



Financial Results

Quarter 3 of Fiscal Year 2015

Media Call
August 10, 2015



A Deep Financial Hole

June 30, 2015

- Liabilities exceed assets by approximately \$48 billion
- The USPS has only 34 cents of assets to cover each dollar of its liabilities.

ASSETS		LIABILITIES	
Unrestricted Cash	\$ 7.1B	Retiree Health Benefits	\$26.7B
Buildings & Equipment, net of depreciation	\$15.9B	Workers' Compensation	\$17.9B
Other Assets	\$ 1.7B	Debt	\$15.0B
		Accrued Compensation, benefits, and leave	\$ 4.5B
		Deferred Revenue	\$ 3.2B
		Other	\$ 5.5B
Total Assets	\$24.7B	Total Liabilities ¹	\$72.8B

¹ Under multi-employer accounting rules, there are approximately \$42B in obligations not shown on the balance sheet.

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



Financial Results

Quarter 3 (3 Months) (Billions)	FY 2015	FY 2014
Revenue ¹	\$16.6	\$16.5
Expenses ^{1, 2}	16.8	16.5
Controllable Income (Loss) ^{1, 2}	(0.2)	-
Retiree Health Benefits Pre-Funding	(1.4)	(1.4)
Workers' Comp. Fair Value Adj.	0.9	(0.4)
Workers' Comp. Other Non-Cash Adj.	0.1	(0.2)
Net Income (Loss) ¹	(\$0.6)	(\$2.0)
Volume (pieces)	36.8	37.5

1 - Retail revenue days and delivery days were even compared to SPLY.

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



Financial Results

June YTD (9 Months)	FY	FY
(Billions)	2015	2014
Revenue ¹	\$52.3	\$51.2
Expenses ^{1, 2}	51.1	50.2
Controllable Income (Loss) ^{1, 2}	1.2	1.0
Retiree Health Benefits Pre-Funding	(4.3)	(4.3)
Workers' Comp. Fair Value Adj.	(0.2)	(0.4)
Workers' Comp. Other Non-Cash Adj.	0.5	(0.5)
Net Income (Loss) ¹	(\$2.8)	(\$4.2)
Liquidity Days (of oper. cash)	26	19
Volume (Pieces)	117	118

1 - Retail revenue days and delivery days were even compared to SPLY.

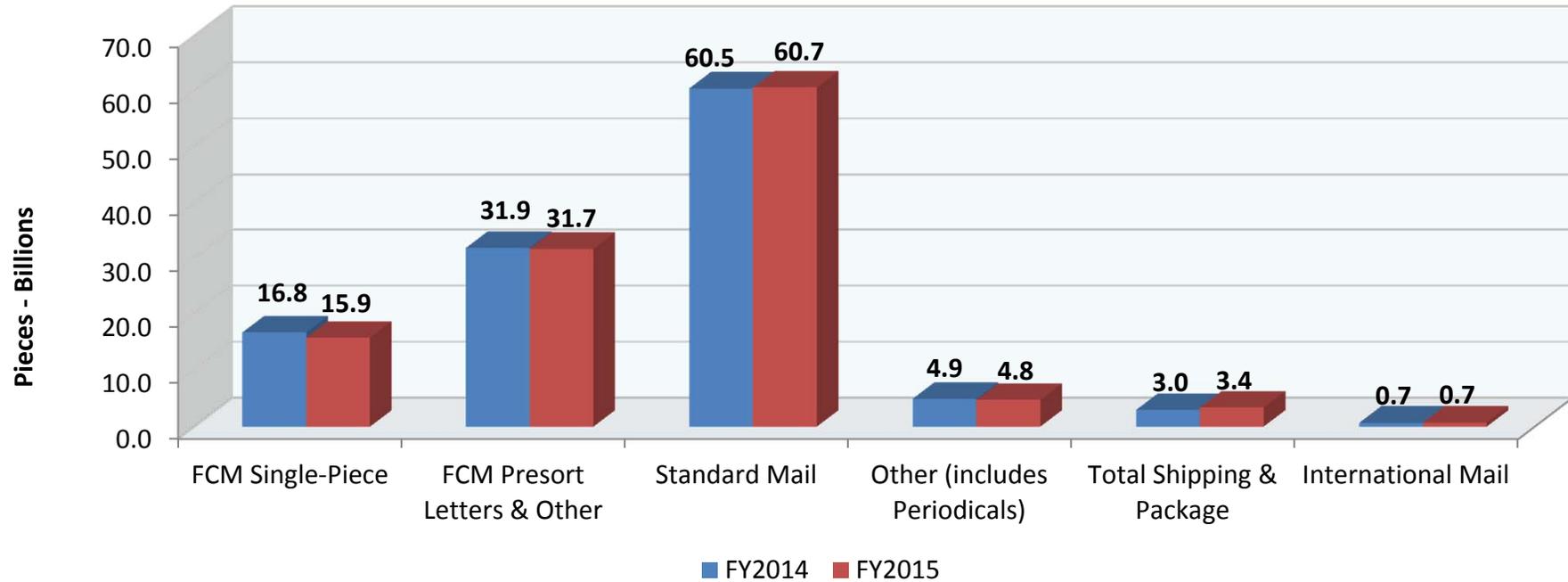
2 - Before RHB pre-funding and non-cash adjustments to workers' compensation liabilities.



Volume: June YTD FY2015 vs. SPLY

FY2014
117.8

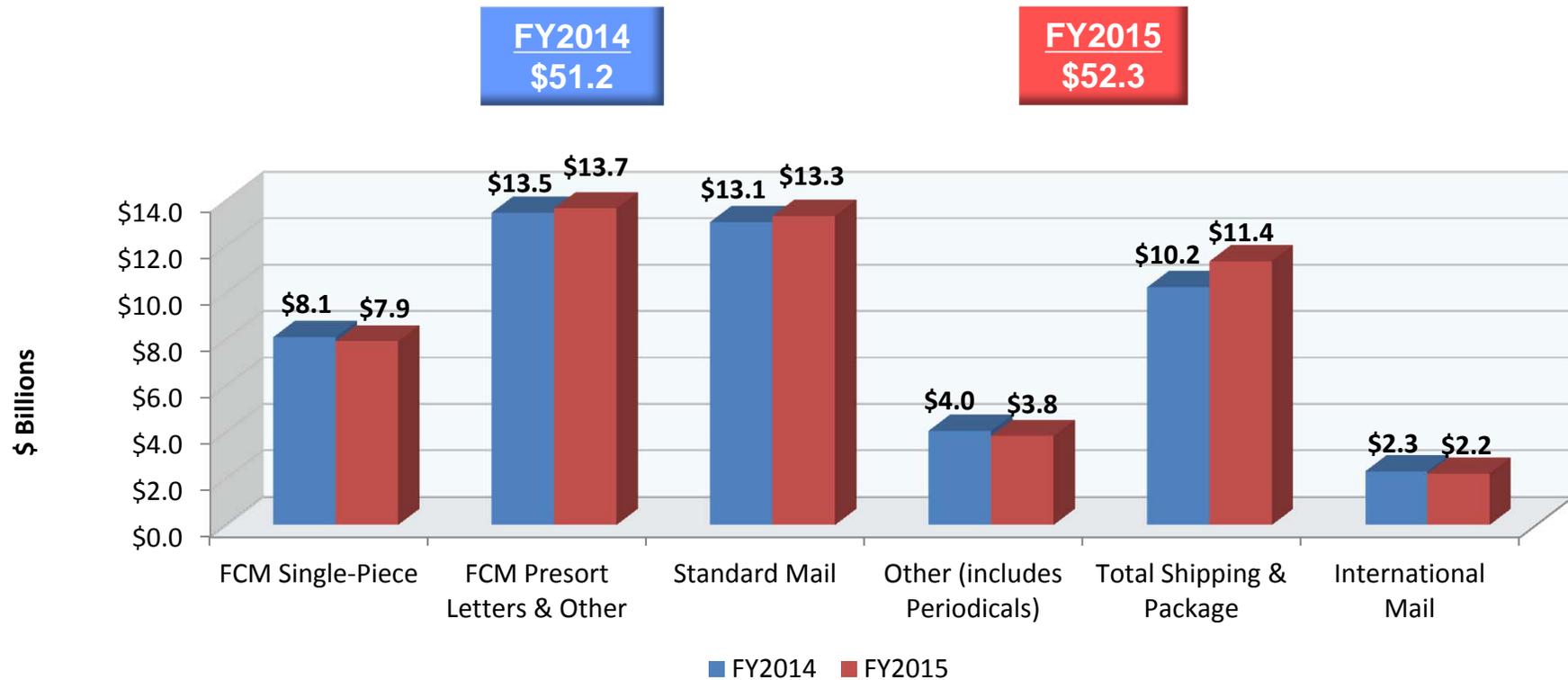
FY2015
117.2



➤ June YTD FY2015 has the same number of weekdays, Saturdays, & Sundays as compared to YTD FY2014



Revenue: June YTD FY2015 vs. SPLY



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Controllable Expenses

June YTD (9 Months) (Billions)	FY 2015	FY 2014
Compensation & Benefits^{1,2}	\$39.1	\$37.9
Transportation	5.0	5.0
Depreciation	1.3	1.4
Supplies & Services	2.0	1.9
Rent, Utilities & Other	3.7	4.0
Controllable Expenses^{1,2}	\$51.1	\$50.2
Workhours (Millions)	849	834

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Questions ?

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



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

Additional questions can be emailed to:
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