

Financial Matters: 2011 Financial Results

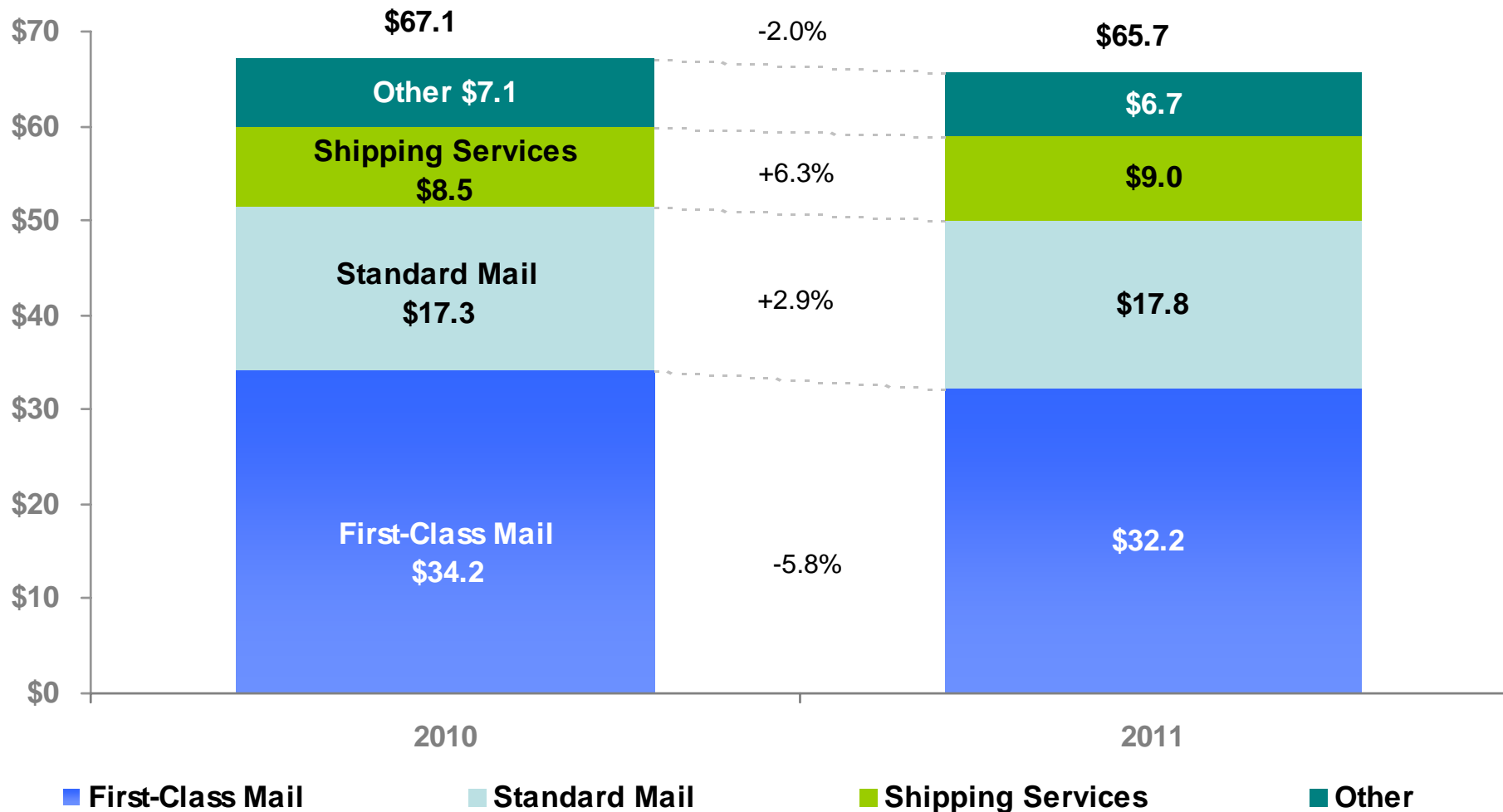
Board of Governors'
Open Session
November 15, 2011

Joe Corbett
Chief Financial Officer & Executive Vice President

September YTD (Billions)	FY 2011	FY 2010
Revenue	\$65.7	\$67.1
Expenses	67.9	67.7
Operating Income (Loss)*	(2.2)	(0.6)
Retiree Hlth. Benefits Pre-Funding	-	(5.5)
Workers Comp: Fair Value Adj.	(1.0)	(2.0)
Workers Comp Claims, Adj. & Contingency	<u>(1.9)</u>	<u>(0.4)</u>
Net Income (Loss)	<u>(\$5.1)</u>	<u>(\$8.5)</u>
Volume (Pieces)	167.9	170.9

* Before RHB Pre-Funding, Non-Cash Adjustments to Workers' Compensation Liabilities & Contingency.

Revenue
\$ Billions

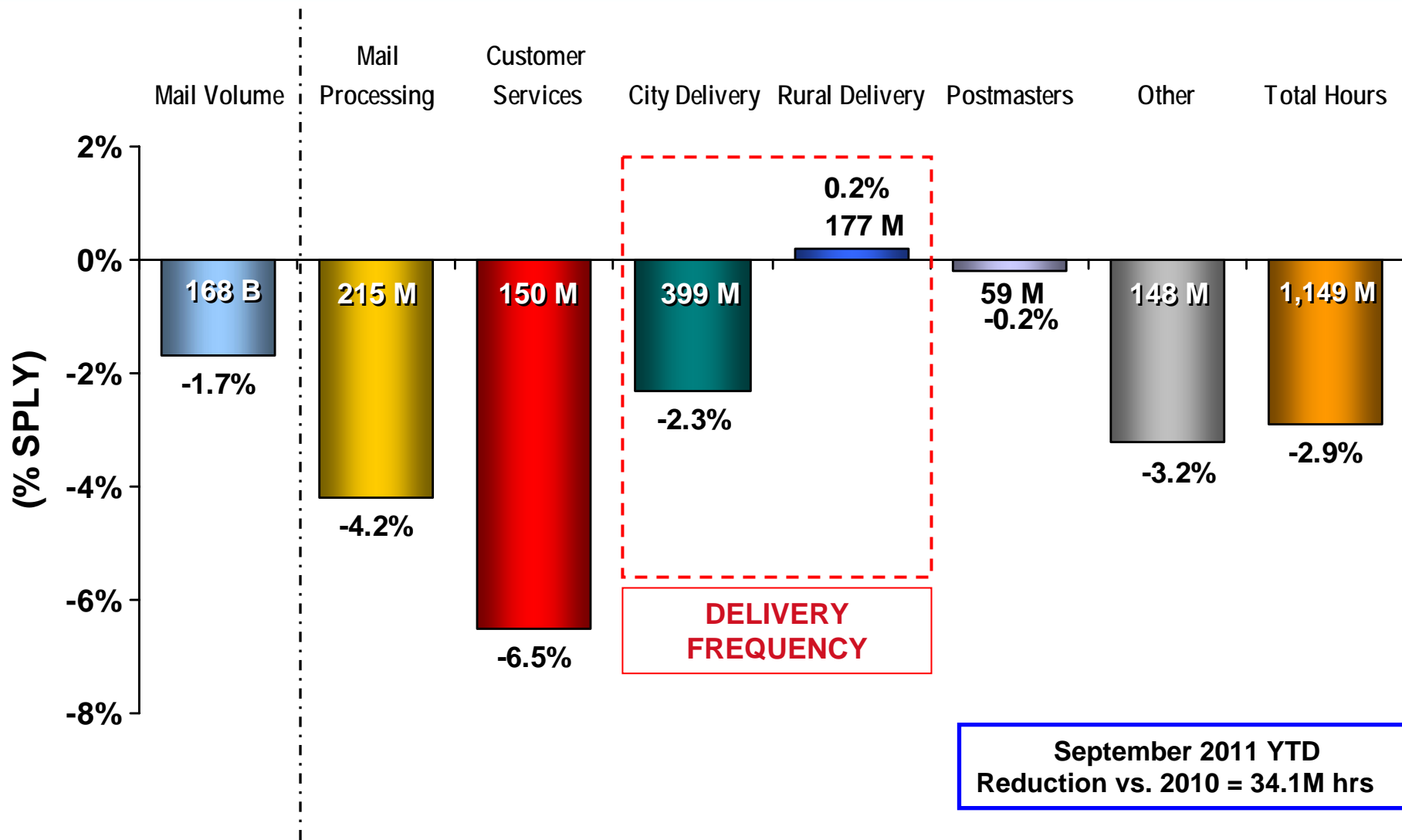


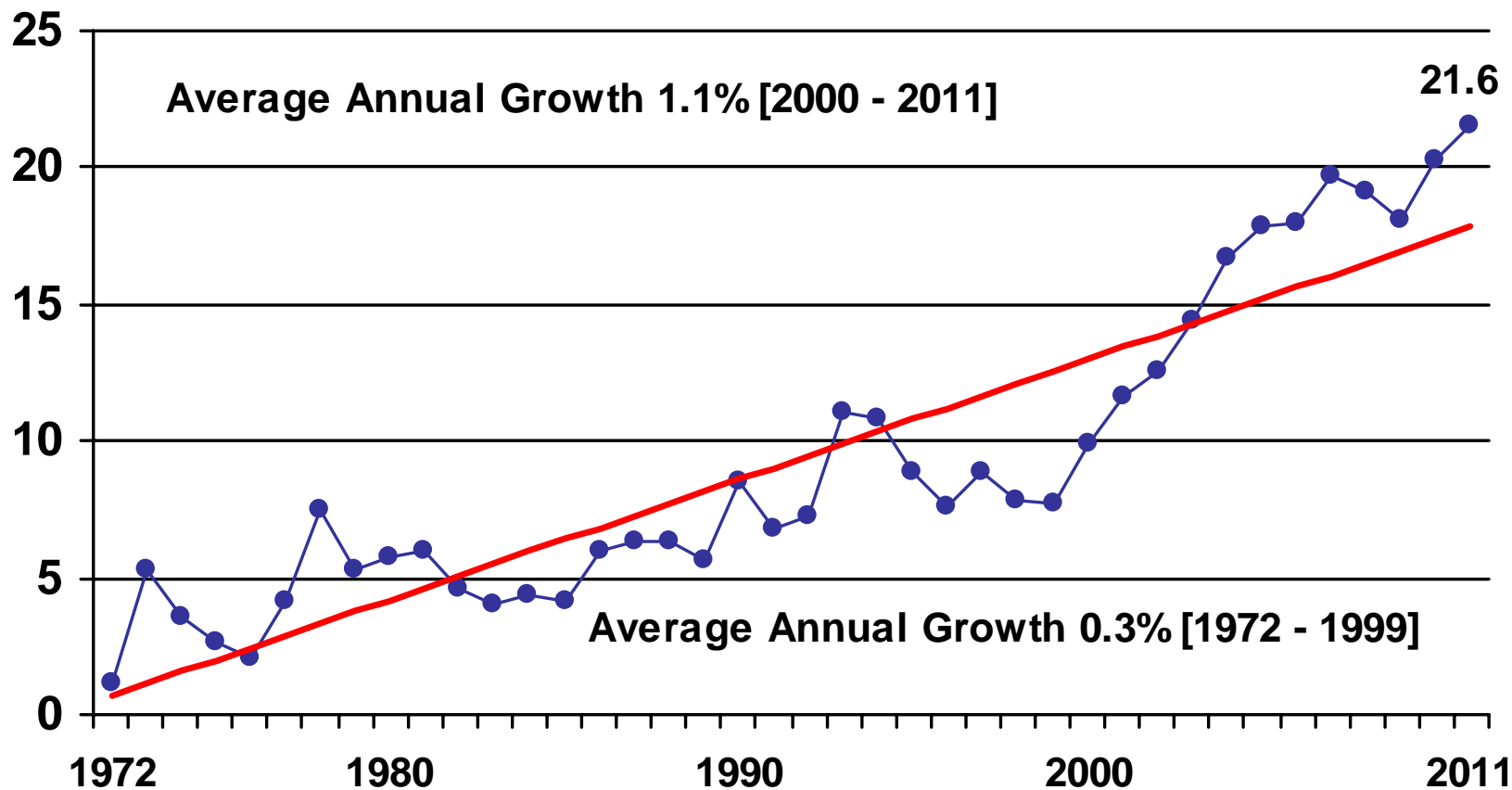
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September YTD (Billions)	FY 2011	FY 2010
Compensation	\$36.8	\$37.5
Benefits	15.2	14.7
Transportation	6.4	5.9
Depreciation	2.3	2.5
Supplies & Services	2.3	2.2
Rent, Utilities & Other	4.9	4.9
Operating Expenses *	\$67.9	\$67.7

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- USPS publishes multiple public reports
- Documents respond to different legislative requirements
 - Comprehensive Statement on Postal Operations (PRA, PAEA)
 - Annual Report (PAEA)
 - Annual Performance Report and Plan (GPRA)
- New Legislation (Government Performance and Results Modernization Act) and OMB guidance recommends report simplification and consolidation

- Key Content (Single Document) – to be published end of November
 - Year in Review – Financial Highlights
 - Core Strategies
 - Board of Governors and Executive Leadership Team
 - 2011 Financial Summary
 - Operating Statistics
 - Comprehensive Statement on Postal Operations
 - Summary of 2011 initiatives
 - 2011 Annual Performance Report and 2012 Performance Plan

- Requesting approval of the following:
 1. 10-K and Financial Statements
 2. FY 2011 Comprehensive Statement, including the Annual Performance Report and Annual Performance Plan