

Highlights of 2014 Annual Report

I. Statement of Corporate Intent

The Philippine Postal Corporation now works not only in fulfillment of its mandate according to the Republic Act 7354 or the Postal Service Act of 1992; PHLPost now works towards the realization of its vision and accomplishment of its mission.

A. Vision Statement

By 2020, PHLPost is the preferred universal delivery service provider of communications, goods, and payment in every Filipino community

B. Mission Statement

The Philippine Postal Corporation (PHLPost) provides efficient, competitive and on-time delivery of communications, goods, and payment services in any Filipino community.

C. Policy Imperatives

1. Timely and Efficient Delivery Services
2. Integrity of the postal network
3. Financial Sustainability, thus contributing to national treasury
4. Customer Centricity

D. Core Values

PHLPost's work ethics is founded by:

Integrity. Demonstrated through adherence to honesty in work for a decent life;

Loyalty. Shown in the faithfulness to the company kindled by love for work;

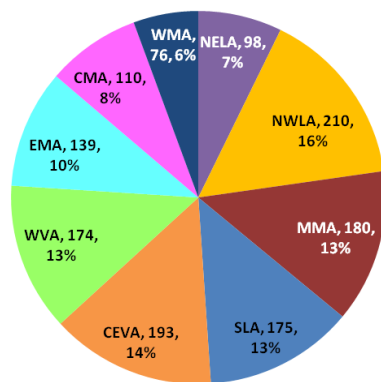
Competence. That encourages confidence in the capability to be productive through teamwork and guided by wisdom; and

Commitment. Driven by passion to do good for family and country for a life well-lived.

II. Corporate Profile

A. Postal Network

PHLPost has the capability to reach not only every street in metropolitan areas but also the most distant and remote areas in the country with its 1,355 post offices including postal stations, regular, extension, mall, barangay and school based post offices.



B. Human Resources

About 81.16 percent of the total 7,043 plantilla positions were already filled by the end of 2014. These employees with permanent positions are complemented by the additional 2,375 contract of service employees.

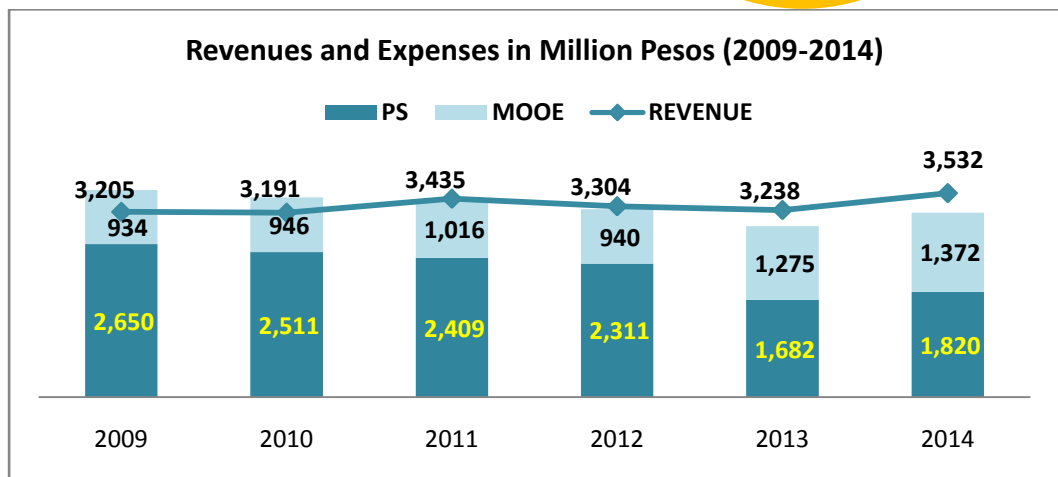
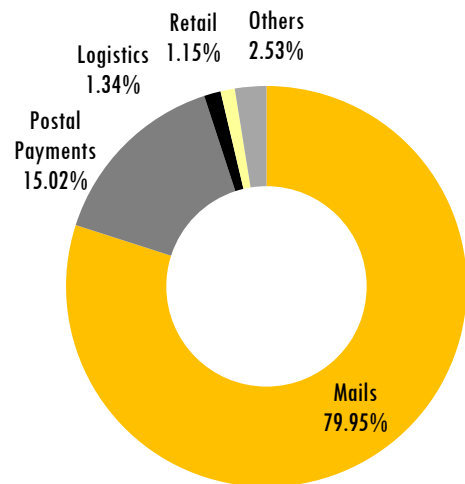
Office/Area	Authorized	Unfilled	Filled	COS	Total
CENTRAL OFFICE	802	131	671	449	1,120
MEGA MANILA	2,009	135	1,874	492	2,366
1. NELA	329	66	263	147	410
2. NWLA	881	134	747	198	945
4. SLA	760	243	517	297	814
5. CEVA	716	295	421	280	701
6. WVA	473	87	386	111	497
7. EMA	430	101	329	213	542
8. CMA	336	88	248	110	358
9. WMA	307	47	260	78	338
SUB-TOTAL	7,043	1,327	5,716	2,375	8,091
FOR CSC POOLING			1		1
CORP. SECRETARY			35		35
CONSULTANTS			1		1
BOARD OF DIRS.			6		6
TOTAL	7,043	1,327	5,759	2,375	8,134

III. Financial Performance (Preliminary as of December 2014)

A. 5-Year Revenue-Expenditures Analysis

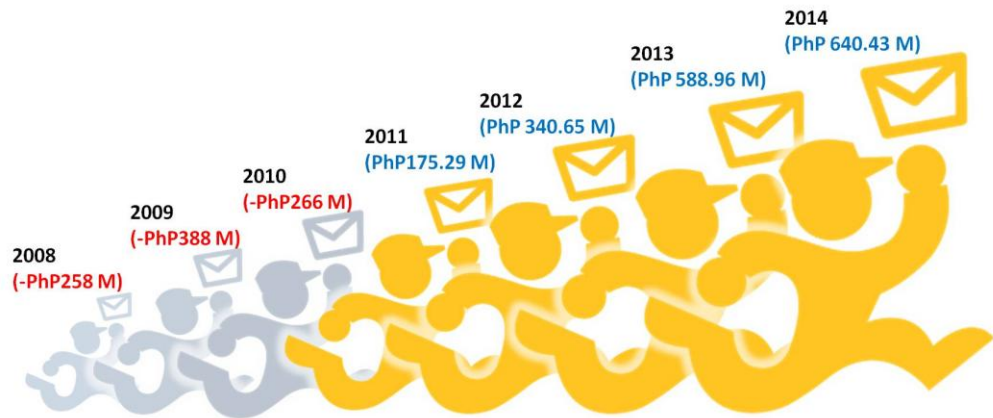
The Philippine Postal Corporation has earned a total of PhP3,532,109,079 gross revenue from its operations in 2014, big majority (79.95%) of which from the mail services while the rest are from retail, postal payment, logistics, and other services. With a total of PhP3,192,678,530 expenditure, PHLPost has earned a total of PhP339,430,549 plus PhP301,000,000 net subsidy or a total of PhP640,430,549 income for 2014, which is 8.74 percent higher than the 2013 figures.

2014
 Net Income = PhP640.43 M from
 Net Subsidy = PhP301.00 M and
 Gross Revenue = PhP3,532.11 M:



B. Historical Net Income

PHLPost net income continues to increase since 2011, making the Corporation financially sustainable.



IV. Mail Volume Delivery Services Performance

Mail volume posted and delivered both increased from 2013 to 2014 at 44.56 percent and 12.75 percent respectively. This increase comes from both domestic and international post, including express mails, one of the push products of Corporation.

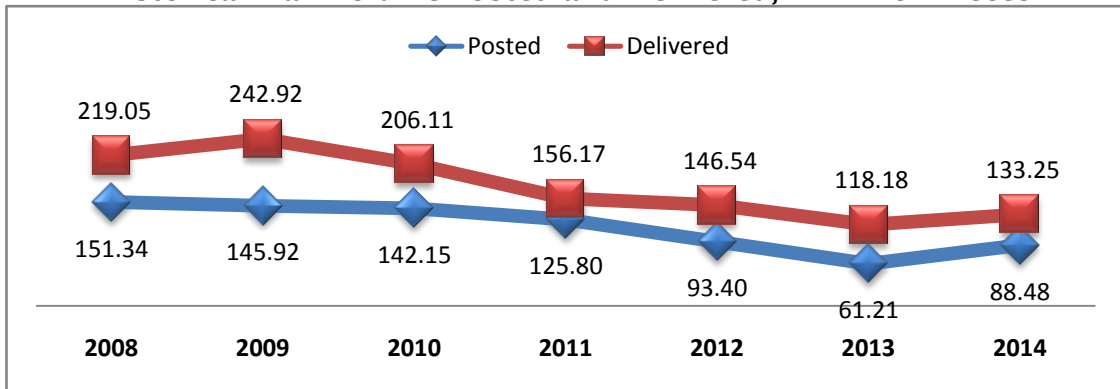
A. Mail Volume Posted and Delivered

A total of 88.48 million items were posted in 2014, big majority (72.4%) of which are from Mega Manila area followed by Southern Luzon Area (6.0%) and Northwest Luzon Area (5.6%). Domestic letter post still has the most share (86.4%) of the total mail volume posted while the remaining 13.6 percent are distributed among other mail services.

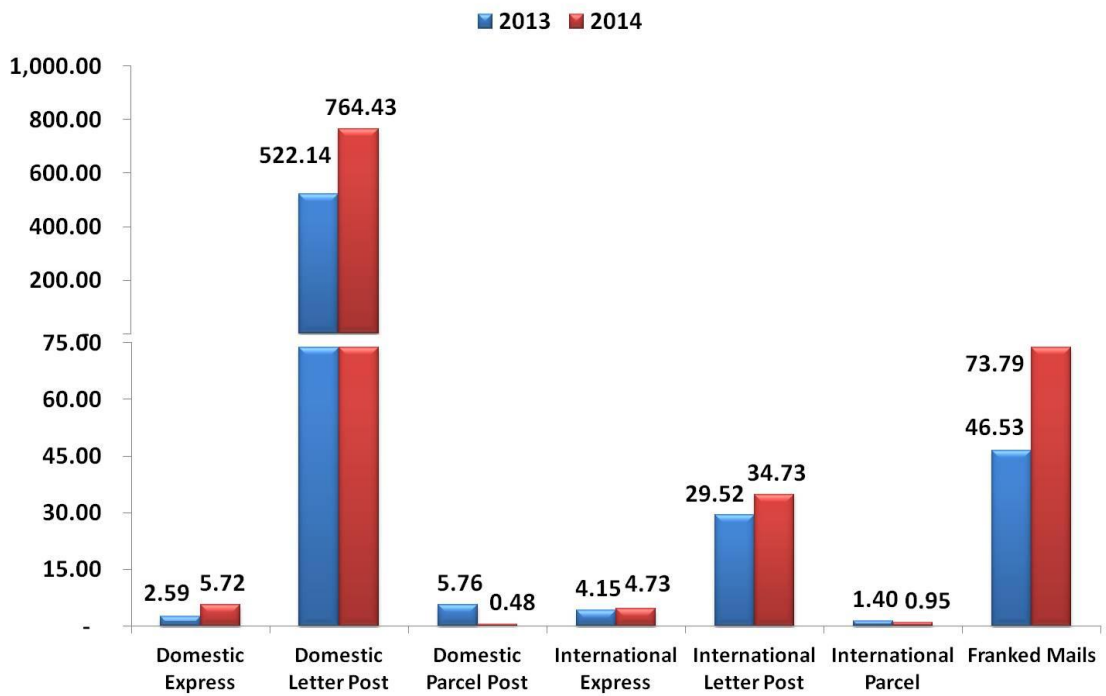
There are more delivered than posted mail items in the country basically because of the increasing population of Filipinos abroad mailing items to their families in the Philippines. Almost half 47.8 percent of the total 133.25 million mail items are delivered to Mega Manila Area followed by Southern Luzon Area (14.0%) and Central and Eastern Visayas Area (9.53%),

Most (89.95%) of the total 133.25 million mail items in the country are domestic letter while the remaining 10.05 percent are distributed among other mail services.

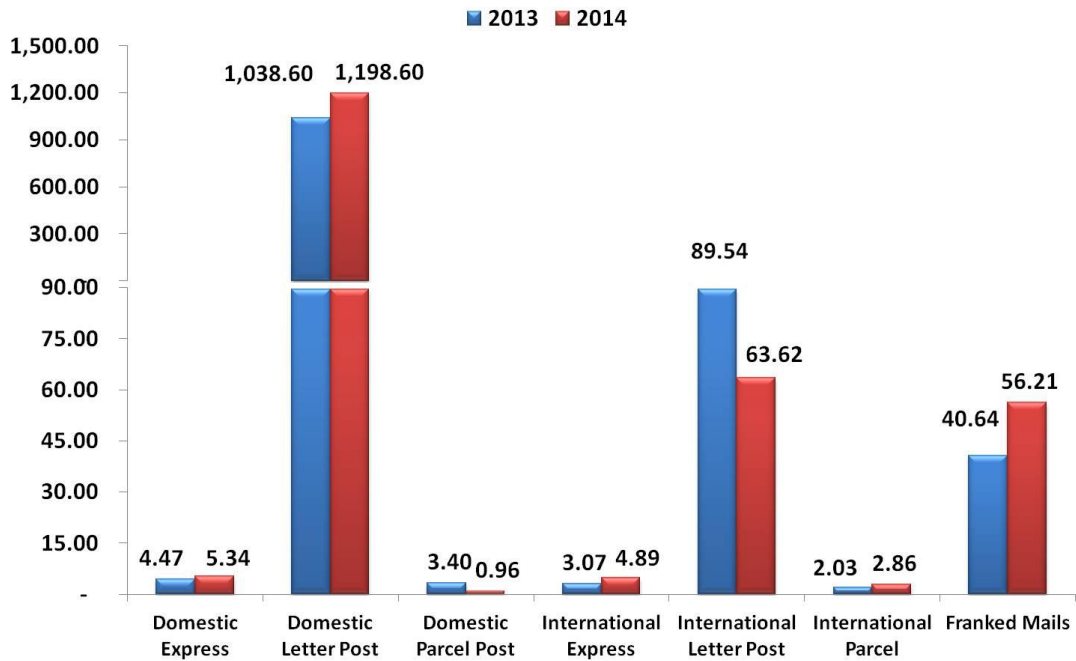
Historical Mail Volume Posted and Delivered, In Million Pieces



Mail Volume Posted by Product, In Thousand Pieces



Mail Volume Delivered by Product, In Thousand Pieces



B. Mail Delivery Service Performance

Mail delivery performance needs improvement because of the inability of most of the postal areas to meet the standard delivery time for both ordinary mails and registered mails.

Mail Type	Standard	Performance
I. Ordinary Mails		
A. Within Locality	1 - 2	2.04
B. Intra-regional		
- PO performance	2	1.89
- From Posting to Delivery	3	4.25
C. Inter-regional		
- PO performance	2	1.95
- From Posting to Delivery	5	6.23
II. Registered Mails		
A. Within Locality	1 - 2	1.98
B. Intra-regional		
- PO performance	2	1.94
- From Posting to Delivery	4	4.20
C. Inter-regional		
- PO performance	3	2.04
- From Posting to Delivery	6	6.49

V. Other Highlights

A. Post Office Connectivity

PHLPost has connected about 316 Post Offices as of December 2014.

Area	Connected POs
NELA	13
NWLA	56
MMA	54
SLA	48
CEVA	37
WVA	36
EMA	30
CMA	24
WMA	28
Total	316

B. PHLPost was able to issue more than 1 million postal ID in 2014. Further, the migration from laminated card-type to biographic/biometrics-based postal identification card was implemented in December 2015;

C. PHLPost has achieved global recognition after winning the Word Mail Awards 2014 for People Management held in Germany, and a finalist in Post Expo Technology Award 2014 in Sweden.