

MARY ANNE GIBBONS
SENIOR VICE PRESIDENT, GENERAL COUNSEL



03/03/09

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POSTAL REGULATORY
COMMISSION

March 3, 2009

Stephen L. Sharfman, General Counsel
Postal Regulatory Commission
901 New York Avenue NW, Suite 200
Washington, D.C. 20268-0001

Dear Mr. Sharfman:

Pursuant to agreement between the Commission and the Postal Service, enclosed please find copies of the following:

USPS Preliminary Financial Information (January 2009)

Mail Volume and Mail Revenue (January 2009)

USPS Preliminary Expenses (January 2009)

USPS Preliminary Workhours (January 2009)

As noted on each sheet, all of this information is preliminary and unaudited.

Sincerely,

A handwritten signature in cursive script that reads "Mary Anne Gibbons".

Mary Anne Gibbons

Enclosures

USPS Preliminary Financial Information (Unaudited)
 JANUARY 2009
 (\$ Millions)

	Current Period			Year-to-Date						
	Actual	Plan	SPLY	%Plan Var	%SPLY Var	Actual	Plan	SPLY	%Plan Var	%SPLY Var
Operating Revenue:										
Mail and Services Revenue	\$5,789	\$6,412	\$6,565	-9.7%	-11.8%	\$24,852	\$26,272	\$26,904	-5.4%	-7.6%
Government Appropriations	\$11	\$11	\$10	3.1%	5.9%	\$43	\$43	\$41	0.3%	4.7%
Total Operating Revenue	\$5,800	\$6,423	\$6,576	-9.7%	-11.8%	\$24,895	\$26,315	\$26,946	-5.4%	-7.6%
Operating Expenses:										
Personnel Compensation and Benefits	\$5,269	\$5,027	\$5,356	4.8%	-1.6%	\$20,744	\$20,664	\$20,840	0.4%	-0.5%
Transportation	\$509	\$689	\$545	-26.2%	-6.6%	\$2,259	\$2,677	\$2,387	-15.6%	-5.4%
Supplies and Services	\$189	\$226	\$176	-16.5%	7.7%	\$734	\$831	\$802	-11.7%	-8.5%
Other Expenses	\$584	\$635	\$542	-8.0%	7.7%	\$2,294	\$2,441	\$2,274	-6.0%	0.9%
Total Operating Expenses	\$6,552	\$6,578	\$6,618	-0.4%	-1.0%	\$26,031	\$26,614	\$26,303	-2.2%	-1.0%
Net Operating Income	-\$752	-\$155	-\$43			-\$1,136	-\$299	\$642	280.4%	-276.8%
Interest Income	\$2	\$2	\$3	-2.1%	-21.3%	\$8	\$9	\$11	-4.6%	-21.9%
Interest Expense	\$1	\$9	\$4	-88.0%	-72.7%	\$11	\$23	\$26	-52.1%	-58.4%
Net Income/Loss	-\$751	-\$163	-\$44			-\$1,139	-\$313	\$627		

Other Operating Statistics:

Mail Volume: (Millions)					
Total Mailing Services Volume	14,968	16,706	17,880	-10.4%	-16.3%
Total Shipping Services Volume	112	127	131	-11.8%	-14.5%
Total Mail Volume	15,080	16,833	18,012	-10.4%	-16.3%
Total Workhours (Millions)	108	104	118	4.1%	-8.0%
Total Career Employees					
Total Non-Career Employees					

	64,772	68,502	72,790	-5.4%	-11.0%
	513	579	579	-11.4%	-11.4%
	65,284	69,081	73,369	-5.5%	-11.0%
	440	428	477	2.9%	-7.6%
	648,840				
	98,555				

The Postal Accountability and Enhancement Act (PL 109-435) requires the Postal Service to provide quarterly and annual financial reports in accordance with the rules and regulations promulgated by the SEC for such reports. The data on this page represents preliminary financial information for the month of January 2009 required by the Postal Regulatory Commission to be reported on a monthly basis. This data has not been subjected to all closing procedures and reviews required to present interim quarterly financial statements in accordance with generally accepted accounting principles (GAAP), nor does it constitute a full set of financial statements or contain all the necessary disclosures for a presentation in accordance with GAAP. If a full set of financial statements and related disclosures were included with this data, it might influence the user's conclusions about the Postal Service's financial position, results of operations, and cash flows. Accordingly, this financial data is not designed for those who are not informed about such matters. This data has not been audited, reviewed, or compiled by our independent auditor.

Numbers may not add due to rounding. Percentages calculated using actual numbers.

Mail Volume and Mail Revenue
 JANUARY 2009
 (Thousands)

Mailing Services:

First Class:

	Actual	SPLY	% SPLY Var
Volume*	7,641,364	8,546,159	-10.6%
Revenue	\$3,182,690	\$3,477,810	-8.5%

Periodicals:

	Actual	SPLY	% SPLY Var
Volume*	652,330	753,782	-13.5%
Revenue	\$160,629	\$193,016	-16.8%

Standard Mail:

	Actual	SPLY	% SPLY Var
Volume*	6,566,304	8,451,862	-22.3%
Revenue	\$1,374,231	\$1,749,154	-21.4%

Package Services:

	Actual	SPLY	% SPLY Var
Volume*	69,018	80,885	-14.7%
Revenue	\$159,220	\$171,474	-7.1%

Total Mailing Services:

	Actual	SPLY	% SPLY Var
Volume*	14,968,479	17,880,497	-16.3%
Revenue	\$5,167,465	\$5,910,707	-12.6%

Total Shipping Services:

	Actual	SPLY	% SPLY Var
Volume*	112,015	131,041	-14.5%
Revenue	\$634,730	\$668,827	-5.1%

Postal Service Totals

	Actual	SPLY	% SPLY Var
Volume*	15,080,494	18,011,538	-16.3%
Revenue	\$5,802,195	\$6,579,534	-11.8%

	Actual	SPLY	% SPLY Var
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Volume*	30,350,690	33,030,574	-8.1%
Revenue	\$12,836,527	\$13,656,481	-6.0%

Volume*	2,777,442	2,955,817	-6.0%
Revenue	\$725,531	\$796,818	-8.9%

Volume*	31,174,125	36,086,078	-13.6%
Revenue	\$6,501,587	\$7,493,397	-13.2%

Volume*	284,318	316,020	-10.0%
Revenue	\$659,364	\$697,026	-5.4%

Volume*	64,771,862	72,790,013	-11.0%
Revenue	\$21,927,980	\$23,905,935	-8.3%

Volume*	512,535	578,773	-11.4%
Revenue	\$2,974,829	\$3,051,239	-2.5%

Volume*	65,284,397	73,368,786	-11.0%
Revenue	\$24,902,808	\$26,957,175	-7.6%

* Note: The sampling portion of the RPW system is designed to be statistically valid on a quarterly and annual basis.

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USPS Preliminary Expenses (Unaudited)
 JANUARY 2009
 (\$ Millions)

	Current Period				Year-to-Date					
	Actual	Plan	SPLY	% Plan Var	% SPLY Var	Actual	Plan	SPLY	% Plan Var	% SPLY Var
Personnel Compensation and Benefits:										
Salaries & Benefits										
City Delivery	\$1,487	\$1,365	\$1,465	8.9%	1.5%	\$5,569	\$5,875	\$5,875	5.9%	0.4%
Mail Processing	\$888	\$801	\$941	10.9%	-5.6%	\$3,358	\$3,870	\$3,870	9.3%	-5.2%
Customer Services & Retail	\$621	\$575	\$657	7.9%	-5.6%	\$2,535	\$2,407	\$2,660	5.3%	-4.7%
Rural Delivery	\$509	\$502	\$520	1.5%	-2.0%	\$2,013	\$1,987	\$1,994	1.3%	1.0%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	\$1,060	\$1,040	\$1,022	2.0%	3.7%	\$3,607	\$4,307	\$3,499	-16.3%	3.1%
Total Salaries & Benefits	\$4,565	\$4,283	\$4,605	6.6%	-0.9%	\$17,724	\$17,627	\$17,899	0.5%	-1.0%
Other Personnel Related Expenses										
Retiree Health Benefits	\$616	\$609	\$618	1.2%	-0.2%	\$2,437	\$2,433	\$2,464	0.1%	-1.1%
Workers' Compensation	\$112	\$112	\$100	0.1%	12.4%	\$466	\$463	\$400	0.5%	16.5%
All Other Personnel Related Expenses	-\$24	\$24	\$34	-200.8%	-171.1%	\$118	\$140	\$77	-16.0%	53.0%
Total Other Personnel Related Expenses	\$705	\$745	\$751	-5.4%	-6.2%	\$3,020	\$3,037	\$2,941	-0.6%	2.7%
Total Personnel Compensation and Benefits	\$5,269	\$5,027	\$5,356	4.8%	-1.6%	\$20,744	\$20,664	\$20,840	0.4%	-0.5%
Non-Personnel Expenses:										
Transportation	\$509	\$689	\$545	-26.2%	-6.6%	\$2,259	\$2,677	\$2,387	-15.6%	-5.4%
Supplies and Services	\$189	\$226	\$176	-16.5%	7.7%	\$734	\$831	\$802	-11.7%	-8.5%
Depreciation and Amortization	\$187	\$193	\$184	-3.1%	1.3%	\$757	\$766	\$781	-1.2%	-3.1%
Rent and Utilities	\$154	\$166	\$154	-7.4%	-0.2%	\$594	\$625	\$572	-4.9%	3.8%
Vehicle Maintenance Service	\$57	\$84	\$65	-32.0%	-11.7%	\$253	\$296	\$273	-14.4%	-7.1%
Information Technology	\$39	\$35	\$16	12.2%	137.5%	\$114	\$170	\$123	-33.0%	-7.5%
Rural Carrier Equipment Maintenance Allowance	\$90	\$97	\$38	-4.5%	50.7%	\$188	\$191	\$153	-1.5%	22.8%
Other	\$1,282	\$1,551	\$1,262	-17.3%	6.4%	\$388	\$394	\$371	-1.5%	4.5%
Total Non-Personnel Expenses	\$1,282	\$1,551	\$1,262	-17.3%	1.6%	\$5,287	\$5,950	\$5,463	-11.1%	-3.2%
Total Operating Expenses	\$6,552	\$6,578	\$6,618	-0.4%	-1.0%	\$26,031	\$26,614	\$26,303	-2.2%	-1.0%
Interest Expense	\$1	\$9	\$4	-88.0%	-72.7%	\$11	\$23	\$26	-52.1%	-58.4%
Total Expenses	\$6,553	\$6,587	\$6,623	-0.5%	-1.1%	\$26,042	\$26,636	\$26,329	-2.2%	-1.1%

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USPS Preliminary Workhours (Unaudited)
 JANUARY 2009
 (Thousands)

	Current Period			Year-to-Date		
	Actual	Plan	SPLY	% Plan Var	% SPLY Var	
Workhours						
City Delivery	36,253	34,189	38,325	6.0%	-5.4%	
Mail Processing	22,289	20,778	25,654	7.3%	-13.1%	
Customer Services & Retail	15,370	14,767	17,431	4.1%	-11.8%	
Rural Delivery	15,776	15,160	16,767	4.1%	-5.9%	
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration	18,645	19,168	19,638	-2.7%	-5.1%	
Total Workhours	108,332	104,062	117,815	4.1%	-8.0%	
	Actual	Plan	SPLY	% Plan Var	% SPLY Var	
	147,123	140,005	155,237	5.1%	-5.2%	
	93,215	87,913	107,413	6.0%	-13.2%	
	63,478	61,543	71,668	3.1%	-11.4%	
	61,402	60,896	63,934	0.8%	-4.0%	
	74,980	77,319	78,322	-3.0%	-4.3%	
	440,198	427,676	476,574	2.9%	-7.6%	

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