

# Quarterly Financial Update

**Joe Corbett**

Chief Financial Officer and Executive Vice  
President

**Tuesday, May 9, 2023**

# Financial Results

Q2 (3 Months) (Billions)	FY 2023	FY 2022
Total Revenue <sup>1</sup>	\$ 19.6	\$ 19.8
Controllable Expenses <sup>1, 2</sup>	<u>20.1</u>	<u>20.5</u>
Controllable Income (Loss) <sup>1, 2</sup>	<b>(0.5)</b>	<b>(0.7)</b>
RHB Unfunded Liability Amortization <sup>3</sup>	-	(0.2)
Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.	(0.7)	1.1
FERS Unfunded Liability Amortization <sup>3</sup>	(0.5)	(0.3)
CSRS Unfunded Liability Amortization <sup>3</sup>	<u>(0.8)</u>	<u>(0.5)</u>
Net Income (Loss) <sup>1</sup>	<b>\$ (2.5)</b>	<b>\$ (0.6)</b>

1 - Quarter 2, FY2023 has the same number of delivery days and the same number of retail days as Quarter 2, FY2022.

2 - Before Retiree Health Benefits (RHB), Federal Employee Retirement System (FERS), and Civil Service Retirement System (CSRS) unfunded liability amortization payments, 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.

# Financial Results

Q2 (3 Months) (Billions)	FY 2023	FY 2022
Total Revenue <sup>1</sup>	\$ 19.6	\$ 19.8
Controllable Expenses <sup>1, 2</sup>	<u>20.1</u>	<u>20.5</u>
Controllable Income (Loss) <sup>1, 2</sup>	(0.5)	(0.7)
RHB Unfunded Liability Amortization <sup>3</sup>	-	(0.2)
Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.	-	-
FERS Unfunded Liability Amortization <sup>3</sup>	(0.5)	(0.3)
CSRS Unfunded Liability Amortization <sup>3</sup>	<u>(0.8)</u>	<u>(0.5)</u>
Net Income (Loss) <sup>1</sup>	<u>\$ (1.8)</u>	<u>\$ (1.7)</u>
	Excluding WC Fair Value Adj.	

1 - Quarter 2, FY2023 has the same number of delivery days and the same number of retail days as Quarter 2, FY2022.

2 - Before Retiree Health Benefits (RHB), Federal Employee Retirement System (FERS), and Civil Service Retirement System (CSRS) unfunded liability amortization payments, 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.

# Financial Results

March YTD (6 Months)	FY	FY
(Billions)	2023	2022
<b>Total Revenue</b> <sup>1</sup>	\$ 41.3	\$ 41.1
<b>Controllable Expenses</b> <sup>1, 2</sup>	<u>41.7</u>	<u>42.0</u>
<b>Controllable Income (Loss)</b> <sup>1, 2</sup>	<b>(0.4)</b>	<b>(0.9)</b>
<b>RHB Unfunded Liability Amortization</b> <sup>3</sup>	-	(0.5)
<b>Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.</b>	(0.7)	0.8
<b>FERS Unfunded Liability Amortization</b> <sup>3</sup>	(0.9)	(0.7)
<b>CSRS Unfunded Liability Amortization</b> <sup>3</sup>	<u>(1.5)</u>	<u>(0.9)</u>
<b>Net Income (Loss)</b> <sup>1</sup>	<b>\$ (3.5)</b>	<b>\$ (2.2)</b>

1 - March YTD FY2023 has the same number of delivery days and 0.75 less retail days than March YTD FY2022.

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

3 - This represents the OPM amortization expense related to FERS, CSRS and Postal Service RHB Fund liabilities.

# Financial Results

March YTD (6 Months)	FY	FY
(Billions)	2023	2022
Total Revenue <sup>1</sup>	\$ 41.3	\$ 41.1
Controllable Expenses <sup>1, 2</sup>	<u>41.7</u>	<u>42.0</u>
Controllable Income (Loss) <sup>1, 2</sup>	(0.4)	(0.9)
RHB Unfunded Liability Amortization <sup>3</sup>	-	(0.5)
Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.	-	-
FERS Unfunded Liability Amortization <sup>3</sup>	(0.9)	(0.7)
CSRS Unfunded Liability Amortization <sup>3</sup>	<u>(1.5)</u>	<u>(0.9)</u>
Net Income (Loss) <sup>1</sup>	<u>\$ (2.8)</u>	<u>\$ (3.0)</u>
	Excluding WC Fair Value Adj.	

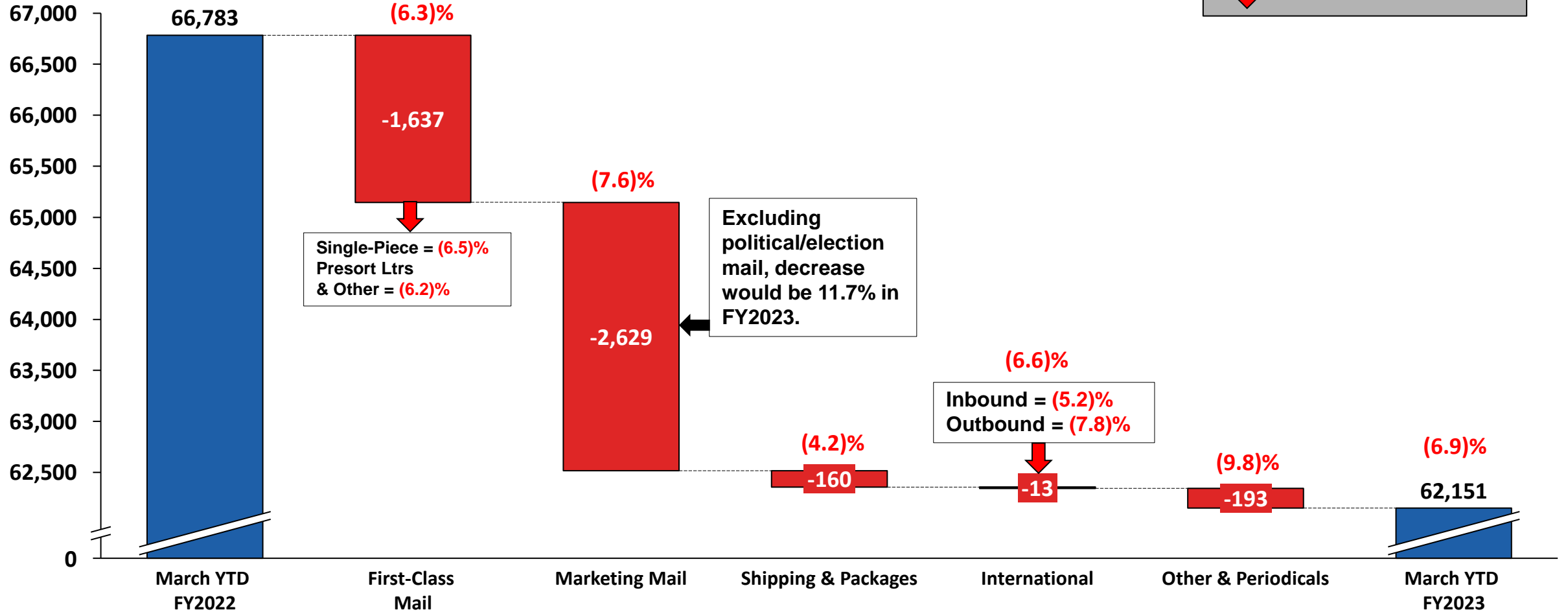
1 - March YTD FY2023 has the same number of delivery days and 0.75 less retail days than March YTD FY2022.

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

3 - This represents the OPM amortization expense related to FERS, CSRS and Postal Service RHB Fund liabilities.

# FY2023 vs. FY2022 March YTD Volume

(Pieces – Millions)



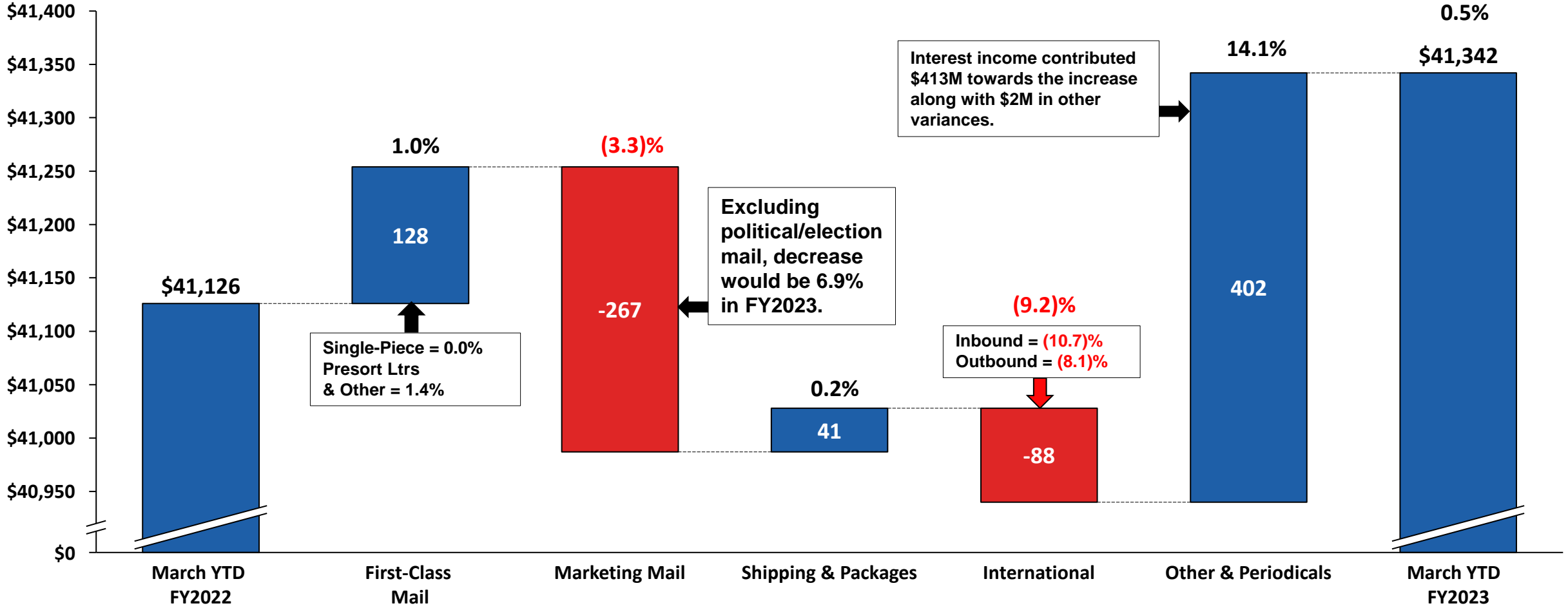
**↓ 4.6B Pieces**

March YTD FY2023 has the same number of delivery days and 0.75 less retail days than March YTD FY2022.

# FY2023 vs. FY2022 March YTD Revenue

(\$ – Millions)

 **\$216M**



March YTD FY2023 has the same number of delivery days and 0.75 less retail days than March YTD FY2022.

# Controllable Expenses

<b>March YTD (6 Months)</b> <b>(Billions)</b>	<b>FY</b> <b>2023</b>	<b>FY</b> <b>2022</b>
<b>Compensation &amp; Benefits <sup>1, 2</sup></b>	<b>\$27.7</b>	<b>\$26.7</b>
<b>FERS Normal Cost</b>	<b>2.4</b>	<b>2.2</b>
<b>RHB Normal Cost</b>	<b>-</b>	<b>2.2</b>
<b>Transportation</b>	<b>5.4</b>	<b>5.2</b>
<b>Depreciation</b>	<b>0.9</b>	<b>0.8</b>
<b>Supplies &amp; Services</b>	<b>1.7</b>	<b>1.6</b>
<b>Rent, Utilities &amp; Other</b>	<b><u>3.6</u></b>	<b><u>3.3</u></b>
<b>Controllable Expenses</b>	<b>\$41.7</b>	<b>\$42.0</b>

1 -March YTD FY2023 has the same number of delivery days and 0.75 less retail days than March YTD FY2022.

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