

Financial Results

Quarter 1 of Fiscal Year 2016

Media Call
February 9, 2016



Financial Results: December YTD (3 Months)

(Billions)	FY 2016	FY 2015
Revenue (Excluding Temporary Exigent Surcharge)	\$ 18.8	\$ 18.2
Temporary Exigent Surcharge ¹	<u>0.6</u>	<u>0.6</u>
Total Revenue	19.4	18.8
Controllable Expenses ²	<u>18.1</u>	<u>17.7</u>
Controllable Income (Loss) ²	1.3	1.1
Retiree Health Benefits Pre-Funding	(1.4)	(1.4)
FERS Unfunded Liability Amortization	(0.1)	-
Workers' Comp. Fair Value Adj.	0.4	(0.8)
Workers' Comp. Other Non-Cash Adj.	<u>0.1</u>	<u>0.3</u>
Net Income (Loss)	<u>\$ 0.3</u>	<u>\$ (0.8)</u>

1 - Estimated.

2 - Before RHB pre-funding, FERS unfunded liability amortization, and non-cash adjustments to workers' compensation liabilities.



Volume: FY2016 Q1 vs. FY2015 Q1

FY2015
42.7B

↓ 0.8B

FY2016
41.9B

FCM Single-Piece



(3.4)%



FCM Presort Letters & Other



(1.5)%



Standard Mail



(3.0)%



Other (incl. Periodicals)



(1.3)%



Total Shipping & Package



16.3%



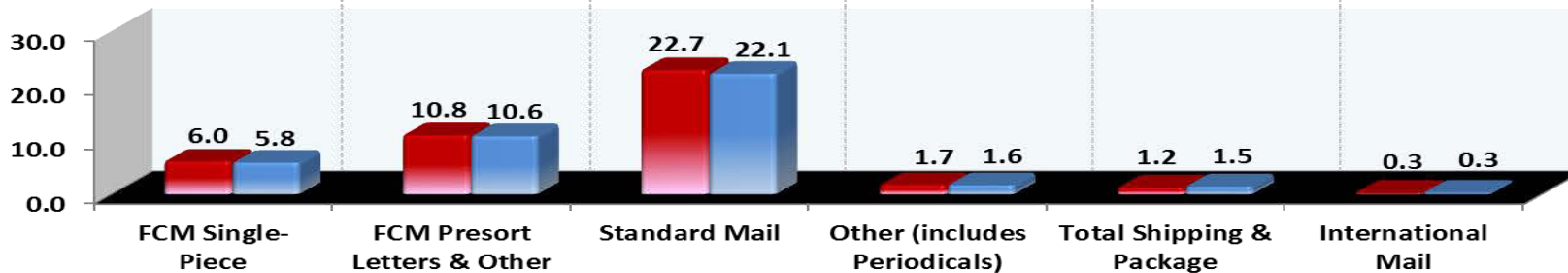
International Mail



10.4%



Pieces - Billions



FY2016 Q1 has the same number of weekdays, Saturdays, & Sundays as compared to FY2015.

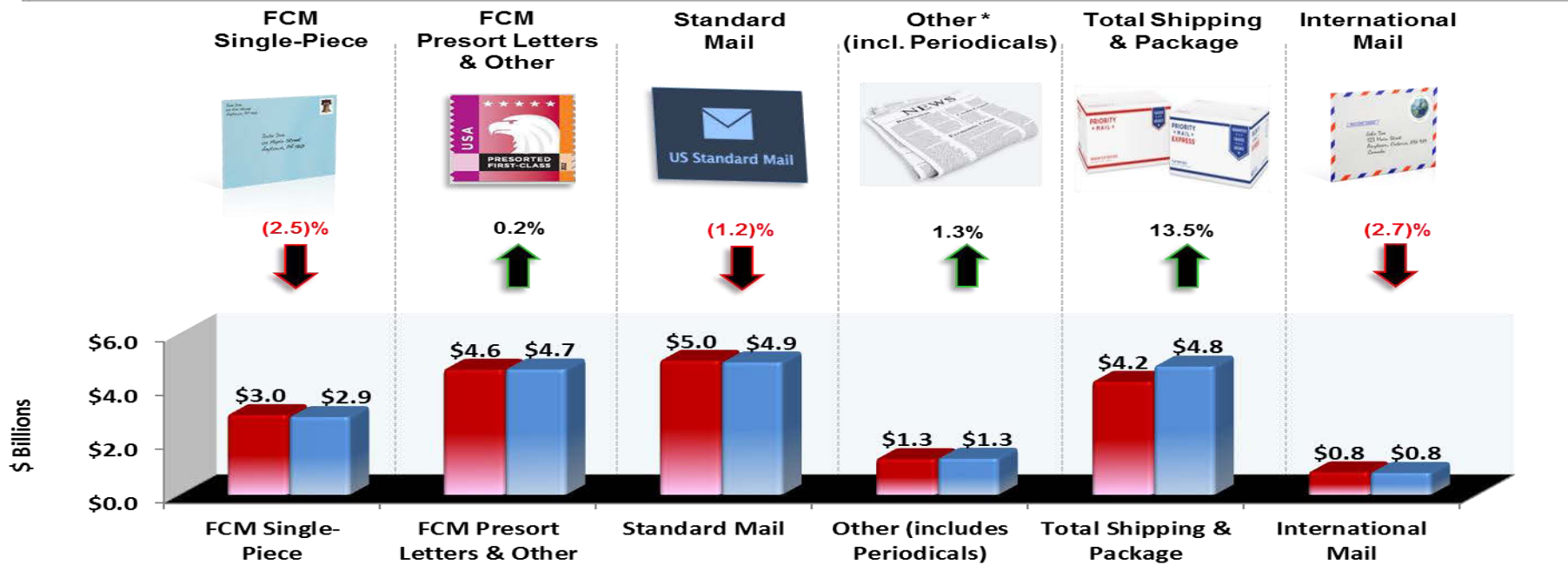


Revenue including Exigent Surcharge: FY2016 Q1 vs. FY2015 Q1

FY2015
\$18.8B

↑ \$0.6B

FY2016
\$19.4B



FY2016 Q1 has the same number of weekdays, Saturdays, & Sundays as compared to FY2015.

* FY2015 excludes a one time non-reoccurring accounting adjustment



Controllable Expenses

December YTD (3 Months) (Billions)	FY 2016	FY 2015
Compensation & Benefits ^{1,2}	\$13.8	\$13.5
Transportation	1.9	1.8
Depreciation	0.4	0.4
Supplies & Services	0.7	0.7
Rent, Utilities & Other	<u>1.3</u>	<u>1.3</u>
Controllable Expenses	\$18.1	\$17.7
Workhours (Millions) ^{1,2}	301	293

1 - Delivery days were even compared to SPLY.

2 - Before RHB pre-funding, FERS unfunded liability amortization, and non-cash adjustments to workers' compensation liabilities.

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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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