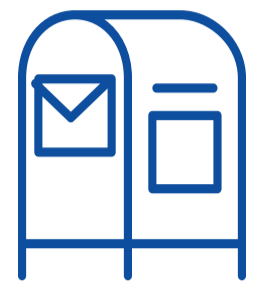


IF CONGRESS PASSES POSTAL REFORM LEGISLATION

USPS CAN REACH FINANCIAL STABILITY WITHOUT EXCESSIVE RATE INCREASES

BY IMPLEMENTING OTHER STRATEGIC ACTIONS & MAINTAINING CPI RATE INCREASES



USPS STRATEGIC ACTIONS MUST ALIGN WITH ITS MISSION & VISION

MOST ACTIONS IN "DELIVERING FOR AMERICA" ALIGN, EXCEPT ABOVE-CPI RATE INCREASES

- Above CPI rate increases induce steeper volume declines.
- Protecting mail volume is in the financial interest of USPS.
- Mail is still relevant to millions of households and businesses.
- For major mailers, stability in pricing was the single most important action USPS could take to keep mailers using mail.



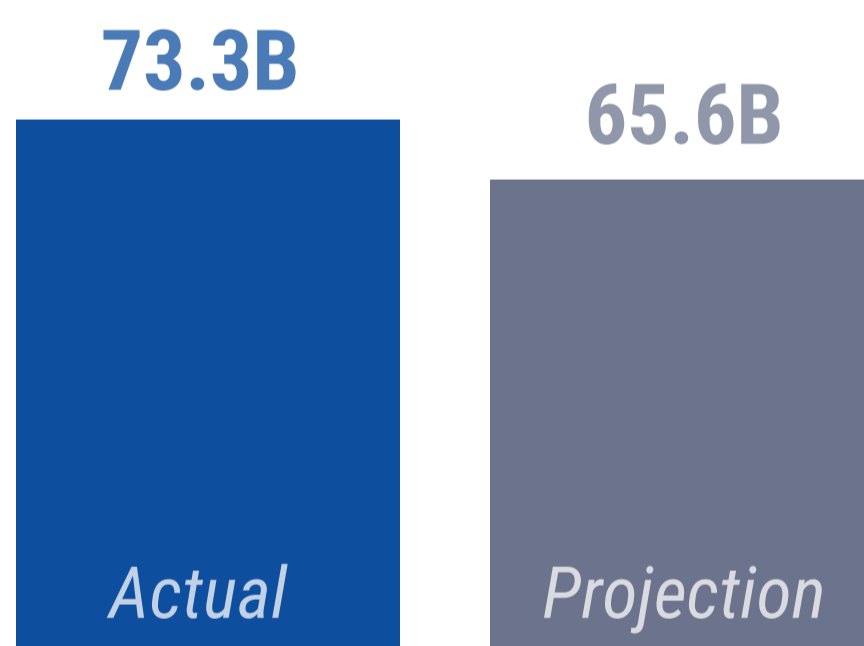
My vision is to establish the Postal Service as the preferred delivery service for the American public. I am committed to providing world-class, affordable and dependable service to every American home and business six and seven days a week – today, tomorrow and for generations to come
-Postmaster General DeJoy



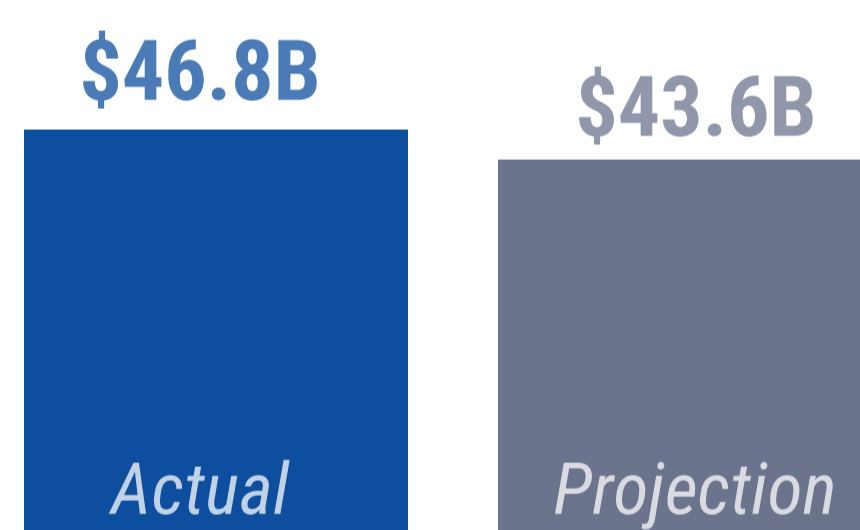
USPS FY21 FORECAST ASSUMPTIONS ARE OUTDATED & UNRELIABLE

USPS & ECONOMIC PERFORMANCE ARE OUTPACING USPS EXPECTATIONS

Market Dominant Volume
7.7B pieces over USPS FY21 projections (Oct-Apr)



Operating Revenue
\$3.2B over USPS FY21 projections (Oct-Apr)



USPS assumed weak economic performance due to COVID-19 uncertainties.

These assumptions are outdated. The U.S. economy is outpacing USPS expectations.

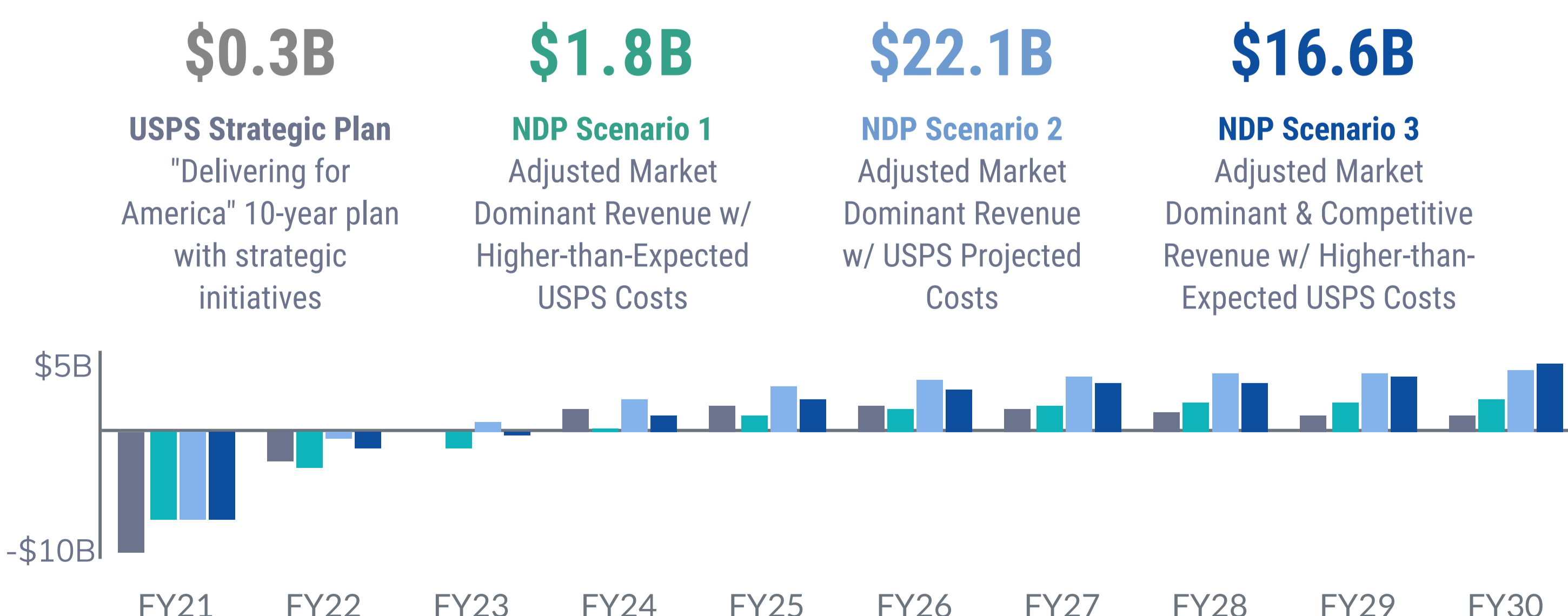


ALTERNATIVE SCENARIOS: ADJUSTING USPS 10-YR PLAN FORECAST

ABOVE-CPI RATE INCREASES ARE DETRIMENTAL & LEAD TO LOST CUSTOMERS & JOBS

Total Net Income FY21-30

NDP Scenarios replace components of the USPS strategic plan with revised cost & revenue projections



Sharp increases in rates deter use of mail and further exacerbate volume declines, and do not better serve USPS customers or support USPS revenue in the long term. Ultimately, USPS will be more financially stable if it can protect market dominant mail volume
- ndp | analytics

