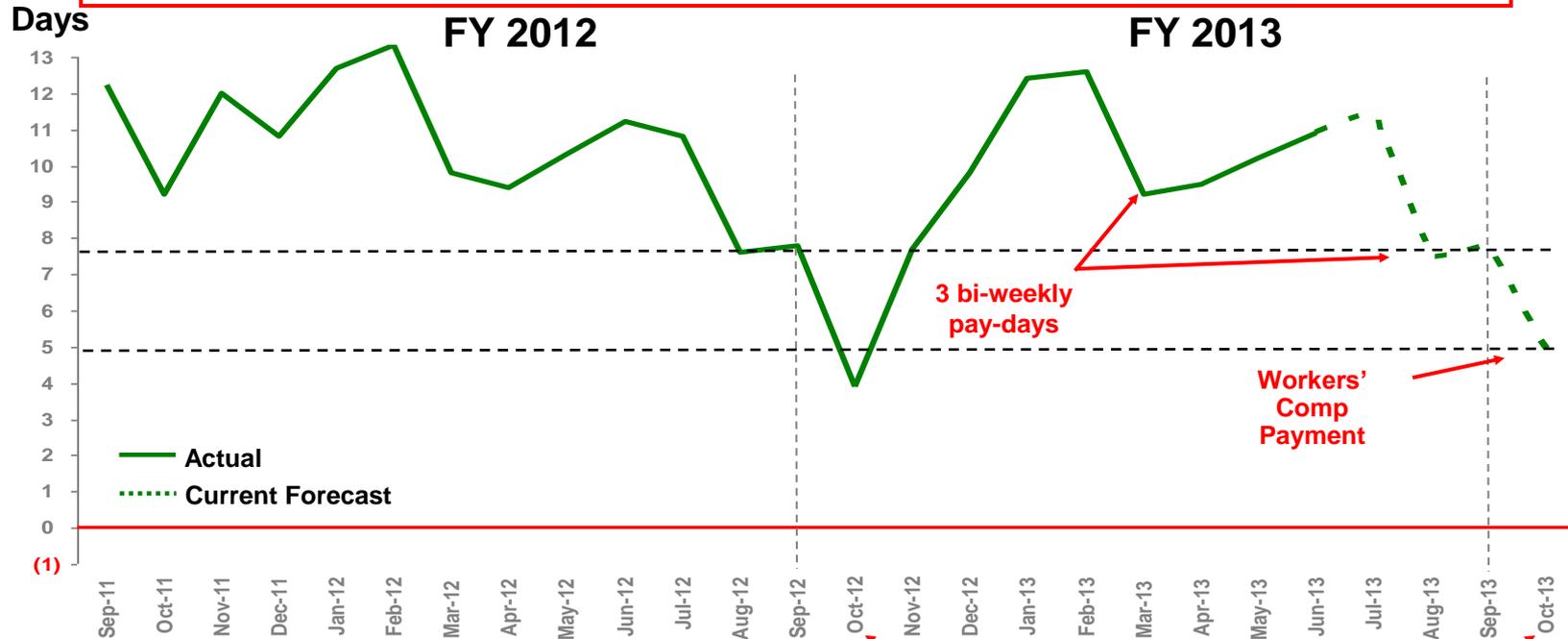
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<b>(Billions)</b>	<b>2013</b>	<b>2012</b>
<b>Revenue</b>	<b>\$50.2</b>	<b>\$49.5</b>
<b>Expenses *</b>	<b>50.3</b>	<b>50.7</b>
<b>Separation Incentive Costs</b>	<b>0.3</b>	<b>-</b>
<b>Operating Income (Loss)*</b>	<b>(0.4)</b>	<b>(1.2)</b>
<b>Retiree Health Benefits Pre-Funding</b>	<b>(4.2)</b>	<b>(9.1)</b>
<b>Workers' Comp. Fair Value Adj.</b>	<b>1.4</b>	<b>(0.4)</b>
<b>Workers' Comp. Other Non-Cash Adj.</b>	<b>(0.7)</b>	<b>(0.9)</b>
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# 2012 & 2013 Liquidity Days of Operating Cash on Hand

No Retiree Health Benefits Pre-Funding included (\$11.1B in 2012 and \$5.6 B in 2013)



- Liquidity includes unrestricted cash plus available borrowing, up to \$15B limit
- Days of Operating Cash – based on average operating costs disbursed per day ~\$265M

Mid-October Balances shown - Low points after annual Workers' Compensation payments to DOL



Complete Financial results are in the Form 10-Q:

<http://about.usps.com/who-we-are/financials/welcome.htm>.

# Q & A

Additional questions can be emailed to:

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