

Financial Results

September 2018

September YTD (12 Months) (Billions)	FY 2018	FY 2017
Total Revenue ¹	\$ 70.8	\$ 69.7
Controllable Expenses ^{1, 2}	<u>72.8</u>	<u>70.5</u>
Controllable Income (Loss) ^{1, 2}	(2.0)	(0.8)
RHB Normal Cost Actuarial Revaluation & Amortization ^{3, 4}	(0.9)	(1.5)
Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.	1.4	2.2
FERS Unfunded Liability Amortization ³	(1.0)	(0.9)
CSRS Unfunded Liability Amortization ³	<u>(1.4)</u>	<u>(1.7)</u>
Net Income (Loss) ¹	<u>\$ (3.9)</u>	<u>\$ (2.7)</u>

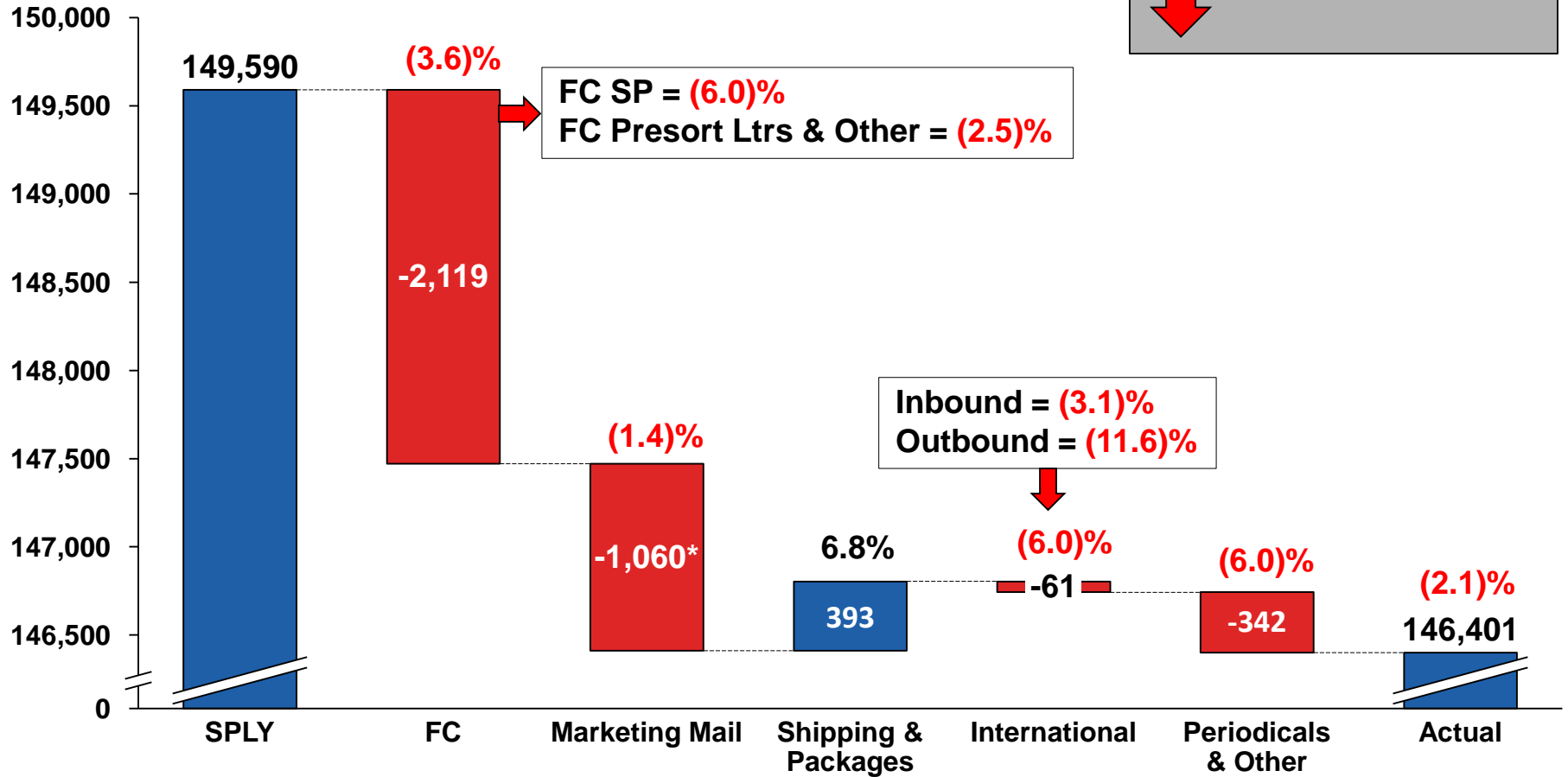
1 - September YTD has the one less delivery day and 0.5 more retail day as compared to SPLY.

2 - Before Retiree Health Benefits (RHB) amortization and actuarial changes to RHB normal cost, Federal Employee Retirement System (FERS) and Civil Service Retirement System (CSRS) unfunded liability amortization, and non-cash adjustments to workers' compensation liabilities.

3 - This represents the OPM amortization expense related to the FERS, CSRS, and Postal Service RHB Fund liabilities. These are based on the invoices from OPM.

4 - Includes effect of estimated \$0.2B annual increase in RHB normal cost due to estimated changes to discount rate.

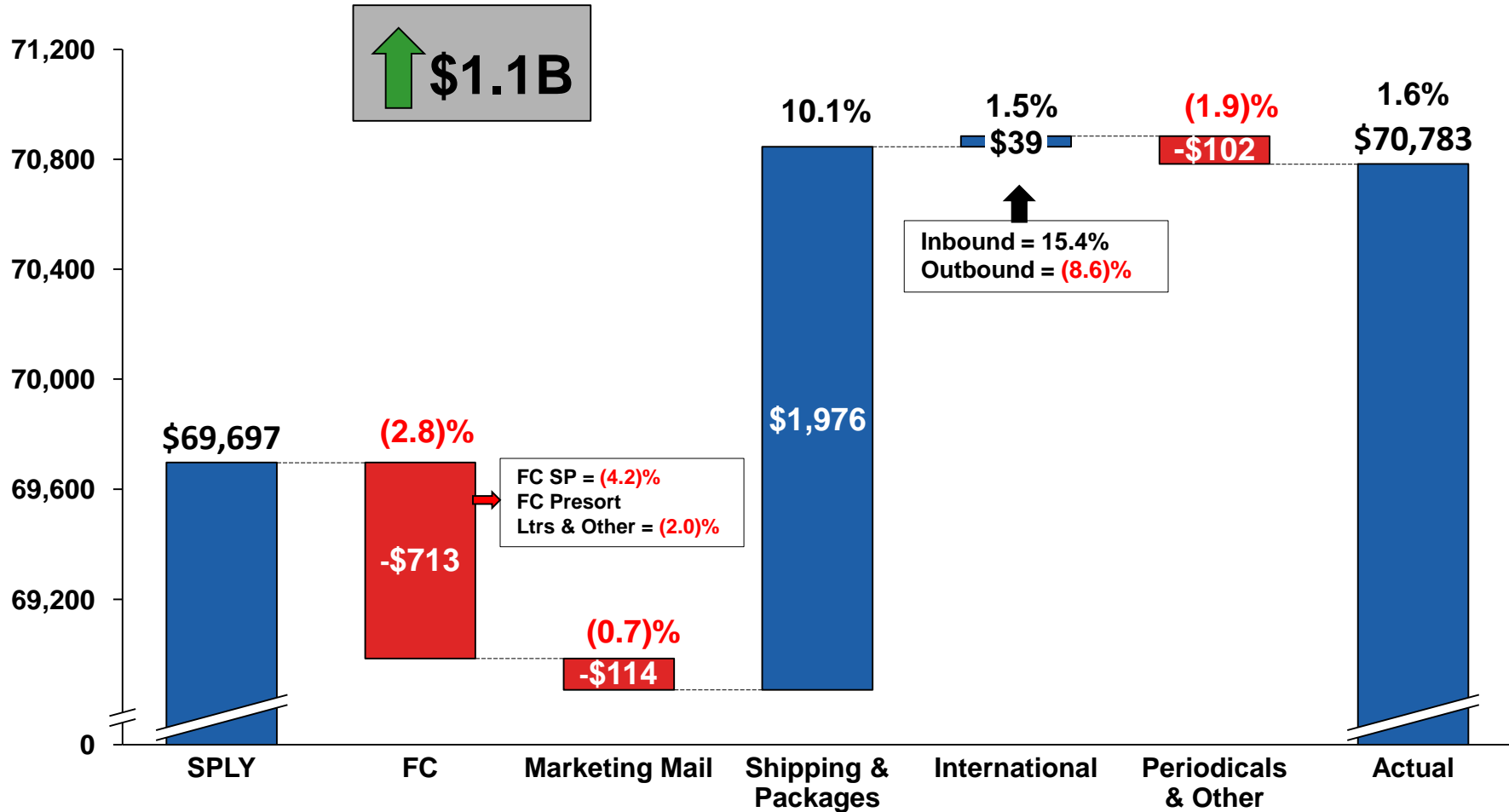
(Pieces – Millions)



*NOTE: Total Reduction in Political and Election Mail through Q1 compared to SPLY is 1.06 Billion pieces.

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(\$ - Millions)



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September YTD (12 Months)	FY	FY
(Billions)	2018	2017
Compensation & Benefits ^{1, 2}	\$51.4	\$50.5
RHB Normal Cost	3.5	2.8
Transportation	7.9	7.2
Depreciation	1.7	1.7
Supplies & Services	3.0	3.0
Rent, Utilities & Other	5.3	5.3
Controllable Expenses	\$72.8	\$70.5

1 - September YTD has one less delivery day and 0.5 more retail day as compared to SPLY.

2 - Before RHB amortization and actuarial changes to RHB normal cost, FERS and CSRS unfunded liability amortization, and non-cash adjustments to workers' compensation liabilities.

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:
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