



SECRETARY'S CERTIFICATE

This is to certify that during the 5th Special Board Meeting of the Philippine Postal Corporation held on March 16, 2017, the Board of Directors adopted the following resolution, to wit:

Board Resolution No. 2017 - 38

"APPROVING THE CORPORATE OPERATING BUDGET OF THE PHILIPPINE POSTAL CORPORATION FOR CALENDAR YEAR 2018 AMOUNTING TO FOUR BILLION EIGHT HUNDRED EIGHTY NINE MILLION ONE HUNDRED TWENTY NINE THOUSAND ONE HUNDRED SEVEN PESOS (P4,889,129,107.00)."

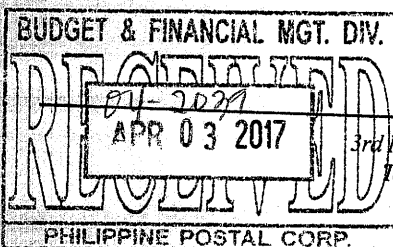
WHEREAS, an Operating Budget is necessary to enable the Corporation to plan and manage its financial resources to support the implementation of its various plans and programs within the constraints of its financial capability;

WHEREAS, Management submitted to the Board a proposed Corporate Operating Budget (COB) of the Philippine Postal Corporation (PHLPost) for Calendar Year 2018 embodying, among others, the following: (i) Projected Revenue and Expenditures; (ii) Cash Budget; and (iii) Projected Results of Operations;

WHEREAS, the Board of Directors agreed to approve the proposed COB for 2018 as presented by Management subject to periodic review as may be allowed by the Department of Budget and Management (DBM) to reflect recent developments in the projected performance of the Corporation and on its fiscal program for a given period;

WHEREFORE, foregoing premises considered, **BE IT RESOLVED**, as it is hereby resolved, to approve the Corporate Operating Budget of the Philippine Postal Corporation for Calendar Year 2018 amounting to Four Billion Eight Hundred Eighty Nine Million One Hundred Twenty Nine Thousand One Hundred Seven Pesos (P4,889,129,107.00).

Issued this 31st day of March 2017 at the City of Manila, Philippines.



Rachel T. Sy
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Corporate Secretary

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2017-04-09-0009

PHILIPPINE POSTAL CORPORATION
PROPOSED CORPORATE OPERATING BUDGET
CY 2018

PARTICULAR		TOTAL		
		2016 (ACTUAL)	2017 (ESTIMATE)	2018 (PROPOSED)
REVENUE	P	3,907,478,574	5,402,029,241	5,003,024,946
LESS: Provision for Discount		29,192,697	30,000,000	28,023,552
REVENUE NET OF DISCOUNT		3,878,285,877	5,372,029,241	4,975,001,394
LESS: Provision for VAT		332,919,698	521,247,812	462,813,057
REVENUE AFTER VAT		3,545,366,179	4,850,781,428	4,512,188,337
Add: Reimbursement from the NG		301,000,000	536,537,000	586,642,000
Subsidy Income from Non-Shareholders		159,166	-	-
TOTAL		3,846,525,345	5,387,318,428	5,098,830,337
LESS: EXPENDITURES				
Operating Expenses		2,322,598,796	3,068,674,514	2,974,480,551
Administrative Expenses		1,052,608,276	1,472,053,811	1,367,021,328
Financial Expenses		30,791,195	21,768,457	14,050,807
Capital Expenditures		23,787,079	660,159,689	533,576,423
TOTAL EXPENDITURES		3,429,785,346	5,222,656,471	4,889,129,109
SURPLUS	P	416,739,999	164,661,957	209,701,229