

Financial Results

Quarter 1 of Fiscal Year 2017

Media Call



Financial Results

December YTD (3 Months) (Billions)	FY 2017	FY 2016
Revenue (Excluding Temporary Exigent Surcharge)	\$ 19.2	\$ 18.8
Temporary Exigent Surcharge ¹	-	0.6
Total Revenue	19.2	19.4
Controllable Expenses ^{2, 3}	18.7	18.1
Controllable Income (Loss) ^{1, 2, 3}	0.5	1.3
Retiree Health Benefits Amortization	(0.2)	-
Retiree Health Benefits Prefunding	-	(1.5)
Workers' Comp. Fair Value Adj. and Other Non-Cash Adj	1.5	0.6
FERS Unfunded Liabilities Amortization ⁴	(0.1)	(0.1)
CSRS Unfunded Liabilities Amortization	(0.3)	-
Net Income (Loss) ³	\$ 1.4	\$ 0.3

1 - Temporary exigent surcharge expired April 10, 2016.

2 - Before RHB pre-funding/amortization, non-cash adjustments to workers' compensation liabilities and FERS and CSRS unfunded liabilities amortization, which are excluded from controllable expenses.

3 - Delivery and Retail days were equal compared to SPLY.

4 - FERS supplemental liability expense for December YTD FY2017 and FY2016 is ~\$62M.

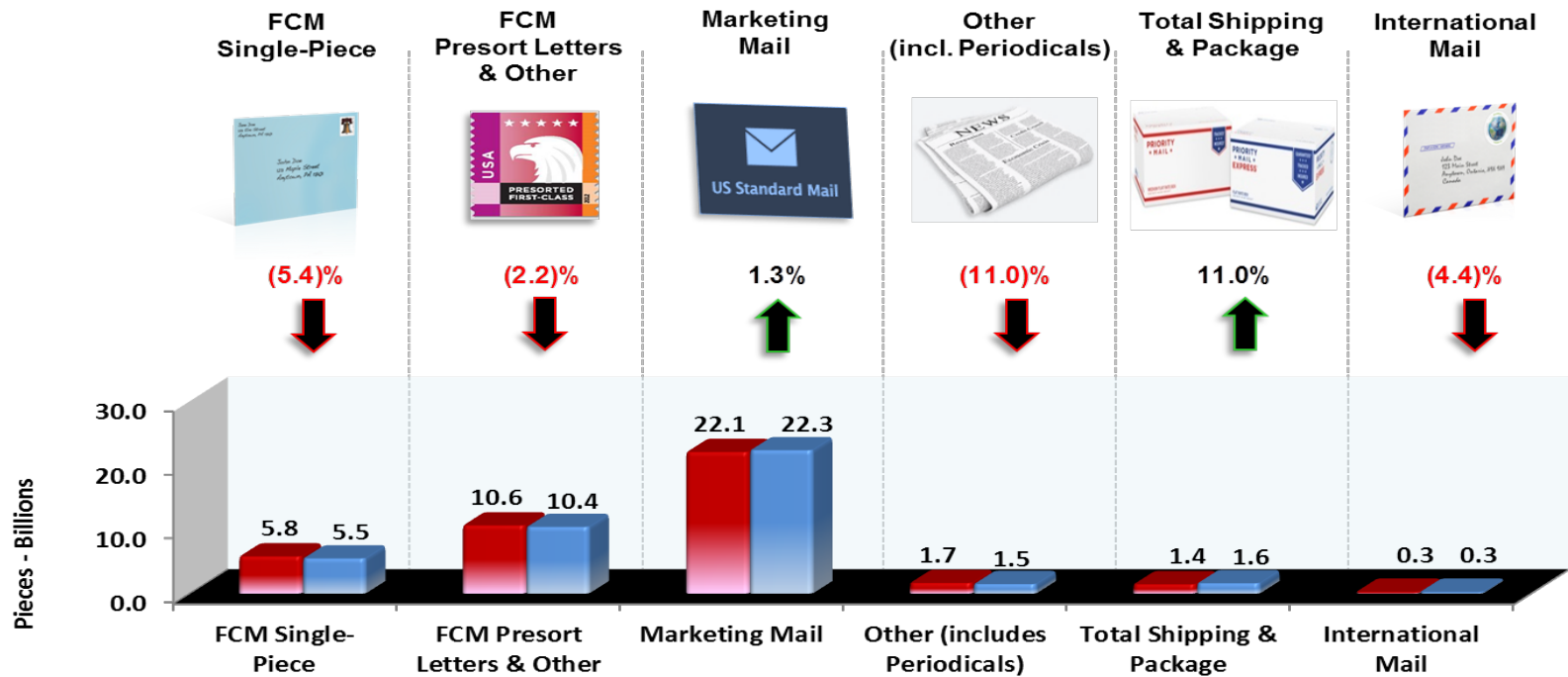


Total Volume: FY2017 Q1 vs. SPLY

FY2016
41.9B

0.3B

FY2017
41.6B



Delivery and Retail days were equal compared to SPLY.



Total Revenue FY2017 Q1 vs. SPLY:

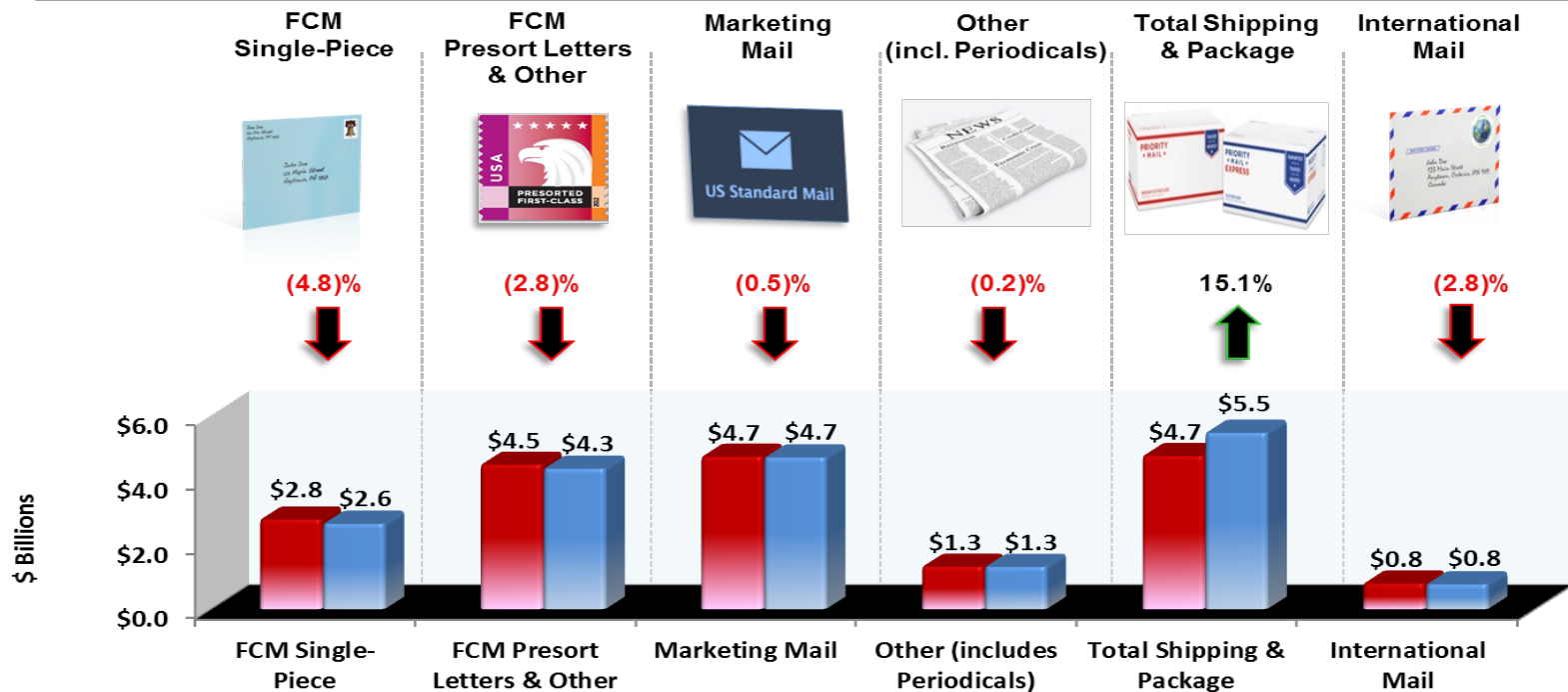
(Excluding Exigent Surcharge in 2016)

FY2016
\$18.8



\$0.4B

FY2017
\$19.2B



Delivery and Retail days were equal compared to SPLY.



Controllable Expenses

December YTD (3 Months) (Billions)	FY 2017	FY 2016
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Controllable Expenses

December YTD (3 Months) (Billions)	FY 2017	FY 2016
Compensation & Benefits^{1, 2}	\$14.2	\$13.8
Transportation	2.0	1.9
Depreciation	0.4	0.4
Supplies & Services	0.8	0.7
Rent, Utilities & Other	<u>1.3</u>	<u>1.3</u>
Controllable Expenses	\$18.7	\$18.1
Workhours (Millions)¹	309.5	301.4

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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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