

Financial Results

Fiscal Year 2013

November 15, 2013



Financial Results

September YTD - 12 months (Billions)	FY 2013	FY 2012
Revenue (excl. accounting est. change)	\$66.0	\$65.2
Expenses*	66.7	67.5
Separation Incentive Costs	0.3	0.1
Operating Income (Loss)**	(1.0)	(2.4)
Changes in Accounting Estimate***	1.3	-
Retiree Health Benefits Pre-Funding	(5.6)	(11.1)
Workers' Comp. Fair Value Adj.	1.7	(0.4)
Workers' Comp. Other Non-Cash Adj.	(1.4)	(2.0)
Net Income (Loss)	(\$5.0)	(\$15.9)
Liquidity Days (of oper. cash)	9	8
Volume (Pieces)	158	160

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

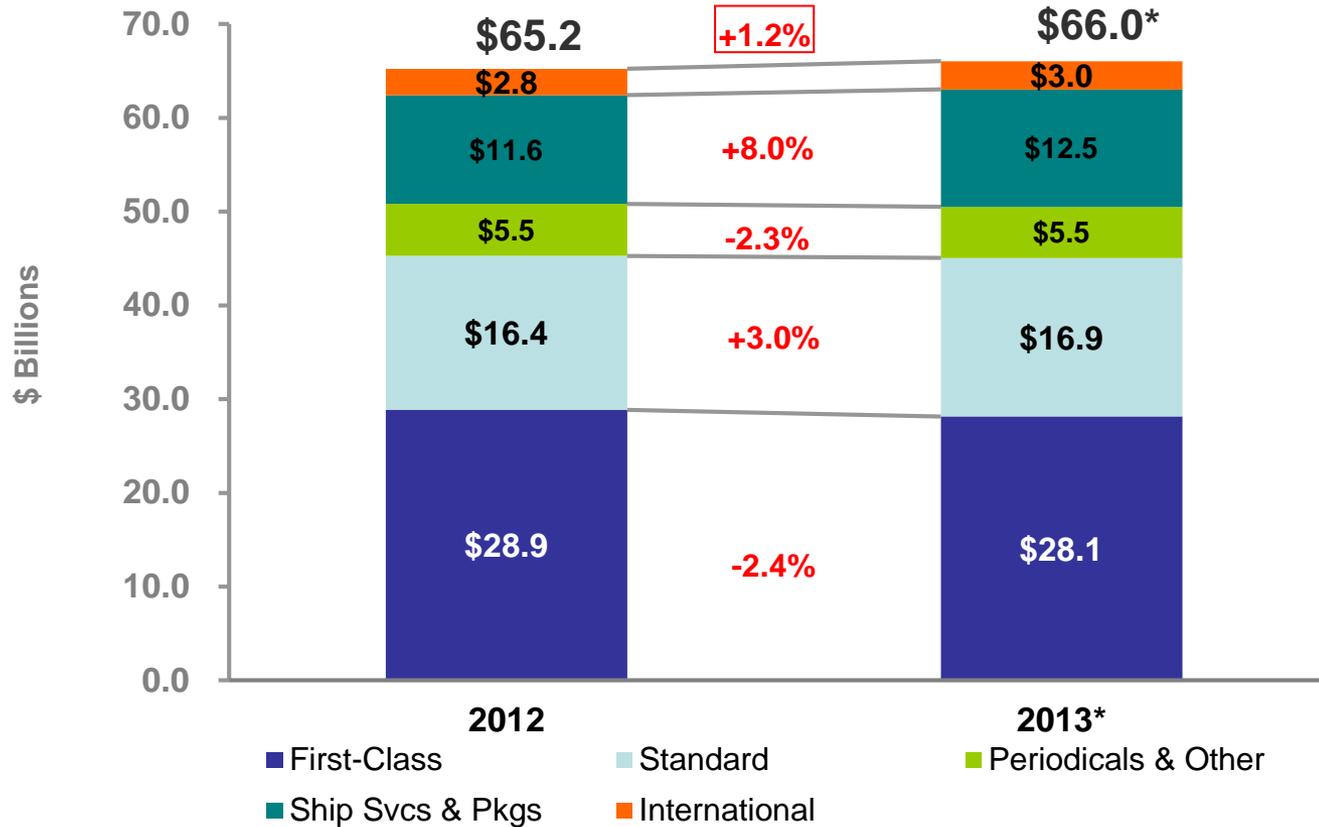
** Before accounting estimate change, RHB pre-funding, and non-cash adjustments to workers' compensation liabilities.

*** Newly available data on forever stamp usage resulted in a \$1.3B reduction in Deferred Revenue – Prepaid Postage.

Note: Delivery days were equal to FY2012. Retail had one additional weekday in FY2013 vs. FY2012.



Operating Revenue 2012-2013



* Excludes \$1.3B impact of change in accounting estimate for Deferred Revenue-Prepaid



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Operating Expenses

September YTD - 12 months (Billions)	FY 2013	FY 2012
Compensation	\$ 35.3	\$ 36.1
Benefits	15.3	15.4
Transportation	6.7	6.6
Depreciation	1.9	2.1
Supplies & Services	2.4	2.3
Rent & Utilities	1.6	1.6
Vehicle/Maint., Interest & Other	3.5	3.4
Operating Expenses*	\$ 66.7	\$ 67.5
Workhours (millions)	1,110	1,122

* Excludes RHB pre-funding, non-cash adjustments to workers' compensation liabilities, and separation incentive costs.

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A Deep Financial Hole

September 2013

- Liabilities exceed assets by approx. \$40 billion
- The USPS has only 35 cents of assets to cover each dollar of its liabilities

ASSETS		LIABILITIES	
Unrestricted Cash	\$ 2.3B	Retiree Health Benefits	\$16.8B
Buildings & Equipment, net of depreciation	\$17.5B	Workers' Compensation	\$17.2B
Other assets	\$ 1.8B	Debt	\$15.0B
		Accrued Compensation, benefits, and leave	\$ 3.5B
		Deferred Revenue*	\$ 3.6B
		Other	\$ 5.4B
Total Assets	\$21.6B	Total Liabilities	\$61.5B

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- Significant profits over years and legislation are needed to recover.



Questions ?

**Please Press *1 On Your
Telephone Keypad**



Complete Financial results are in the Form 10-K:
<http://about.usps.com/who-we-are/financials/welcome.htm>

Additional questions can be emailed to:
Patricia.Licata@usps.gov

