

Annual Report **2014**

Thailand Post Co., Ltd.



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# Outstanding State Enterprise Award 2014

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Thailand Post was given honorable mention (individual) in the category of outstanding innovation award for its “storage tank and filter for recycling and recirculating car air- conditioning fluid”. The award is conferred to honor state enterprises’ innovative achievement, in terms of policy, strategy, work plan and communication channels, and personnel engagement in creating innovations that support and promote the operations of the organization.

Thailand Post also received the “State Enterprise Award of Pride”, a special award recognizing state enterprises that demonstrate their continual outstanding achievements through solid corporate culture and staff unity in accomplishing the Company’s objectives and in creating good services for the public and the country. This was of great pride to those individuals concerned and the Ministry of Finance.





## Thai Postal Network... The Happiness Network of Thai People

Thailand Post is ready to be a Super Service Center, by assigning post offices throughout the country to provide the people in every corner a convenient access to government information and services by using a single identity card. Thailand Post has enhanced service standards and developed Post & Home service through EDC (Electronic Data Capture) system. In addition, the Company has developed its policy of extending service scope in 3 key businesses: post, banking and insurance. The Company is aiming to be a provider of insurance for various insurance companies via post offices to reach the public throughout the country, including to serve as a main channel to promote government policy which intends to develop individual insurance products.













## Happiness Network Delivered by Post

Thailand Post creates business opportunities for communities and supports OTOP products via retail distribution channels, such as postal counters, postal products catalogues, website : [PosteMart.com](http://PosteMart.com), [Thailandmall.net](http://Thailandmall.net) and Mobile Applications, as well as advocates transportation and distribution system. The Company aims to become a **“Center for Best Products Delivery from Communities to Homes”**.







## Reliable and Convenient Network

Thailand Post has developed its services to provide customers with greater convenience. Such services include Drive-Thru Post, EMS Super Speed, Pay at Post, Top-up service, Deliver on Demand and International One Price Box. The One Price Box, which covers major destinations worldwide, is intended to respond to demands for international express delivery service of small e-Commerce entrepreneurs and tourists.





# Thailand's Logistics Network moves forward to **AEC**



## Promoting Thai SMEs' Access to Global Markets

Thailand Post jointly promotes and creates opportunities for Thailand's community enterprises to expand distribution channels for their products via e-Commerce to the AEC countries.

## Thailand Post Establishes Thailand Post Distribution Co., Ltd.

The new company was established to "undertake the following tasks from Thailand Post : management of routes, transportation, warehouse management system, shipment preparation system, and additional services related to distribution of goods". Distribution service is provided for both agricultural and community products. Thanks to its outstanding geographical location as a hub of ASEAN, Thailand can connect the transportation system to cover the whole ASEAN and also extend this to China and India. It is also beneficial to the growth of Thailand's exports.





## ASEANPOST++

The cooperation within the ASEAN Economic Community (AEC) in postal service sector is created under ASEANPOST++ framework. In the initial stage, the ASEANPOST++ will develop e-Commerce service and joint transportation system.



## History of Thailand Post Company Limited

Thailand Post Company Limited is a state enterprise under the supervision of the Ministry of Information and Communication Technology. As the former postal service unit of the Communications Authority of Thailand (CAT), it became a separate entity on August 14, 2003.

Thailand's postal business was established in 1883 in the reign of King Chulalongkon. The preliminarily founded service was affiliated with the Postal Department (later becoming the Post and Telegraph Department) until 1997, when the unit was turned into a state enterprise called the Communications Authority of Thailand to pave the way for more streamlined operations in line with economic and social changes. In 2003, as the world was increasingly driven by globalization, with the service sector, in particular, opening up to free trade practices, it was necessary for Thailand's postal service to undergo further restructuring as a company limited. The new organization was expected to have expanded business and be more competitive, and to become financially self-reliant, while continuing to provide universal postal services to Thai people and the country.

Thailand's postal business has enjoyed steady growth. In the initial stage of development, the focus was on infrastructure to strengthen and expand the business. The next phase saw greater development with the use of state-of-the-art mail sorting machines, the introduction of the Counter Automation Point of Sales (CA POS) system to mail acceptance at post offices nationwide, and the launching of more commercial services, such as Express Mail Service (EMS), Pay at Post, and Online Money Order.

Since its restructuring, Thailand Post's management and operations have become increasingly business oriented. Systematic plans are drawn up, with service markets divided into four groups: communications, transportation, retail and finance. New services continue to be developed to meet rapidly changing needs of customers. Among these newly developed services, which suit today's lifestyle and business approaches, are Total Mail Solution, Messenger Post, Logispost, Yummy Post (a service of ordering and delivering products of well-known food specialties from all regions nationwide) and even Agency Service. Additionally, to enhance its efficiency, Thailand Post has also introduced the Track and Trace system to some of its services. In fulfilling its social commitment, Thailand Post continues to keep open its services at more than 4,500 postal points in both potential business and remote areas in every region of the country. Also, to live up to its philosophy as a business founded in the interests of the Thai people and society, Thailand Post provides complete basic services ranging from mail, package and financial services at a minimum charge to ensure that they are accessible to people from all sectors.



## Vision

To be the leader in postal business through its comprehensive, most reliable and quality network that is always on cordial terms with Thai people.

## Mission

1. Enhance the ability to generate profits and maximize the value of existing assets by continuing to focus on revenue from traditional postal services while increasing income from new products and services already in existence and to be introduced in the future; set guidelines for cost restructuring that results in enhanced administrative responsiveness; optimize benefits from existing Thailand Post assets.

2. Respond to customers' changing needs by expanding its range of goods and services, and seeking new business opportunities, especially in the area of services aimed at businesses with strong future growth potential by optimizing Thailand Post's existing service capabilities; create an R&D process to identify new business opportunities appropriate to the postal business and that will allow the company to meet customers' needs in the future.

3. Continue to improve and develop work systems to enhance the competitiveness of Thailand Post, focusing on improvements to existing practices in preparation for the effective launch of new types of goods and services in the future; raise the quality of existing services to meet accepted standards, and improve the efficiency and responsiveness of the company's management system and structure.

4. Promote staff development through skills and attitude training and support for the creation of a learning organization, focusing on efforts to respond to the need to raise the efficiency of organizational management; support for innovative approaches to working and the development of new goods and services that respond to future business needs.

## Statement of Direction (SOD) of 2014

To operate a national network of postal and logistics services to distribute goods and parcels quickly, safely and in line with international standards.

### Short-term Plans:

1. Improve postal and logistics services in order to raise the level of customer satisfaction.
2. Study the feasibility of launching new businesses, taking into account appropriate financial and investment plans.
3. Adopt a new staffing plan to accommodate future services.
4. Form new business alliances as means of expanding the customer base and boosting business competitiveness.

### Long-term Plans:

Continue to improve the logistics business with an aim to making it the company's principal revenue earner.





## Company Information

Thailand Post Co., Ltd. a state enterprise under supervision of the Ministry of Information and Communication Technology (ICT), was established according to the Civil and Commercial Code on August 14, 2003, with the Ministry of Finance's 100% shareholding.

Company name	THAILAND POST CO.,LTD.
Shortened name	THP
Registered number	0105546095724
Business type	Offering acceptance and dispatch of messages and packages, financial and agency services
Employees and workers	22,616 (as of December 31, 2014)
Call Center	1545
Website	<a href="http://www.thailandpost.co.th">www.thailandpost.co.th</a>
Registered capital	1,250,000,000.00 Baht
Auditor	The Office of the Auditor General
Headquarters	111 Chaeng Watthana Road, Thung Song Hong, Laksi, Bangkok 10210-0299 Telephone: 0-2831-3131 Facsimile: 0-2956-8904
Metropolitan Postal Bureau (North)	1551 Phahon Yothin Road, Sam Sen Nai, Phaya Thai, Bangkok 10400 Telephone: 0-2278-2317, 0-2279-7562, 0-2279-9955 Facsimile: 0-2279-9956
Metropolitan Postal Bureau (South)	4 <sup>th</sup> and 5 <sup>th</sup> floor Bangrak post office, 4 Captain Bush lane, Soi Charoen Krung 32 Charoen Krung Road, Bang Rak Sub-District, Bang Rak District, Bangkok 10500 Telephone: 0-2614-7426-9 Facsimile: 0-2233-7411
Metropolitan Mail Processing Bureau	2 <sup>th</sup> floor Bangkok EMS Center 111 Chaeng Watthana Road, Thung Song Hong, Laksi, Bangkok 10020 Telephone: 0-2575-0851 Facsimile: 0-2575-0849
Regional Postal Bureau (Region 1) Ayutthaya	11/11 Dechawut Road, Pratuchai Sub-District, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya 13000 Telephone: 0-3524-3043 Facsimile: 0-3524-2704

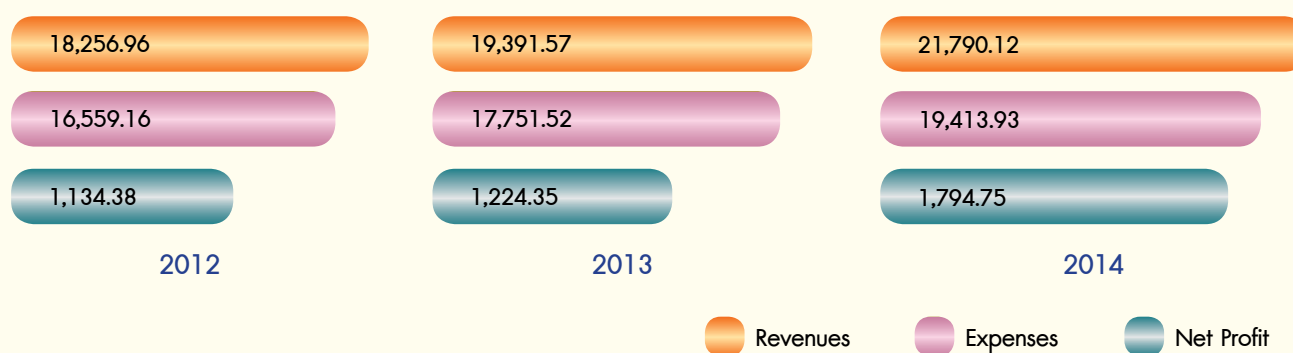
Regional Postal Bureau (Region 2) Chon Buri	37/1 Moo 9 Sukprayoon Road, Napa Sub-District, Muang District, Chon Buri 20000 Telephone: 0-3827-8300-2, 0-3828-7291 Facsimile: 0-3828-7291 ext. 130, 131
Regional Postal Bureau (Region 3) Nakhon Ratchasima	232/1 Chang Phuek Road, Nai Mueang Sub-District, Muang District, Nakhon Ratchasima 30000 Telephone: 0-4427-2328, 0-4424-2103, 0-4424-8878 Facsimile: 0-4424-8879
Regional Postal Bureau (Region 4) Khon Kaen	294 Sun Ratchakan Road, Nai Mueang Sub-District, Muang District, Khon Kaen 40000 Telephone: 0-4323-7178, 0-4323-4650 Facsimile: 0-4323-9306, 0-4323-9357, 0-4324-6597
Regional Postal Bureau (Region 5) Chiang Mai	6 Mahidol Road, Suthep Sub-District, Muang District, Chiang Mai 50200 Telephone: 0-5327-5471, 0-5327-5241, 0-5327-2643 Facsimile: 0-5327-6001, 0-5327-5241 ต่อ 526
Regional Postal Bureau (Region 6) Nakhon Sawan	154 Moo 1, Phahon Yothin Road, Nakhon Sawan Ok Sub-District, Muang District, Nakhon Sawan 60000 Telephone: 0-5625-5130, 0-5625-5262, 0-5625-6020 Facsimile: 0-5625-6020 ext. 102
Regional Postal Bureau (Region 7) Ratchaburi	24/14 Petchkasem Road, Na Mueang Sub-District, Muang District, Ratchaburi 70000 Telephone: 0-3233-7385, 0-3233-8985, 0-3233-6009 Facsimile: 0-3233-7385, 0-3233-8985, 0-3233-6009 ต่อ 222
Regional Postal Bureau (Region 8) Surat Thani	84/24 Moo 6, Liang Muang Road, Makham Tia Sub-District, Muang District, Surat Thani 84000 Telephone: 0-7722-6445 Facsimile: 0-7722-6357
Regional Postal Bureau (Region 9) Hat Yai	13 Kanchanavanich 1 Road, Hat Yai Sub-District, Hat Yai District, Songkhla 90110 Telephone: 0-7424-3121, 0-7424-5293 Facsimile: 0-7421-1065
Regional Postal Bureau (Region 10) Ubon Ratchathani	73 Moo 3, Ubon-trakarn Road, Karmyai Sub-District, Muang District, Ubon Ratchathani 34000 Telephone: 0-4528-3611, 0-4528-3614 Facsimile: 0-4531-1927



## Important Information

### Summary of Financial Position and Financial Ratio

		2012	2013	2014
<b>Operating Performance</b> (Million Baht)				
Revenues		18,256.96	19,391.57	21,790.12
Expenses (Exclusive of corporate income tax)		16,559.16	17,751.52	19,413.93
Earning before Interests and Taxes		1,697.80	1,640.05	2,376.20
Corporate income tax		563.42	415.71	581.45
Net Profit (Loss)		1,134.38	1,224.35	1,794.75
<b>Financial Position</b> (Million Baht)		As of December 31, 2012	As of December 31, 2013	As of December 31, 2014
Assets		19,092.19	20,217.49	22,496.02
Current Assets		11,171.64	11,997.28	13,280.28
Land, Building and Equipment - Net		6,854.01	6,911.39	6,795.15
Intangible Assets		118.40	126.82	127.31
Liabilities and Shareholders' Equity		19,092.19	20,217.49	22,496.02
Liabilities		8,745.82	8,054.22	9,508.18
Current Liabilities		4,548.86	3,977.22	5,514.22
Shareholders' Equity		10,346.37	12,163.27	12,987.84
<b>Financial Ratio</b>		As of December 31, 2012	As of December 31, 2013	As of December 31, 2014
Current Ratio (Current Assets to Current Liabilities)	Times	2.46	3.02	2.41
Debt Ratio to Assets	Times	0.46	0.40	0.42
Debt to Equity	Times	0.85	0.66	0.73
Basic Earning Power (Profit before interests and corporate income tax) to Assets	%	8.89	8.11	10.56
Return on Assets	%	5.94	6.06	7.98
Return on Equity	%	10.96	10.07	13.82
Return on Revenues	%	6.21	6.31	8.24
Cost Margin	%	90.70	91.54	89.10

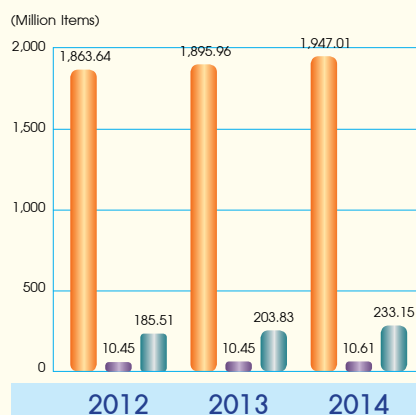




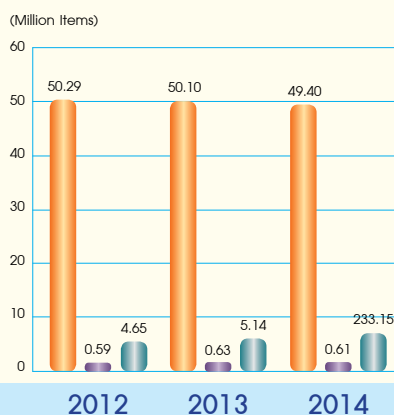
## Work Volumes and Postal Network

	2012	2013	2014
<b>Work Volumes</b>			
<b>Domestic Mail (Million Items)</b>			
Ordinary Letter-Post Items	1,863.64	1,895.96	1,947.01
Postal Parcels	10.45	10.46	10.61
Special Services	185.51	203.83	233.15
<b>International Mail (Million Items)</b>			
Ordinary Letter-Post Items	50.29	50.10	49.40
Postal Parcels	0.59	0.63	0.61
Special Services	4.65	5.14	5.66
<b>Financial Service (Million Transactions)</b>			
Domestic Money Order (Ordinary+Online)	13.90	12.59	10.88
Pay at Post	14.82	13.77	11.83
<b>Number of Office</b>			
	As of December 31, 2012	As of December 31, 2013	As of December 31, 2014
THP Operating Office (Units)	1,237	1,240	1,251
Mail Center	16	18	18
Bulk Posting Center	6	6	6
Post Office	1,163	1,164	1,174
Mobile Post Office (Units)	52	52	53
Licensed Post Office (Units)	3,354	3,472	3,444
Thailand Post Shop (Units)	75	78	79
Postage Stamps Agency (Units)	1,398	1,398	1,398
Postage Stamps Agents (Units)	2,000	2,000	2,000
Posting Box (Boxes)	28,776	28,776	26,701

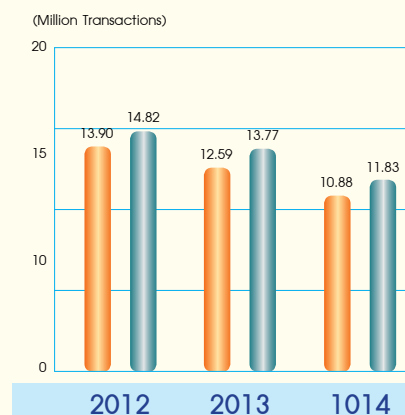
### Domestic Mail



### International Mail



### Financial Service



■ Ordinary Letter-Post Items
 ■ Postal Parcels
 ■ Special Services

■ Domestic Money Order
 ■ Pay at Post



## Message from the Chairman

Thai postal service has been in operation for more than 130 years but today it is far from old-fashioned, owing to continual developments that have modernized services to be on a par with those in leading countries. Nowadays Thailand Post Co., Ltd. continues to move forward in developing the services, while facing the challenges brought by technological advances, improved capabilities of its competitors and opportunity to create new services, with the intention to respond to changing customer demands and evolving lifestyle needs.

Thailand Post's operating results in 2014 were very satisfactory, due to the endeavours of management and staff at all levels in making operations as successful as targeted. Thailand Post was proud of its outstanding results with a solid organizational culture and concerted efforts to meet the objectives of King Chulalongkorn (Rama V), who initiated Thai postal service. Thanks to the good services provided to the public and the country as a whole, that was of great pride to those involved and to the Ministry of Finance, Thailand Post was granted "State Enterprise Award of Pride" the special award for outstanding State Enterprise in 2014.

In the next step, Thailand Post is continuing the successive development to accommodate opportunities from e-Commerce business growth and the establishment of the ASEAN Economic Community. Thailand Post will also develop new services and modernize operating system that can connect logistics networks in the ASEAN countries in order to support and take part in driving Thai business into the global arena.

On behalf of Thailand Post management, may I respectfully invite the power of the three jewels of Buddhism and sacred items as well as the glory of His Majesty the King and Her Majesty the Queen to inspire and bless the management and all staff, customers, suppliers and strategic partners as well as relevant government organizations with happiness, prosperity, good health, safety from all dangers and fulfilled wishes.

*“ Thailand Post is continuing the successive development to accommodate opportunities from e-Commerce business growth and the establishment of the ASEAN Economic Community. Thailand Post will also develop new services and modernize operating system that can connect logistics networks in the ASEAN countries. ”*



(Lt.Gen. Sathit Pitharat)  
Chairman of the Board of Directors



## Message from the President

Thailand Post enters “the second decade” of operations while facing a tougher global business competition. It is a great challenge for the company to speed up its adaptation processes for the purpose of strengthening its organizational capabilities and competitiveness, particularly, well-time response to business and end-user needs on account of its international quality standards. Due to nationwide coverage network, Thailand Post is ready to accomplish its commitment to be the “Happiness Network of the Thai People” through its Super Service Center. In all, Thailand Post’s policy for its 2014 operations placed major emphasis on speed, quality and innovation.

According to the operating results in 2014, Thailand post was successful in its main operation — mail delivery service — breaking the record since its transformation into a limited company with a net profit of 1,779.51 million baht, an increase of more than 45.34 percent over 2013 (net profit of 1,224.35 million baht in 2013). This success was driven by the unity of employees in aiming to achieve its goals.

Thailand Post continues to develop and upgrade service standards. For 2015, Thailand Post has set the objectives of providing excellent standard services at all post offices with systematic standard control, lower user complaints and zero error. As a result, customers will be confident in the “Thailand Post” brand that is ready to meet customer demand through a full range of modern services including online iPost, Delivery on Demand, Drive-Thru Post, and EMS Super Speed. In addition, Thailand Post has created, for SMEs and national organizations, Logispost Plus, Logispost World and One Price Box services in preparation for an expansion of both domestic and international logistics.

However, Thailand Post will not reach its objectives unless its staff stand united in driving the organization forward with sincerity and thorough understanding of the customers and services. Thailand Post staff also bring smiles throughout the country, create jobs and deliver superb service to customers. I would like to take this opportunity to thank everybody, every power, every heart and every idea that is behind the great success of the organization in achieving its goals with pride.

Last but not least, on behalf of the management and employees of Thailand Post Co., Ltd. I would like to thank users, suppliers, strategic business partners and concerned government agencies for their invaluable contribution to and trust in Thailand Post’s services. Thanks to this, Thailand Post has gained recognition and enjoyed operating profits. I very much hope Thailand Post will receive further support and trust from you all.

“*Thailand Post continues to develop and upgrade service standards. For 2015, Thailand Post has set the objectives of providing excellent standard services at all post offices with systematic standard control, lower user complaints and zero error. As a result, customers will be confident in the “Thailand Post” brand.*”





*Anusara Chittmittrapap*

(Ms. Anusara Chittmittrapap)  
President



## Board of Directors



### Lieutenant General Sathit Pitharat

Chairman

Chairman of President Nomination Committee

Age 58 years

#### Education

- Bachelor of Science, Chulachomklat Royal Military Academy

#### Experience

- 3<sup>rd</sup> Army Area Commanding General
- 3<sup>rd</sup> Corps Commander, 3<sup>rd</sup> Army Area Command
- Deputy Commanding General, 3<sup>rd</sup> Army Area Command
- Chief of Staff, 3<sup>rd</sup> Army Area Command
- Deputy Chief of Staff, 3<sup>rd</sup> Army Area Command
- Director of Comptroller Department, 3<sup>rd</sup> Army Area Command
- Chief of Logistics Department, 3<sup>rd</sup> Support Command
- 104<sup>th</sup> Artillery Battalion Commander, 4<sup>th</sup> Infantry Division

#### Other Positions

- None

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



### Miss Anusra Chittmittrapap

Vice Chairman

Member of Thailand Post Audit Committee

Chairman of President's Remuneration Subcommittee

Member of Remuneration Management Subcommittee

Member of Thailand Post Business Development Subcommittee

Age 60 years

#### Education

- Bachelor of Communication Arts (Honors), Public Relations, Chulalongkorn University

#### Experience

- President, Thailand Post Company Limited
- Senior Executive Vice President (Marketing and Business Development), Thailand Post Company Limited
- Executive Vice President (Marketing and Business Development), Thailand Post Company Limited

#### Other Positions

- Director, Thailand Post Distribution Company Limited

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.



### Dr. Jaruvan Hengtrakool

Director

Chairman of Thailand Post Audit Committee

Member of President Nomination Committee

Chairman of the Employees / Permanent Workers

Appeal Subcommittee

Age 55 years

#### Education

- Doctorat d'Etat en Droit, Université Robert Schuman, France
- Diplôme d'Etude Approfondies (D.E.A.) (Public Law) Université Robert Schuman, France
- Bachelor of Laws, Thammasat University

#### Experience

- Permanent Law Councillor (Krisdika Counsel, Advisory Level)
- Permanent Law Councillor (Legal Expert)
- Director, Legislative Drafting Technique Bureau, Office of the Council of State
- Director, Treasury Law Section, Office of the Council of State

#### Other Positions

- Permanent Law Councillor, Office of the Council of State

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.



## Board of Directors



### Dr. Don Bhasavanich

Director

Member of President Nomination Committee  
 Member of President's Remuneration Subcommittee  
 Chairman of Thailand Post Risk Management Subcommittee  
 Chairman of Thailand Post Business Development Subcommittee  
 Age 63 years

#### Education

- Gaseous Electronics/Electrical Engineering, University of Liverpool, England
- Master of Business Administration, Katz Graduate School, University of Pittsburgh, Pennsylvania, USA.
- Electric Power and Electrical Engineering, Rensselaer Polytechnic Institute, New York, USA.

#### Experience

- President, TT&T Public Company Limited
- President, DHL (Thailand) Ltd.

#### Other Positions

- Director, Thailand Management Association
- Director, Organics Ltd.
- Director, KGI Securities (Thailand)

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.



### Mrs. Danucha Yindeept

Director

Member of Thailand Post Audit Committee  
 Member of President's Performance Evaluation Subcommittee  
 Member of Remuneration Management Subcommittee  
 Member of President Nomination Committee  
 Age 60 years

#### Education

- Master of Commerce (Management), Chulalongkorn University
- Bachelor of Accountancy (Banking and Finance), Chulalongkorn University
- Executive Development Program, Kellogg School of Management, NWU, Illinois, USA.

#### Experience

- Advisor on Finance, Ministry of Finance
- Deputy Director - General, State Enterprise Policy Office (SEPO)
- Director, Bureau of Monitoring and Performance Assessment, State Enterprise Policy Office
- Director of State Enterprise Development, State Enterprise Policy Office

#### Other Positions

- Secretary to Minister of Energy, Office of the Minister, Ministry of Energy
- Vice Chairman, Thailand Post Distribution Company Limited
- Director, KTB Advisory Company Limited

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.





### Mr. Rathapol Bhakdibhumi

Director

Member of Thailand Post Audit Committee  
 Member of Good Corporate Governance Subcommittee  
 Member of President's Remuneration Subcommittee  
 Member of Thailand Post Business Development Subcommittee  
 Age 47 years

#### Education

- Business Administration, Sasin Graduate Institute of Business Administration
- Executive Master in International Logistics and Supply Chain Strategy, Georgia Institute of Technology, Atlanta, USA.
- Bachelor of Science, University of Colorado, Boulder, USA.

#### Experience

- Senior Associate, Merrill Lynch Phatra Securities Co., Ltd.
- Executive Director, SK Mineral Co., Ltd.
- Chairman of the Board, DX Innovation Co., Ltd.
- Logistics Development Committee, Thai Chamber of Commerce
- Sub-Committee on Economic Corporation with Neighboring Countries (Yunnan and Southern China Provinces), Thai Chamber of Commerce

#### Other Positions

- Director, CAT Telecom Public Company Limited
- Director, Thai Airways International Public Company Limited
- Chairman of the Executive Committee and President, General Electronic Commerce Services Co., Ltd.

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.



### Dr. Thitipong Nandhabiwat

Director

Member of Risk Management Subcommittee  
 Member of President's Performance Evaluation Subcommittee  
 Member of Thailand Post Business Development Subcommittee  
 Age 38 years

#### Education

- Ph.D. (Information Technology — Robotics) Murdoch University, Perth, Western Australia, Australia
- M.Sc. (Information Science) University of Pittsburgh, Pittsburgh, Pennsylvania, USA.
- B.Sc. (Computer Science) University of Waikato, Hamilton, New Zealand

#### Experience

- Assistant Vice Chairman, Office of the National Broadcasting and Telecommunications Commission (NBTC)
- Senate Standing Subcommittee Member, Standing Subcommittee on Protection of People's Rights and Liberties in the Event of National Emergencies or Disaster under Standing Committee on Human Rights, Rights and Liberties and Consumer Protection, the Senate of Thailand
- Committee Member, International Affairs Committee, the Engineering Institute of Thailand under H.M. the King's Patronage

#### Other Positions

- Honorary Advisor to NLA Standing Committee on Local Administration, the National Legislative Assembly (NLA)
- Assistant President for International Marketing and Dean of International College, Rangsit University
- Subcommittee Member, Data and Network Cybersecurity in Telecommunications and Radio Communications Subcommittee, Office of the National Broadcasting and Telecommunications Commission (NBTC)

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.



## Board of Directors



### Mr. Norawat Chotigoon

Director

Chairman of Thailand Post Relation Affairs Committee  
Member of Risk Management Subcommittee  
Member of Good Corporate Governance Subcommittee  
Age 61 years

#### Education

- Bachelor of Arts, Srinakharinwirot University, Pattani Campus

#### Experience

- Senior Administrator General Administration,  
Office of the Permanent Secretary, Ministry of Finance
- Director of Information Division,  
Office of the Permanent Secretary, Ministry of Finance

#### Other Positions

- Director, Thai Marble Company Limited (TMC)

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.



### Assistant Professor

### Dr. M.L. Vittratorn Chirapravati

Director

Chairman of Good Corporate Governance Subcommittee  
Member of President's Performance Evaluation  
Subcommittee  
Age 51 years

#### Education

- Mass Media (Advertising), Michigan State University, USA
- Advertising, Michigan State University, USA
- Bachelor of Communication Arts (Advertising and  
Public Relations), Chulalongkorn University

#### Experience

- Assistant Professor, Faculty of Communication Arts,  
Chulalongkorn University

#### Other Positions

- Independent scholar

In accounting year 2014, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associated with Thailand Post.

## Board of Directors (Issue 1) As of February 13, 2012 – August 24, 2014

1. Dr. Nongluck	Phinainitisart	7. Mr. Kosonlavat	Intujunyong
2. Mr. Smai	Leesakul	8. Mr. Norawat	Chotigoon
3. Mr. Distat	Hotrakitya	9. Mr. Kraitos	Ongchaisak
4. Mr. Nuttavudh	Photisaro	10. Mr. Visanu	Thepcharoen
5. Mrs. Danucha	Yindeepit	11. Miss Anusra	Chittmittrapap
6. Pol.Lt.Col Chinnachot	Putivattada		

Note:

- Dr. Nongluck Phinainitisart resigned from the THP Board of Directors, effective July 21,2014.
- Mr. Smai Leesakul resigned from the THP Board of Directors, effective July 23,2014.
- Mr. Distat Hotrakitya resigned from the THP Board of Directors, effective July 21,2014.
- Mr. Nuttavudh Photisaro resigned from the THP Board of Directors, effective July 21,2014.
- Mr. Kosonlavat Intujunyong resigned from the THP Board of Directors, effective July 21,2014.
- Mr. Kraitos Ongchaisak resigned from the THP Board of Directors, effective July 21,2014.
- Mr. Visanu Thepcharoen resigned from the THP Board of Directors, effective July 21,2014.

## Board of Directors (Issue 2) As of August 25, 2014 – December 31,2014

1. Lieutenant General Sathit	Pitharat	6. Mr. Rathapol	Bhaktibhumi
2. Miss Anusra	Chittmittrapap	7. Dr. Thitipong	Nandhabiwat
3. Dr. Jaruvan	Hengtrakool	8. Mr. Norawat	Chotigoon
4. Dr. Don	Bhasavanich	9. Assistant Professor	
5. Mrs. Danucha	Yindeepit	Dr. M.L. Vittratorn	Chirapravati

Note: - Mrs. Danucha Yindeepit resigned from the THP Board of Directors, effective October 22, 2014.



## THP Executives



### Ms. Anusra Chittmittrapap

President

Age 60 years

#### Education

- Bachelor of Communication Arts (Honors), Chulalongkorn University
- Certificate, National Defence College (Class 48)

### Mr. Piyawat Mahapauraya

Senior Executive Vice President  
(Operating Systems)

Age 59 years

#### Education

- Master of Public and Private Management, National Institute of Development Administration (NIDA)
- Bachelor of Business Administration, Sukhothai Thammathirat Open University
- Certificate, The Post and Telegraph Department School
- Certificate, National Defence College (Class 51)



### Mrs. Smorn Terdthumpiboon

Senior Executive Vice President

(Finance & Accounting)

Acting Senior Executive Vice President  
(Information Technology)

Age 54 years

#### Education

- Master of Business Administration, Thammasat University.
- Bachelor of Science, Chiang Mai University

### Ms. Pucktheema Kovitvanich

Senior Executive Vice President

(Human Resources)

Age 55 years

#### Education

- Master of Public Administration, National Institute of Development Administration (NIDA)
- Bachelor of Arts (Political Science), Thammasat University

### Mrs. Khanitha Maneepisith

Senior Executive Vice President

(Administration and Property Management)

Age 59 years

#### Education

- Diplôme de l'Ecole Nationale Supérieure des Postes, Télégraphes et Téléphones (ENSPTT), Paris, France
- Bachelor of Economics (First Class Honors), Chulalongkorn University





### Mr. Manop Sornviboonsak

Senior Executive Vice President  
(Metropolitan Operation)  
Age 56 years

#### Education

- Bachelor of Public Administration, Sukhothai Thammathirat Open University
- Certificate, The Post and Telegraph Department School



### Mr. Kalong Subsaart

Senior Executive Vice President  
(Regional Operation)  
Age 54 years

#### Education

- Bachelor of Arts (Political Science), Ramkhamhaeng University
- Certificate, The Post and Telegraph Department School



### Ms. Suchada Buddharuksa

Senior Executive Vice President  
(Marketing)  
Acting Executive Vice President  
(Marketing and Business Development)  
Age 53 years

#### Education

- Master of Business Administration, Sasin Graduate Institute of Business
- Bachelor of Arts, Chulalongkorn University



### Mr. Phitsanu Wanitchaphol

Senior Executive Vice President  
(Business Development)  
Age 41 years

#### Education

- Master of Business Administration, Manchester Business School, The United Kingdom
- Bachelor of Science, Kasetsart University



### Mrs. Nitsa Chivapruck

Executive Vice President  
(Internal Audit Office)  
Age 57 years

#### Education

- Master of Arts, Krirk University
- Bachelor of Accounting, University of the Thai Chamber of Commerce



### Mr. Songsak Polnork

Executive Vice President  
(Human Resources)  
Age 55 years

#### Education

- Master of Science, King Mongkut's Institute of Technology Ladkrabang
- Bachelor of Law, Ramkhamhaeng University
- Bachelor of Business Administration, Ramkhamhaeng University



## THP Executives



### Mr. Sanya Thongsaphak

Executive Vice President  
(Operating Systems)  
Age 58 years

#### Education

- Master of Business Administration, Sukhothai Thammathirat Open University
- Bachelor of Business Administration, Sukhothai Thammathirat Open University
- Certificate, The Post and Telegraph Department School



### Mr. Somchit Wairuengsiripong

Executive Vice President  
(Regional Operation 2)  
Age 56 years

#### Education

- Master of Public Administration (Public Policy), Bansomdejchaopraya Rajabhat University
- Bachelor of Public Administration, Sukhothai Thammathirat Open University
- Certificate, The Post and Telegraph Department School



### Ms. Pilantanee Suwanbubbha

Executive Vice President  
(Office of the President)  
Age 49 years

#### Education

- Master of Arts, Thammasat University
- Bachelor of Arts (Political Science), Chulalongkorn University



### Mr. Somrak Hemwimon

Executive Vice President  
(Metropolitan Operation)  
Age 56 years

#### Education

- Bachelor of Law, Ramkhamhaeng University
- Certificate, The Post and Telegraph Department School



### Mrs. Naiyana Sirisuvun

Executive Vice President  
(Administration and Property Management)  
Age 55 years

#### Education

- Master of Business Administration, Bangkok University
- Bachelor of Business Administration, Thammasat University



### 17. Mr. Prasit Thaweephol

Executive Vice President  
(Regional Operation 1)  
Age 56 years

#### Education

- Bachelor of Public Administration, Udon Thani Rajabhat University
- Certificate, The Post and Telegraph Department School



### Mr. Niyom Jindapateep

Executive Vice President  
(Information Technology)  
Age 44 years

#### Education

- Bachelor of Public Administration, Sukhothai Thammathirat Open University
- Certificate, The Post and Telegraph Department School

### Ms. Somjintana Kerdseubma

Executive Vice President  
(Finance & Accounting)  
Age 54 years

#### Education

- Master of Arts, Kasetsart University
- Bachelor of Business Administration, Sukhothai Thammathirat Open University
- Certificate, (Accounting) Rajamangala University of Technology

## THP Executives

As of January 1, 2014 - December 31, 2014

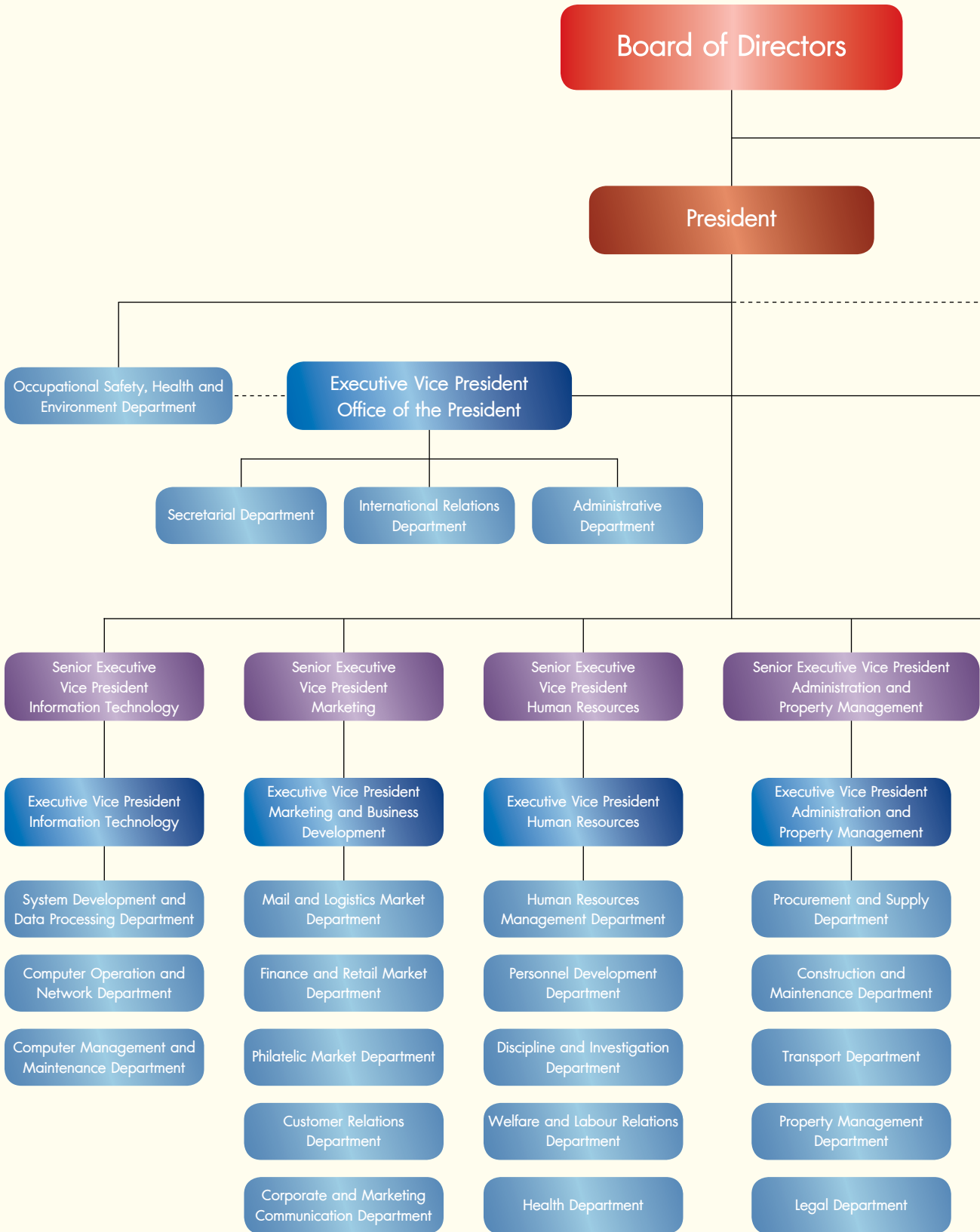
- |                               |                                  |
|-------------------------------|----------------------------------|
| 1. Ms. Anusra Chittmittrapap* | 11. Mr. Songsak Polnork          |
| 2. Mr. Piyawat Mahapauraya    | 12. Mr. Sanya Thongsaphak        |
| 3. Mrs. Smorn Terdthumpiboon  | 13. Mr. Somchit Wairuengsiripong |
| 4. Ms. Pucktheema Kovitvanich | 14. Ms. Pilantanee Suwanbubbha   |
| 5. Mrs. Khanitha Maneepisith  | 15. Mr. Somrak Hemwimon          |
| 6. Mr. Manop Sornviboonsak    | 16. Mrs. Naiyana Sirisuvun       |
| 7. Mr. Kalong Subsaart        | 17. Mr. Prasit Thaweephoh        |
| 8. Ms. Suchada Buddharuksa    | 18. Mr. Niyom Jindapateep        |
| 9. Mr. Phitsanu Wanitchaphol  | 19. Ms. Somjintana Kerdseubma*   |
| 10. Mrs. Nitsa Chivapruck     |                                  |

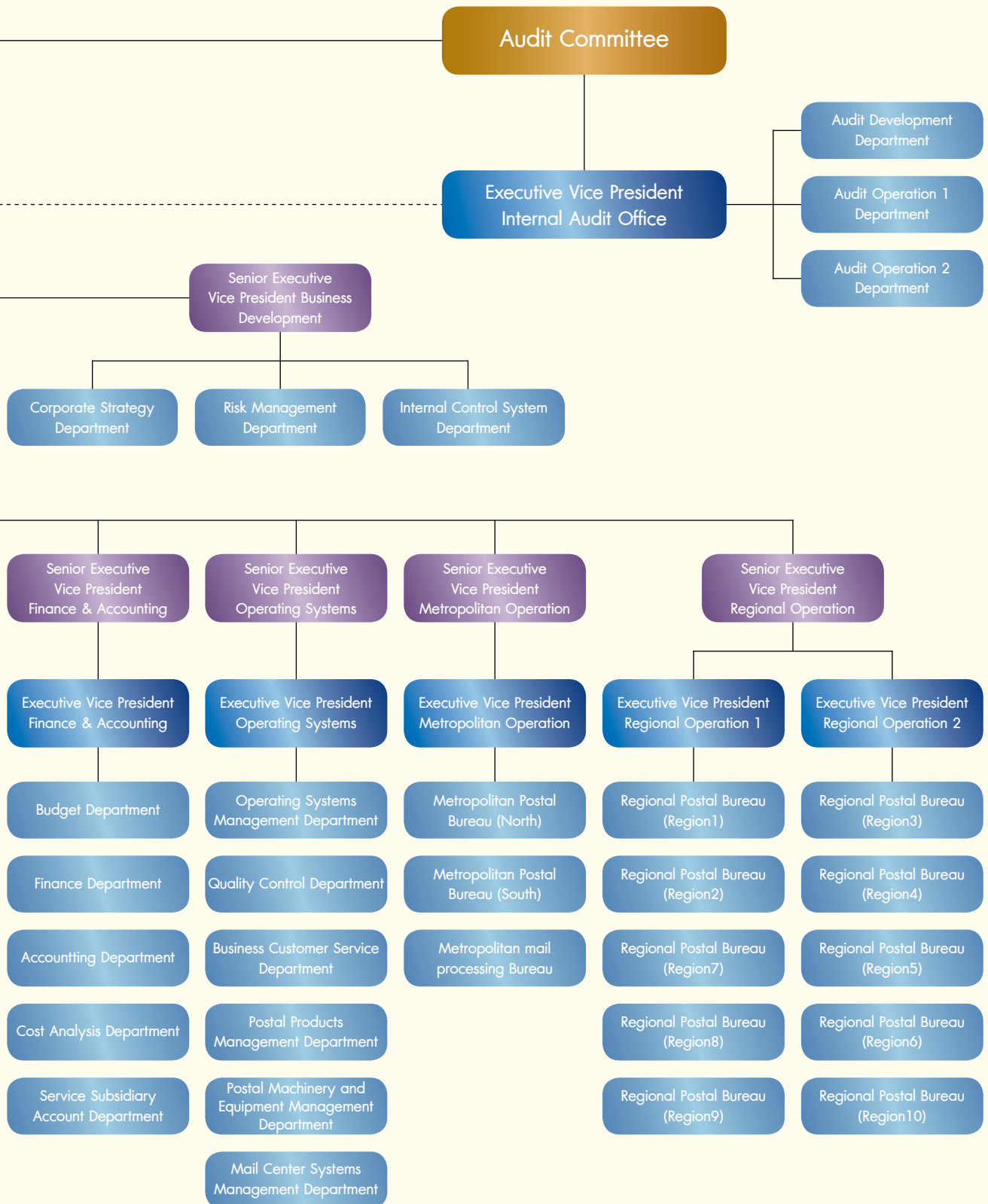
\* Note : - Ms. Anusra Chittmittrapap resigned from the THP Executives, effective August 30, 2014.  
- Ms. Somjintana Kerdseubma assumed the position on the THP Executives as of 15 December 15, 2014.





# Organization Chart







## Staffing Structure

### Number of employees/permanent and temporary workers As of December 31,2014

Total 22,616 Persons			
Employees	13,206 Persons	Male	18,615 Persons
Permanent workers	4,401 Persons	Female	4,001 Persons
Temporary Workers	5,009 Persons		

### Number of employees/permanent and temporary workers by work unit As of December 31,2014

Unit : Persons

Attached to	Total	Percent	Employees	Permanent Workers	Temporary Workers	Male	Female
Units directly report to the President	301	1.331	295	6	0	161	140
Information Technology	138	0.610	137	1	0	86	52
Marketing and Business Development	258	1.141	246	6	6	90	168
Human Resources	222	0.982	219	3	0	93	129
Administration and Property Management	471	2.083	369	35	67	359	112
Finance & Accounting	364	1.609	345	13	6	54	310
Operating Systems	444	1.963	358	34	52	287	157
Metropolitan Operation	9,022	39.892	4,680	2,279	2,063	7,634	1,388
Regional Operation	11,396	50.389	6,557	2,024	2,815	9,851	1,545
Total	22,616	100	13,206	4,401	5,009	18,615	4,001







## Analysis of Performance in Line with Major Missions and Government Policies

### 1. Plan for Development of Agency Service for Sales/Services via e-Commerce System

The government has a policy to develop and promote the application of ICT as a management tool for national development and also to support the business sector to be modernized and competitive in today's world. In response to the government policy, Thailand Post initiated its plan for development of agency service for sales of goods/services via the e-Commerce system. The Company has selected good quality products from OTOP entrepreneurs who have the production capability but lack expertise in distribution channels, marketing, receiving payments and transportation. The selected products are available for sale via the e-Commerce website: [www.PosteMart.com](http://www.PosteMart.com) and an application on both iOS and Android operating systems.

Thailand Post has entered into partnership with the King Mongkut's University of Technology North Bangkok to develop an e-Commerce website that is capable of supporting efficient and convenient trading on the website and employs a user-friendly system. The website also provides a safe payment system, which is acceptable to the users.

For customer data management, the website has a standard efficient system to keep track of customer information and survey the customer's spending behavior in order to support sales and stimulate further purchases. The Company has positioned the website as "A Center of the Best Products Delivery from Communities to Homes".

**Products available on website** are divided into 4 categories as follows:

1. **Thailand's high-quality products** consist of products from OTOP entrepreneurs and Thai Women Empowerment Funds, which have been carefully screened. (In addition to consideration of histories and product descriptions, entrepreneurs are interviewed to ensure that the products truly meet the criteria prior to putting on sale through the website). This category consists of 4 groups of products as follows:

- food/beverages
- cloth and outfit
- utensils, decorative items and souvenirs
- non-food herbal products

For the products in this category, Thailand Post provides an End-to-End service that ranges from contacting the producers to obtain the products for sale, through packing until delivery to customers. Initially, the Company has outsourced King Mongkut's University of Technology North Bangkok to operate warehouse management, packing and posting at the post offices.

2. **Yummy Post products** are included in the existing service and operated through the current Thailand Post system.

3. **Lifestyle products** Thailand Post collaborates with strategic partners such as TV Direct and Flynow to provide this service. The sellers will pack and send the products to Thailand Post for delivery.

4. **Postal goods** are Thailand Post's products, such as postage stamps and collectible items, boxes, envelopes, bubble sheets and souvenirs.

### 2. Distribution of Digital TV Coupons

One of the missions of the Office of The National Broadcasting and Telecommunications Commission (NBTC) is to expand digital television signal broadcasting in 2014-2017 to elevate the service standards of Thailand's television transmission and enhance the quality of the Thai people's life.

In an effort to enable the public to access digital TV thoroughly, the NBTC has offered digital TV coupons to households in Bangkok, its vicinities and provinces, where holders can redeem for a digital TV set top box, or use as a discount for a television set with a digital receiver.

Thailand Post has been entrusted with the responsibility for distributing the digital TV coupons via registered mail to 22 million eligible households.

The NBTC scheduled the posting of digital TV coupons to the signal coverage areas in 3 phases, as follows:



**The first phase:** posting of 4.65 million coupons to households in Bangkok, vicinities and provinces between 6 - 10 October, 2014.

**The second phase:** posting of 1.77 million coupons to households in 21 provinces in November 2014.

**The third phase:** posting to 35 provinces in 2015. For the areas outside the digital TV signal coverage, the remaining coupons will be posted at a later date when the signal has been expanded.

## Major Investment Plans in 2014

In 2014, Thailand Post implemented its work plan and major projects with the investment budget allocated from revenues. They include:

### 1. Plan to Replace CA POS System Equipment (2014)

Thailand Post purchased CA POS system equipment to improve the efficiency of computer and peripheral devices installed at the post offices nationwide in order to support workload efficiently and continuously. In 2014, the Company allocated 522.84 million baht from investment budget for this project and the procurement is still in the e-Auction process.

### 2. Plan to Construct and Renovate Post Offices (2014-2016)

The Company is planning to construct 15 post offices and renovate 355 post office buildings. The projects aim to improve and enlarge spaces for mail operations and customer services. The additional space will facilitate and speed up the operations, which will enhance service efficiency, while preparing for the long-term workload. In 2014, the Company allocated an investment budget of 312.57 million baht for the construction and renovation of the post offices. To date, 10 post offices were built while the other 5 units are going through the bidding process to seek contractors. The renovation of 349 post offices were completed, the remaining 6 units are in the process of design and bidding for contractors.

### 3. Plan to Develop Delivery by Cars (2014-2017)

Thailand Post is developing home delivery service of large-sized items to cope with the increasing volume of packages and the larger items that cannot be carried by motorcycle. In 2014, The Company approved a budget of 198.91 million baht for the purchase of 3 delivery cars, which two units were bought and the remaining one is still in progress.

### 4. Plan to Expand Network of Mail Centers (2009 - 2014)

Thailand Post plans to construct new mail centers to expand network coverage and prepare for economic and community growth. It is also part of the efforts to strengthen capability of the postal service to be competitive with private operators, by leveraging of an efficient operational system and postal network which connects to the existing mail centers. In 2014, an investment budget of 132 million baht was allocated for the construction of 3 mail centers comprising Kabin Buri Mail Center, Khok Kloi Mail Center and Ubon Ratchathani Mail Center. Construction of Ubon Ratchathani Mail Center is completed and the other two centers are in the process of e-Auction to seek contractors.

## 5. Plan to Replace Vehicles (2012-2016)

Thailand Post has planned to purchase 15 new vehicles to replace the damaged ones which had been in service for more than 10 years. The new vehicles will enable the Company to operate the business efficiently, maintain service standards and respond to customers' needs with optimum effectiveness. In 2014, a total investment budget of 114.22 million baht was already spent for the purchase of these vehicles.

## 6. Plan to Purchase Land and Land with Commercial Buildings (2014-2016)

Thailand Post has planned to purchase land plots and land with commercial buildings in the potential areas for the establishment of postal service facilities in preparation for the future growth of operations. The additional service facilities will also better accommodate users and enhance Thailand Post's competitiveness. In 2014, the Company approved the purchase of 3 units with a total investment budget of 46.60 million baht. Two plots of land together with the commercial buildings were completely acquired, the other one unit is in the process of special procurement.

## 7. Plan to Develop Household Data System Connecting to Delivery Map (2014-2017)

Thailand Post has planned to purchase computers, GPS coordinates storage devices and geographical information management system (GIS) to develop a household database that will connect to the delivery beat map. The project aims to support the services and enable the rapid, accurate and efficient analyses in various areas on the basis of the information obtained. In 2014, 26.20 million baht allocated from the Company's investment budget was already spent on purchase of the system.

## 8. Plan to Purchase Equipment and Software for Application Performance Monitoring (2014)

Thailand Post has planned to purchase equipment and software for application performance monitoring to verify and analyse the operating performance of the Company's IT system. In 2014, an investment budget of 16.50 million baht was allocated for this project which is in the process of e-Auction procurement.

## 9. Plan to Install Automatic Queuing System (2014)

Thailand Post purchased an Automatic Queuing System to increase the efficiency of acceptance service, accommodate the customers and reduce tensions between customers and officers. Moreover, the Company can apply the data on waiting times for service as information for the improvement of service efficiency to achieve customer satisfaction. In 2014, the Company allocated an investment budget of 11.56 million baht for the installation which has been completed.

## 10. Plan for Business Intelligence (BI) Enhancement (2014-2017)

Thailand Post purchased a BI Enhancement system to increase the efficiency of data analysis, evaluation of circumstances, management planning and decision of executives to enable the business to move forward amid intense competition. In 2014, the Company approved an investment budget of 11 million baht. Details of the procurement are under preparation.

## Contributions to the Government (or Dividends) for the Past 3 Years

Thailand Post paid dividends to the Ministry of Finance, the sole shareholder, during 2012–2014 as follows:

Unit: Million baht

	2012	2013	2014
Interim dividend	345.56	157.31	497.56
Dividend for the second-half period (previous year)	299.00	108.08	451.43
<b>Total</b>	<b>644.56</b>	<b>265.39</b>	<b>948.99</b>

## Major Projects in which Thailand Post Expects to Invest Over the Next 3 Years

### 1. Plan for Development of Delivery by Car

Thailand Post has developed a delivery system for large-sized items/packages to increase efficiency and prepare for the continued growth of package volume and larger items, which cannot be delivered by motorcycles. It is therefore essential to purchase 756 delivery cars for post offices nationwide. The Company will take 4 years, from 2014 to 2017, to complete the purchases with a total investment budget of 701.58 million baht. The budget has been allocated from the revenues of Thailand Post Co., Ltd. as follows:

Unit: Million baht

Category	2014	2015	2016	2017	Total
Machines and Equipment	180.91	71.31	185.00	201.00	638.22
<b>Total</b>	<b>180.91</b>	<b>71.31</b>	<b>185.00</b>	<b>201.00</b>	<b>638.22</b>
Reserves for Price Appreciation	18.00	7.13	18.50	19.73	63.36
<b>Total Investment Budget</b>	<b>198.91</b>	<b>78.44</b>	<b>203.50</b>	<b>220.73</b>	<b>701.58</b>

### 2. Plan for Development of Household Database System Connecting to Delivery Map

Thailand Post has developed a household database system that connects to its delivery beat map to get accurate information as well as respond to various organizations' needs quickly and efficiently. The Company is taking 4 years, from 2014 to 2017, to survey and gather household data in Greater Bangkok and City Municipals throughout the country, with a total investment budget of 64.65 million baht. The budget has been allocated from the revenues of Thailand Post Co., Ltd. as follows:

Unit: Million baht

Budget	2014	2015	2016	2017	Total
Operating Budget	7.50	7.50	7.50	7.50	30.00
<b>Total</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>	<b>30.00</b>
Investment Budget					
- Office Supplies	23.90	5.28	1.20	1.20	31.58
<b>Total</b>	<b>23.90</b>	<b>5.28</b>	<b>1.20</b>	<b>1.20</b>	<b>31.58</b>
Reserves for Price Appreciation	2.30	0.53	0.12	0.12	3.07
<b>Total Investment Budget</b>	<b>26.20</b>	<b>5.81</b>	<b>1.32</b>	<b>1.32</b>	<b>34.65</b>
<b>Total Budget</b>	<b>33.70</b>	<b>13.31</b>	<b>8.82</b>	<b>8.82</b>	<b>64.65</b>



### 3. Plan for Development of Online Services

Thailand Post has developed a software system for offering services via the Internet as a new channel that provides easiness to customers. The project is being implemented over 4 years, from 2014 to 2017, with a total investment budget of 30.80 million baht. The budget has been allocated from the Company's revenues as follows:

Unit: Million baht

Category	2014	2015	2016	2017	Total
Office Supplies	4.00	6.00	8.00	10.00	28.00
<b>Total</b>	4.00	6.00	8.00	10.00	28.00
Reserves for Price Appreciation	0.40	0.60	0.80	1.00	2.80
<b>Total Investment Budget</b>	4.40	6.60	8.80	11.00	30.80

### 4. Plan for Development of Service System via Portable Devices

Thailand Post has developed software for a service system via portable electronic devices, such as mobile phones and tablets as a new channel to accommodate customers. The project is being implemented over 4 years, from 2014 to 2017, with a total investment budget of 19.80 million baht. The budget has been allocated from the Company's revenue as follows:

Unit: Million baht

Category	2014	2015	2016	2017	Total
Office Supplies	4.00	4.00	5.00	5.00	18.00
<b>Total</b>	4.00	4.00	5.00	5.00	18.00
Reserves for Price Appreciation	0.40	0.40	0.50	0.50	1.80
<b>Total Investment Budget</b>	4.40	4.40	5.50	5.50	19.80

### 5. Plan for Procurement of Container Tractors

Thailand Post has planned to purchase 10-wheel container tractors along with 2-axle and 8-wheel semi-trailer trucks for solid containers complete with a hydraulic rear door, to support the transport of mail bags and logistics in the future as well as enhance the transport capability for the Company's business operations. The Company will take 3 years, from 2015 to 2017, to purchase 60 tractors and semi-trailer trucks with a total investment budget of 227.63 million baht. The budget has been allocated from the Company's revenue as follows:

Unit: Million baht

Category	2015	2016	2017	Total
Machines and parts	41.15	63.77	102.03	206.95
<b>Total</b>	41.15	63.77	102.03	206.95
Reserves for Price Appreciation	4.11	6.37	10.20	20.68
<b>Total Investment Budget</b>	45.26	70.14	112.23	227.63



## Management Discussion and Analysis (MD & A)

In 2014, Thailand Post improved various aspects of its services, operating systems and human resources. The moves were made to ensure effectiveness and efficiency as well as Thailand Post's ability to respond to the needs of customers and society as a whole. A summary of the major moves is given below.

### Services

#### 1. "Love Series" Project

Thailand Post implemented a project to promote written communications among Thais. Through this project, Thailand Post encouraged Thais to write their messages via special activities including the issue of special postcard collections. Special postcards on a "Love Series" theme were designed for seven festivals, namely Father's Day, New Year's Day, Valentine's Day, Family Day, Thai Language Day, Mother's Day and World Post Day. Five other special postcard designs were derived from the song "Khian Kham Wa Rak". In all, Thailand Post offered 12 special postcard designs for people to communicate their feelings throughout the year.

#### 2. EMS Super Speed Service: Speedy & Reliable Delivery within 24 Hours

Thailand Post launched the "EMS Super Speed" service, a speedy and reliable delivery to domestic destinations within 24 hours. The service is offered, through collaboration with Thai AirAsia, to 9 destinations, namely Greater Bangkok, Chiang Mai, Hat Yai, Phuket, Udon Thani, Khon Kaen, Ubon Ratchathani, Nakhon Si Thammarat and Surat Thani. This service responds well to the demand of people who need to send their items urgently, as well as the growing e-Commerce sector.

#### 3. Easy Pack Service

This service is made available through the partnership between Thailand Post and CP All Public Company Limited, relying on Thailand Post's delivery expertise and CP All's extensive network of 7-eleven outlets as sales and service points. This service allows people to buy easy-pack boxes that are available in 3 sizes and post the boxes at 7-eleven counters by paying a flat rate according to size, regardless of weight. Through the Easy Pack service, people can have access to postal services 24 hours a day, seven days a week.

#### 4. Delivery Service for Big C

Capitalizing on its expertise, Thailand Post started providing delivery service for online shoppers, preparing for the launch of e-Commerce. Delivery service is now available for customers who buy goods from Big C Supercenter Public Company Limited through its Online Shopping system. Home delivery service brings convenience to customers and also eases traffic congestion on public roads.

#### 5. Logispost World

Thailand Post launched Logispost World, an international air transport and delivery service for large and/or heavy items weighing 20 - 200 kilograms. Recipients will receive the items within 7-10 days after the posting. The Logispost World service covers 32 destination countries, and senders can use the service at 89 post offices throughout Thailand. This service is designed to support and provide convenience to Thai exporters, Thai small and medium enterprises (SMEs), and OTOP entrepreneurs who need to deliver their products to ASEAN Economic Community (AEC) countries, the increasingly important economic region, as well as to overseas markets. Thanks to Thailand Post's network and Track and Trace function, customers can check delivery status via [www.thailandpost.co.th](http://www.thailandpost.co.th) or THP Contact Center 1545.

## 6. Insurance Distributor Development and Promotional Campaign

Thailand Post has enlarged the strategic partners by acting as a distributor of accident microinsurance for three more firms: Syn Mun Kong Insurance Public Company Limited, Muang Thai Insurance Public Company Limited and Bangkok Insurance Public Company Limited, in addition to the two existing insurance firms, Viriyah Insurance Public Company Limited and Siam City Insurance Public Company Limited. In 2014, Thailand Post opened 556 service units and the total number stood at 1,256, giving consumers more channels and greater convenience to buy insurance products. In a bid to motivate people to buy insurance and enjoy security, Thailand Post in collaboration with Siam City Insurance Public Company Limited organized a promotional campaign, "Insure for Winning Millions" Project to promote the sale of accident microinsurance and insurance Plus. Buyers stood a chance of winning a gold bar every month.

## 7. THP Contact Center 1545

THP Contact Center 1545 is open every day (8 am to 6 pm on Monday to Friday, and 9 am to 5 pm on Saturdays, Sundays, national holidays and substitution days) to provide information/updates, check delivery status, accept inquiries/complaints, and take orders of products/ services for /from customers. The center is equipped with an audio-recording system, a customer-relations management system (CRM) and a database system to ensure optimal performance. Following the launch of THP Contact Center 1545, a one-stop center for services and complaints, the number of service cases increased from 26,000 to 45,800 a month.

Customers can not only contact Thailand Post through the THP Contact Center 1545 but also through telephone number 1545, facsimile number 0-2831-3550 -1, email address: postalcare@thailandpost.co.th, and Facebook: Fanpage/ Thailand Post.

## Operating Systems

### 1. Sale of New Types of Bubble Wrap

Thailand Post has imported more modern equipment from overseas to update/improve the variety of its products. In 2014, it purchased mini-air devices together with plastic material to produce air bubble plastic wrap. These devices can manufacture three types of air bubble wrap, each with a modern design and great flexibility. These wraps are in roll form, space-saving and easy to transport. The imported mini-air devices can produce bubble wrap at a length specified by customers. In the pilot phase, Thailand Post put such bubble wrap on experimental sale at 20 post offices which had the highest volume of packing service, namely Lak Si, Ramindra, Jarakhe Bua, Klong Chan, Pratunam, Bang Lamphu Bon, Lat Phrao, Samsen Nai, Min Buri, Ramkhamhaeng, Beung Thong Lang, Hua Mak, Phra Khanong, Yannawa, Bang Khun Thien, Samray, Bangkok Noi, Bang Poo, General Post Office (GPO) and Suan Phlu.

### 2. Transport Link between Regional Mail Centers

Thailand Post implemented direct transport link between regional mail centers, to allow them to exchange mail between them instead of submit mail bags to central units (Bangkok Mail Center, Lak Si Mail Center and EMS Mail Center) for processing. The direct link was established in 2 phases, as follows:

- **First Phase:** Direct mail exchange between regional mail centers in the following regions : East - North, East - North East and North East - North.
- **Second Phase:** Direct mail exchange between regional mail centers in the following regions : South - North, South - North East, South - East, South - Central, Central - North, Central - North East.

In all, mail bags can now be exchanged directly between regional mail centers across the country.

### 3. Launch of 10 Delivery Stations

With a policy to provide convenience to the addressees, Thailand Post has allowed them to choose the method of mail delivery. Apart from having the postal items delivered to their residence, the addressees may request to receive their mail at designated delivery stations. In 2014, Thailand Post has opened 10 delivery stations on trial basis at Seacon Bang Khae Postal Service Counter, Tang Hua Seng (T-Square) Postal Service Counter, Phra Nakhon Si Ayutthaya Delivery Branch 2 (DB2), The Ozone Postal Service Counter (Rayong province), Khon Kaen University Non-delivery Post Office, Tha Khon Yang Postal Service Counter (Maha Sarakham province), Kad Suan Kaeo Postal Service Counter (Chiang Mai province), Naresuan University Postal Service Counter (Phitsanulok province), Mahachai Non-delivery Post Office (Samut Sakhon province), and Kamala Postal Service Counter (Phuket province).

### 4. Manufacturing of Drop Box

Thailand Post and King Mongkut's Institute of Technology Ladkrabang have jointly launched "an automatic mail delivery box or Drop Box.", which is available 24 hours a day. People who wish to receive their mail or parcel via the Drop Box can register and state their request via Thailand Post's website. After the mailed items arrive at destination post office and the delivery officers put the items into the Drop Box, the recipients will be informed, via SMS, of the delivery and a password for pick up the items. In the pilot phase, Drop Box has been made available at King Mongkut's Institute of Technology Ladkrabang Postal Service Counter. More Drop Boxes will be placed in other parts of the country in the next phase.

### 5. Service for the Food and Drug Administration (FDA)

Thailand Post has provided the delivery of neurological substances from the Medical Warehouse of the Narcotics Revolving Fund Division, the FDA, the Ministry of Public Health, in Nonthaburi province to hospitals/medical facilities in various provinces across the country. For this service, Thailand Post has deployed Ezy Tools Online Program in recording the receipts and deliveries of products, making it possible to check delivery status on the Internet. Thanks to the development of the Thailand Post-based logistics system for medicine delivery, the FDA has won the Service Development Excellence Award 2014 from the Office of the Public Sector Development Commission. The award is in recognition of the service improvement in responding well to service users' needs and to their full satisfaction.

### 6. e-Customs Broker Service

Thailand Post has agreed to provide an e-Customs Broker service at the EMS Center to facilitate customs clearance of international postal items for importers and exporters. The Customs Broker service is also a part of Thailand Post's preparations for its growing logistics businesses.

### 7. Time Frame for Investigation of EMS World through Service Level Agreement (SLA)

Thailand Post has improved after-sale services for its EMS World service in regard to the acceleration of the investigation and compensation process. The improvement has been made so as to put EMS World's after-sale service quality on par with that of privately-run operators, to achieve service users' satisfaction, and to maintain the good reputation of EMS World. Thailand Post has set operational standard and time frame for investigations through the Service Level Agreement (SLA) to ensure that the investigation results of EMS World items be reported within 15 days as from the date of inquiry application.



## Assets Management

### 1. Management of Thailand Post's Space

Thailand Post has allocated a part of its headquarters area in Lak Si to set up a postal business center, a petrol station and woodland through collaboration with PTT. The project is designed to benefit both Thailand Post employees and residents of the neighborhood and features a post office, a stamp discovery center, employee-welfare shops, a PTT service station, as well as woodland. The inclusion of woodland is intended to preserve the environment and repay society.

### 2. The Use of New Inventions

Thailand Post constantly develops new devices and makes use of them. This invention is part of Thailand Post's innovation. The inventions that were developed include: an engine overheating audio warning system, which is installed in Thailand Post's trucks, storage tank and filter for recycling and recirculating car air-conditioning fluid, and devices to clean and recycle the flushing oil of Thailand Post's vehicles. Thanks to such invention, Thailand Post can recycle its car air-conditioning fluid and flushing oil, reduce costs and minimize environmental impact.

In addition, Thailand Post has created hydraulic fuel pumps and automatic distilled-water replacement devices for batteries. Through such devices, Thailand Post is able to reduce work time, labor and costs as well as increase work safety. With the help of the devices, only one staffer is needed to handle the refilling of fuel and distilled water.

## Personnel Management

### 1. Plan to Create a Learning Organization

Thailand Post has pursued the plan to create a learning organization. In 2014, key activities under the plan included the development of knowledge mapping to analyze, review and update the knowledge mapping that support postal business plan and operation. Also implemented under the plan were the Thailand Post CoPs Project, workshops on marketing technique knowledge for post offices, the Success Story Project that showcased the impressive achievements of Thailand Post's employees, the Learning Trips Project, which staged learning activities at various venues, the Knowledge Sharing Project that encouraged the exchange of knowledge among Thailand Post, customers, business partners, suppliers and cooperation partners, and activities to obtain knowledge from retirees.

### 2. Creating Excellent Corporate Culture

Thailand Post has constantly promoted its corporate culture of I-SURE through various media and activities. In 2014, Thailand Post took a further step by conducting a survey of its employees' level of behavior compliance with its corporate culture. The survey aimed to raise awareness, understanding and behavior that comply with the I-SURE corporate culture.

### 3. Building Organization Cohesion

In 2014, Thailand Post reviewed factors that could promote organization cohesion by interviewing its executives and conducting online surveys among its employees. After the factors of organization cohesion were identified, Thailand Post organized activities designed to strengthen such factors. The activities were conducted at both executive and organizational levels. In addition, organization cohesion assessments have been conducted on an annual basis.

#### 4. Workforce Review

Thailand Post has recognized the importance of workforce management to respond to its mission and strategy, as well as to ensure maximum benefits. Thailand Post has also sought to prescribe the appropriate ratio, criteria and workforce of Postal Bureaus and Mail Processing Bureau. In this regard, Thailand Post has hired SRI Consultant Company Limited as its advisor on workforce management for Postal Bureaus and Mail Processing Bureau. SRI Consultant is scheduled to carry out its work between 25 December 2014 and 12 July 2015.

#### 5. Human Resource Development for Business Operations

Thailand Post has developed its human resources to ensure that its employees have adequate knowledge, abilities and skills for its present and future business operations. In 2014, Thailand Post analyzed and identified knowledge, skills and abilities needed for its logistics services. It thus conducted training courses on Logispost World, and granted two scholarships for logistics management programs, to support transport and logistics services that are growing.

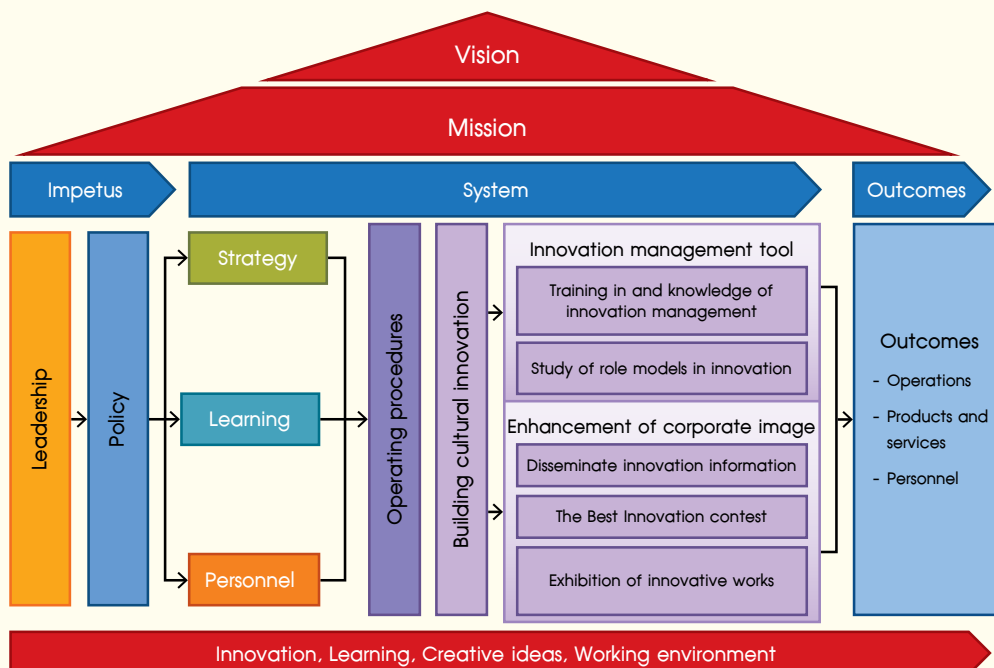
#### 6. Awards for Outstanding Employees

In 2014, Thailand Post granted awards to its outstanding employees who perform good deeds to the Organization and society as a whole to recognize efforts and set good examples for others. The awards were as follows:

1. Exemplary Employees and Teams that create fame for Thailand Post in the fields of sports, CSR, and any activity that gives Thailand Post a good reputation or good image.
2. Thailand Post's Good Persons Awards for outstanding employees, outstanding teams, and outstanding suppliers.

#### 7. Thailand Post Innovation Plan 2014

In 2014, Thailand Post implemented the Total Innovation Management (TIM) project, in collaboration with the National Innovation Agency, this project sought to apply the TIM concept to Thailand Post's context as follows:



Conceptual Framework of the Innovation Management System  
for the entire organization of Thailand Post

## Information Technology

Thailand Post has constantly improved its information and communications technology (ICT) in order to keep pace with new trends, and to achieve better services as well as greater efficiency. In addition, Thailand Post has developed new services to respond to customers' changing needs and lifestyles in a bid to ensure that they continue to enjoy convenience. Moreover, the information security management standards have been updated for the purpose of boosting service users' confidence in Thailand Post's IT system.

### 1. Internet-based Service System

Thailand Post has developed software for its Internet-based service system, which has become a new channel to facilitate the use of service. Its website, [www.thailandpost.co.th](http://www.thailandpost.co.th), is developed in line with the government's WACG20 standard.

### 2. Mobile Post

Thailand Post has developed software for provision of its services via portable devices (cell phones or tablets). This system is now compatible with both the iOS and Android systems. It is also solidly linked to all relevant management systems and work systems. Mobile Application consists of Mobile Post Portal, Post Member, Post Cover, Post Job, and Post Rate.

### 3. Compliance with ISO 27001:2013 Standard

Thailand Post had already passed the ISO 27001:2005 standard on Data Center. But later on, the International Organization for Standardization (ISO) introduced the new version of ISO 27001 or ISO 27001: 2013. In order to maintain the accuracy and continuation of Thailand Post's data security process, to boost up customers' confidence in its services and to keep pace with the latest international standards, Thailand Post has upgraded its operations to comply with the ISO 27001:2013 standard as well as all applicable laws.

## Analysis of Non-Financial Operations

Analysis of Thailand Post's 2014 non-financial operating results reveal that its communications businesses are the biggest part of its operations. The largest portion of communications businesses was domestic ordinary letter- post items (letters / postcards / printed matters) accounted for 85.9 percent of total work volume. This work volume was related to key activities during the year. Among these activities were the campaign encouraging people to send postcards to predict the champion of 2014 FIFA World Cup, the delivery of electoral candidates' self-introduction materials, and the support to government's projects. Thus, Thailand Post's non-financial operating results grew by 3.5 percent in 2014.

Thailand Post's work volume in communications business sector increased by 3.2 percent over 2013. The increase was owed largely to postcards and domestic registered mail, the outcome of the sale of postcards predicting the champion of 2014 FIFA World Cup and the delivery of the National Broadcasting and Telecommunications Commission-issued coupons for digital set top boxes. As a result, the work volume soared by 107.1 and 14.4 percent respectively.

For the transportation businesses, volume increased by 13.2 percent from a year earlier, thanks mainly to the increasing demand for domestic EMS and international parcel services. EMS service grew by 15.3 percent while international parcels, both inbound and outbound, jumped by 17.1 percent. The hike was related to the growing domestic and international e-Commerce businesses. The delivery of products via postal system has clearly been on the rise. It is expected that mail volume from business sector will grow further in the future due to several positive factors such as free-trade policy and fast-growing border trade.

In financial businesses, work volume showed the downward trend. In 2014, the volume shrank by 12.3 percent from a year earlier. Domestic money orders, online money orders and Pay at Post service by Thailand Post have seen falling demand in the face of fierce competition, the high number of competitors, the availability of technologies that can better serve users, and Thailand Post's limitations (in regards to service channels, time of service, and too high operating cost to launch sale promotions)

For the retailing businesses, 2014 operating results were declining from the previous year, partly because of the cancellation of annual Red Cross Fair that affected Thailand Post's sales of commemorative stamps and collectibles.

## Review of the Postal Business in 2014 and Outlook for 2015

### Global Postal Business Condition and Trends

According to the Universal Postal Union (UPU), domestic letter mail volumes of UPU member countries declined by 4.28%, 3.24% and 2.83% respectively from 2011 to 2013, as did international letter mail volumes, going down by 3.58%, 7.03% and 5.60% respectively over the same period. However, both domestic and international parcel volumes worldwide in 2013 increased by 3.68% and 5.76% respectively, thanks to growth in e-Commerce logistics to meet customer demand.

In terms of postal business prospects, operators will place emphasis on small parcels and particularly e-Commerce services, which is enjoying growth of more than 20% annually. The buoyant e-Commerce business is crucial to pushing global postal operations in a positive direction. All operators place importance on the development of services for the e-Commerce business to match growing e-Commerce package volumes and in this regard, postal operators around the globe are expected to face tougher competition. Operators must therefore prepare by speeding up service improvement, increasing productivity and maintaining optimal customer satisfaction, which will enhance their capabilities to compete against the leading postal operators and move forward with sustainable operations in the long-run.

### Thai Postal Business in 2014 and Outlook for 2015

For its operations in 2014, Thailand Post placed importance on continued development in terms of personnel, operating processes and quality of services so as to provide excellent service to meet the needs of entrepreneurs and general customers. In addition, Thailand Post strengthened its capability to compete with local and international operators, the number of which is continuing to grow thanks to the liberalization of services and trade related to the postal service. In terms of operating performance in the 2014 fiscal year, the communications and transport sectors remained a major source of revenue. The communications business generated higher revenue but in a lower proportion due to the effects of evolving technologies that have created a variety of communication channels. Growth in the e-Commerce business drove the transport and logistics sector to increase both revenue and a proportion near to that of the communications service sector. It is expected that revenue from the transport and logistics sector will be equal to or able to substitute the revenue of communications sector in the future.

With regard to the outlook for 2015, all Thailand Post's business sectors will continue to confront intensified competition. The communications business remains affected by new services that change the forms of personal communications, while the financial and retail sectors are less competitive than other market operators. The introduction of free trade under Asean Economic Community (AEC) will offer both opportunities and obstacles for operations especially the transport and logistics business. The AEC will render international trade more convenient and this will affect the growing logistics demand. However, in parallel, the AEC will also attract more local and international logistics providers to establish business in Thailand. To meet these challenges, Thailand Post has set an operating direction that aims to make it a leader in the postal business and integrated logistics solution services in the Asean region. The Company will place emphasis on the development of service quality to make this strong and comparable to international operators. Moreover, the Company will develop services to meet the demands of the business sector and the general public.



## Thailand Post Business Goals in the Next 3-5 years

Internal factors have dramatically affected the postal business as a result of changes in the business environment. While these factors might be positive for doing business in the future, they could also have a negative impact on Thailand Post's operations. The positive factors include the expansion of e-Commerce business, which affects the business sector's demand for a good transport or transport and logistics service to prepare for the growing border trade volumes. Negative factors, meanwhile, include technological advances and the development of alternative postal services that are currently leading to a decrease in mail service. This also directly affects customer demand and constantly changes customer requirements. Thailand Post must thus transform operations to meet the changing business environment and look closely at legal factors and government policies. Thailand Post has set a strategic direction for the postal business in the next 3-5 years as follows:

**Communications sector:** Thailand Post has developed a guideline on service development to serve as a medium for clients' promotional campaigns. Thanks to a network coverage that is accessible to households nationwide, Thailand Post can ensure the service will reach the target customers efficiently. In addition, Thailand Post has a guideline for the development of services using new communications technology including the development of mobile applications to meet the demands of the young generation in the future.

**Transport and logistics sector:** Thailand Post aims to strengthen the competitiveness of both the domestic transport and logistics services in preparation for continued growth in demand in business sector. In this regard, Thailand Post has developed working system and service standards to give it an advantage over its competitors in preparation for the tougher competition that will come about as a result of the Asean Economic Community (AEC).

**Retail/financial sector:** Thailand Post has a guideline to improve business models in accordance with business opportunities. The Company has developed an End-to-end e-Commerce service to meet entrepreneurs' needs through an integrated solution that also connects to the international e-Commerce system. In addition, the Company has developed an agent service especially in the government sector, which will enable the public to access basic services through the Thailand Post's network nationwide.

## Key Annual Action Plans

### 1. Delivery of NBTC's digital TV coupons

Thailand Post has collaborated with the Office of the National Broadcasting and Telecommunications Commission (NBTC) for the distribution of digital TV coupons to 13.57 million eligible households. This is an important mission and one for which Thailand Post is prepared. The postal staff are stricter with this than for general mail and use the same delivery system as for key government documents. Moreover, the Company has clarified the digital TV delivery service to ensure that the employees understand correctly and are well prepared to solve possible problems from the deliveries. The Company has also examined operating quality to ensure it is in line with the service standard requirements.

### 2. Passport Speed Post: PSP

Thailand Post has joined with the Department of Consular Affairs to provide Passport Speed Post or PSP service, allowing those with addresses in Bangkok and its vicinities to receive their passports within three days of the date of application, the same time lag as if they were to collect their passports themselves at the Department of Consular Affairs. The PSP service comes with a 60 baht service charge. However, customers are able to choose an existing mailing system, EMS, with a 40 baht service charge, and which takes five to seven days for delivery. Customers can verify the status of passport delivery around the clock via the Track and Trace service.

### 3. Delivery of Drugs/Medical Supplies for Siriraj Hospital

Thailand Post has collaborated with the Faculty of Medicine, Siriraj Hospital in launching the "Siriraj Moves Forward Delivery of Drugs by Post" project in Thailand to offer patients a new option for receiving prescribed medicine through a

convenient EMS system. The parcels are clearly marked to enable proper handling by staff and are sealed with red tape on 3 sides as well as marked "Drugs and Medical Supplies". An additional service allows for appointment by phone prior to home delivery as well as verification of delivery status via the Track and Trace system. The signing ceremony between the two organizations for the delivery service of drugs and medical supplies was held on May 20, 2014. The project, which started operations on March 17, 2014, will be expanded to other hospitals/clinics.

#### 4. Expansion of Partnerships to Provide Pay at Post Service

Thailand Post has expanded agent partnerships for service payments via Pay at Post service, offering customers convenient access to payment channels. Thailand Post has collaborated with the Student Loan Fund to provide loan payments at post offices throughout the country. Moreover, Thailand Post has entered into partnership with One Asset Management Limited to open a Paying Agent service, which is designed to help small investors invest in mutual funds. Thailand Post thus offers another channel to widen efficient investment access to the provincial areas and especially remote or rural areas. This is the Thailand Post's first move to allow investors easier entry to the capital market.

#### 5. Development of Mobile Application to Meet Customers' Demand

Thailand Post has developed applications in various technologies to meet the needs of the young generation. These include the PosteMart application for souvenir orders such as collectible stamps, souvenirs as well as home delivery of selected dishes through the Yummy Post service. The Track and Trace application allows recipients to track and verify the status of their postal items. The iPost-a-card application allows users to create postcards via mobile phones. They can design the postcards by themselves and also attach video clips. The StampAlive application meanwhile enables users to view multimedia video on stamps and also connect stamp information via website and facebook. The four applications can be downloaded for free via smartphones on both iOS and Android platforms.

#### 6. FIFA World Cup 2014 Prediction Postcards

Thailand Post and executives from the 9 leading sponsors signed an agreement with Mr. Sarawut Watcharapol, Editor-in-Chief of the Thairath Newspaper on May 7, 2014, to support the sending of FIFA World Cup 2014 prediction postcards by post. The event allowed people to predict the results of the 20th FIFA World Cup 2014, which was held in Brazil between June 12 and July 13, 2014. The event attracted 243,869,380 postcards.

#### 7. Expansion of Postal Network

##### 7.1 Expansion of Postal Outlets

Thailand Post has expanded postal service points in the form of service counters and mobile post offices in tourist attractions, shopping centers and industrial estates. At the end of 2014, there were 103 service counters and 53 mobile post offices. Thailand Post plans to increase the number of service points in the future.

##### 7.2 Network of Thailand Post Shop

Thailand Post is expanding the postal network through a franchise system with the aim of widening postal services in business areas and communities, thus allowing customers greater and more convenient access. Thailand Post has been introducing post shops in business communities in Bangkok and its vicinities since 2008 and is in the process of expanding the service nationwide. By the end of 2014, Thailand Post opened 79 post shops, 45 of them in Metropolitan areas and 34 in the provinces.



## Analysis of Financial Performance and Financial Standing

### Performance of Thailand Post in 2014

In 2014, the Company recorded a consolidated income of 21,822.45 million baht, a year-on-year increase of 2,430.88 million baht, or 12.54%. Total expenses were 20,042.94 million baht, a rise of 1,875.72 million baht over the previous year or 10.32%. Net profits were 1,779.51 million baht, up 555.16 million baht or 45.34% from a year earlier. Most of the increased revenues came from domestic EMS services and were due to the growing demand of the e-Commerce business sector. In addition, the Company earned revenue from the sale of FIFA World cup 2014 prediction postcards, the transport of ballots and voting equipment for a general election, the mailing of eligible voter lists and delivery of brochures to introduce candidates of the Senate Election, and the delivery of NBTC's digital TV coupons. Additional expenses were accrued mainly from the costs of sales and services and increased proportionally to increasing revenue.

### Financial Standing in 2014

As of December 31, 2014, the Company had total assets valued at 22,437.74 million baht, an increase of 2,220.25 million baht, or 10.98% over the previous year. Current assets increased by 1,556.78 million baht, mainly the results of cash and cash equivalent increases of 1,089.87 million baht. Total liabilities amounted to 9,465.14 million baht, a rise of 1,410.92 million baht, or 17.52% from the previous year with increasing current liabilities of 1,493.96 million baht. Total shareholders' equity amounted to 12,972.60 million baht, an increase of 809.33 million baht, or 6.65% over the previous year.

### Liquidity in 2014

As of December 31, 2014, Thailand Post had total cash and cash equivalent of 4,688.23 million baht. Net cash flow for each of the Company's businesses was as follows:

	Unit: Million Baht
Net cash from operating activities	3,693.96
Net cash for investment activities	(1,661.03)
Net cash for earning activities	(948.99)
Impact from foreign exchange rate	5.93
Increase in cash and cash equivalents - net	1,089.87
Cash and cash equivalents: beginning balance	3,598.36
Cash and cash equivalents: ending balance	4,688.23

In sum, Thailand Post continues to maintain a strong financial standing in terms of liquidity, debt to shareholders' equity ratio and return on equity.

In addition to the internal factors, the Company's performance and financial standing in 2014 were affected by such key external factors as the impact from the political protests in Thailand during the first half of the year and lower fuel prices in the second half.



## Organization Management

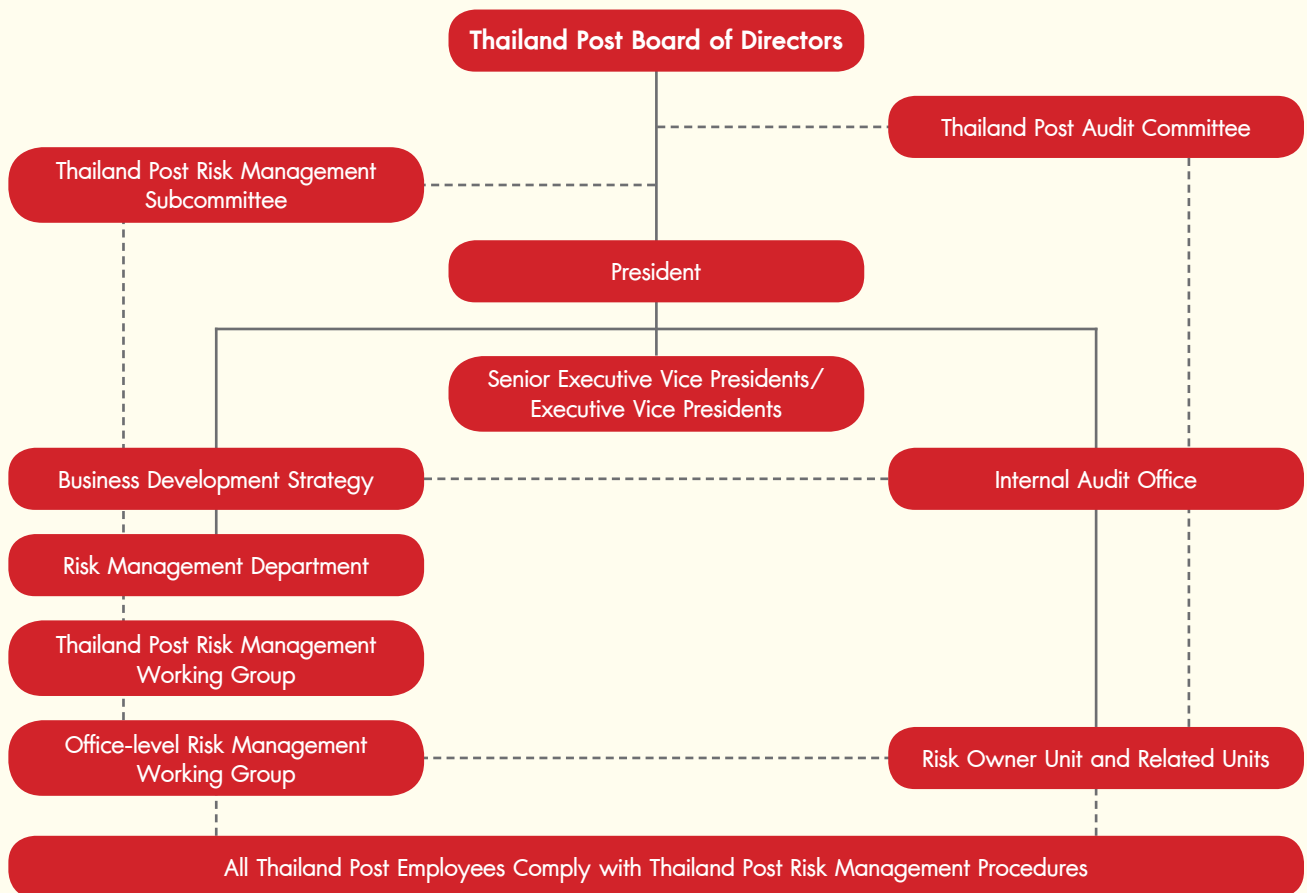
### Thailand Post Risk Management in 2014

Thailand Post has observed comprehensive risk management in line with the principles of COSO and COSO-ERM respectively since 2004. The Company has developed a risk management system to comply with the Ministry of Finance’s assessment criteria for state enterprise performance on organization management. This aims to assure all stakeholders that Thailand Post will be able to achieve objectives according to the vision and mission of organization even in a climate of uncertainties.

### Thailand Post Risk Management Structure

Thailand Post has a clearly defined risk management structure. The Thailand Post Board of Directors appoints a Risk Management Subcommittee to oversee risk management throughout the organization. As for execution, there is a Thailand Post Risk Management Working Group and a Risk Management Working Group at the office level, which are responsible for reviewing various risk-related matters before submitting and forwarding reports to the Risk Management Subcommittee.

The Risk Management Department is the main body responsible for coordinating risk management practices throughout the organization. The Audit Committee also has a duty to ensure the adequacy and effectiveness of the company’s risk management system. The diagram below shows the Thailand Post risk management structure.



————— Line of Authority and Hierarchy  
 - - - - - Oversight of Risk Management



## Thailand Post Risk Management System

To ensure that risk management practices are carried out systematically and that they are deeply rooted in the company's corporate culture, Thailand Post announced the adoption of a new risk management policy for 2014, approved by the Thailand Post Risk Management Subcommittee and the Thailand Post Board of Directors. The Company set a direction and guidance for integrated risk management practices for the entire organization to enhance employees' awareness of the importance of performing their duties strictly and consistently in line with the assignments.

Thailand Post drew up a risk management operating plan for the year 2014 based on a careful analysis of major internal and external factors that might substantially affect the Company's operations. This plan identified the organizational risk in four key areas: Strategic Risk, Operational Risk, Financial Risk, and Compliance Risk.

Thailand Post managed 5 organizational risks in 2014 by focusing on one strategic risk and 4 operational risks. In addition, the Company carried out plan/organizational risk measures to keep the risks within the boundaries of the Company risk appetite and/or risk tolerance. This ensures that Thailand Post can meet the goals set down in its vision and mission statements. The organization-wide risk management practices and measures were approved by the Thailand Post Risk Management Subcommittee and the Board of Directors and then communicated to all units within the company.

Risk owners are responsible for monitoring and evaluating risks. They then submit quarterly reports on risk management performance to the Thailand Post Risk Management Working Group to acknowledge, review and improve the risk management measures in compliance with the current circumstances.

## Risk Management Outcomes in 2014

### Strategic Risk

**Subject: Competition in Logistics Business for Postal Shipments not Exceeding 20 Kilograms**

Thailand Post has prepared for tougher competition in the logistics business with regard to postal shipments not exceeding 20 kilograms (domestic express mail service and domestic postal parcel service) due to new players in the market. In an effort to strengthen competitiveness, Thailand Post has studied the environment and marketing strategies of the competitors and used the information to analyze and formulate the marketing plan for domestic EMS and domestic postal parcel services. The plan is aimed at enhancing the Company's capability to go up against new competitors properly and efficiently. It also ensures the company can generate targeted revenue.

### Operational Risk

**Subject: Turnover of Contractors**

The postal business is labour intensive. However, it has been noted that operational personnel, especially contractors, are leaving to take up other professions in order to follow career paths and receive higher earnings than the amount paid by Thailand Post. This significantly affects the costs of selection and training of new employees as well as quality of services.

Thailand Post has therefore placed importance on developing and retaining personnel within the organization for the long-run. The Company has expanded its manpower planning framework in accordance with the growing workload. Moreover, the Company provides more attractive salaries and other incentives, a clear career path and reviews the specified performance standards in order to improve the manpower of each post office and make it more appropriate.

**Subject: Operations under the Thailand Post IT Master Plan**

Thailand Post has adopted an IT system to benefit business. There is risk management for minor action plans of the Thailand Post IT Master Plan to ensure the system is complete and available for operations as scheduled. The Company has designed a project implementation plan at every stage to control the contractor's operations and meet the target. A project management committee and a project working group were set up to oversee the effectiveness of the operation. In addition, the Company organized training for IT personnel to enhance their knowledge and foster understanding of the IT system related to Thailand Post businesses.

#### Subject: Inquiry Quality of Domestic EMS in Line with Service-Level Agreement (SLA)

Thailand Post has controlled the inquiry quality of domestic EMS services to comply with Service-Level Agreement (SLA) standards. The Company implemented its plan and compiled statistics on the duration of inquiries and trained the departments concerned to make inquiries into domestic EMS services following the standard requirement. In addition, the Company also procured appropriate equipment/communications devices that are ready for use to ensure the inquiries into domestic EMS services are quick and efficient following the standard requirement as well as to enhance confidence of domestic EMS customers in the country.

#### Subject: Management of Thailand Post and Partners' Products

Thailand Post has improved the management of both Thailand Post's products and partners' products to make them systematic and efficient. The Company has collected information on consignments and recorded goods receipts systematically and efficiently.

## Internal Controls

Thailand Post places great importance on internal controls and has also created an atmosphere that encourages the development of an environment for good internal control. The Company has supported the employees in developing trust, morality in operations and a positive attitude towards continuous internal control. The Company places great emphasis on the integration of internal control systems to cover the various dimensions of all key activities as well as real practices to enhance the efficiency and effectiveness of operations. The Company ensures that the financial reporting, accounting system and other reports are accurate and reliable. Moreover, it is confident that the operations comply with the rules, regulations, orders, orders reports and policies related to the operations of Thailand Post.

The Thailand Post Board of Directors also recognizes the importance of internal control through the appointments of the Audit Committee and Corporate Governance Subcommittee to oversee, set strategies, policies, goals and the operating plan of internal control system as the guidelines for management to take responsibility for the internal control system in compliance with the standards set by the Office of the Auditor General.

Section heads are in charge of Ongoing Monitoring and Separate Evaluation programs throughout the entire organization in order to ensure that the company's internal controls system is adequate, suitable, reliable and effective, and that any weaknesses found in the course of Ongoing Monitoring and Separate Evaluation are corrected in time in line with the changing circumstances.

Practically, Control Self-Assessment (CSA) principles have been adopted, allowing management and employees to participate in a self-assessment program. They can examine and assess the adequacy of the internal control systems and risk management in their areas of responsibility through risk management and internal control programs, which consist of: analysis of operational risk management process; operating control point; and evaluation of the internal control system.

An annual report on the company's internal controls system is presented to the Thailand Post Board of Directors, Thailand Post's Subcommittee, the Office of Auditor General (OAG), Ministry of Information and Communication Technology, and Ministry of Finance as Thailand Post's sole shareholder on a timely basis. A quarterly report on monitoring and improving the company's internal controls system is also submitted to the Thailand Post Audit Committee.

In 2014, most of Thailand Post internal control practices were generally adequate and appropriate and substantial weak points were improved. Continued monitoring and evaluation of the new system ensures that the weak points are corrected properly and in time. In addition, the internal control system, the risk management and the internal audit systems are integrated so as to boost confidence that all practices are heading in the same direction reasonably and in compliance with changing circumstances.

## Internal Audit

An Internal Audit is one of key mechanisms in the good corporate governance process of the Thailand Post Audit Committee and Thailand Post executives for monitoring the Company's operations. The Internal Audit Office's main mission is to audit and advise with fairness and independence to increase the value of operations and operating improvements. The office assists Thailand Post in achieving its goals through evaluation and effective improvement of risk management procedures, control and corporate governance practices. Key internal audit performances in 2014 are as follows:

**Internal Audit Unit Structure:** The Internal Audit Office is an independent unit that may report directly to the Thailand Post Audit Committee and Thailand Post's President and may also contact them formally and informally. Objectives, missions, scope of operations and responsibilities as well as authority for the auditing are defined clearly in the Thailand Post Internal Audit Office Charter.

In addition, the Company produces an internal audit manual as a practice standard and carries out a review of the Internal Audit Office Charter as well as the internal audit manual at least once a year in response to changing circumstances. The major procedures of internal audit consist of internal audit planning, auditing practices, internal audit reports and monitoring of audit performance.

1. **Internal Audit Planning:** Thailand Post has designed an operation and internal audit plan for 2015 as well as the five years audit plan and strategic audit plan (2014-2018) on the basis of risk, in line with the Company goals. The Company has assessed risks systematically and substantially based on factors including Thailand Post business plans, organizational risks, the observations of external auditors, previous audit reports and the views of the Thailand Post executive board. Adequate resources have been allocated for audit procedures. The above-mentioned plans were approved by the Thailand Post's President and the Thailand Post Audit Committee. In 2014, operating and audit plans were amended just once.

2. **Internal Audit Function:** The internal audit function is based on the approved internal audit plan to ensure accuracy, completeness and credibility of financial information, accounting, operation of the information technology system, as well as compliance with laws, rules, regulations, orders, the Cabinet's resolutions, policies and relevant contracts. The internal audit unit also has the responsibility to review the efficiency and effectiveness of the internal audit procedures, good corporate governance, risk management, morality and business ethics of the Company and related transactions, or possible conflicts of interest, or acts of malfeasance which could have an adverse impact on Thailand Post's operations.

3. **Audit Reports:** The Internal Audit Office provides quarterly and annual audit reports to executives responsible for the units audited, the Thailand Post's President and the Thailand Post Audit Committee to acknowledge audit issues found, problems, impacts, major risks, internal controls, corporate governance and other matters as well as make recommendations for improving operations.

4. **Monitoring of Audit Activities:** Monitoring of internal audit activities exists to ensure recommendations/guidelines for improving the operations may be conducted by the audited agency with efficiency and effectiveness. The Internal Audit Office provides quarterly and annual reports on monitoring of internal audit activities to executives responsible for the units audited, Thailand Post's President and the Thailand Post Board of Directors.

**Maintaining Audit Quality:** Internal auditors and the Internal Audit Office carry out self-evaluations and are evaluated by the audited agency after the completion of each audit. Results are incorporated in future staffing and operational development plans of the Internal Audit Office. These plans focus specifically on continuous development, training of internal audit staff and examinations for professional accreditation. Thailand Post audit personnel are also encouraged to form relationships with external auditing organizations for development and exchange of professional knowledge. Such exchanges enable the internal audit activities to be in line with professional auditing standards and higher efficiency.



## Corporate Social Responsibility (CSR)

The principle of working with responsibility has been held by THP staff in their dealings with the public throughout the entire 130 years history. This awareness is a part of the intention to giving back to society, which is grounded in the concept of “doing good on the job” and doing good to our employees. Thailand Post recognizes that “building sustainability” by building strong ties with communities and society is just as important as profits to long-term growth. That is why the Company is involved in numerous social activities in cooperation with the public and private sectors. These include educational programs, programs targeting youth, society, economy and environmental development. As an expert in delivery services, with resources that include manpower, a nationwide postal network, a delivery system and educational postage stamps, THP is a major contributor to Thai society. The Company’s CSR vision, mission and strategies are detailed below:

- **THP CSR Vision:**

“To be a leader in connecting the people of Thailand through our postal network and existing resources and in this way, to play a permanent role in the development of Thai society.”

- **THP CSR Mission:**

1. To serve as a model of organizational goodness, providing postal services that are transparent and comply with the principles of good corporate governance.
2. To use THP’s existing potential and competencies as a driving force for activities that benefit Thai society.
3. To preserve Thai identity and build the nation’s intellectual resources through the study of postage stamps.
4. To contribute and initiate activities related to the Company’s policies on corporate social responsibility.

- **THP CSR Strategies: THP has adopted three key CSR strategies all focusing on “growing.” They are:**

1. “Growing the heart of the volunteer post.” is a strategy to promote corporate social responsibility within the organization itself by encouraging THP executives and staff to do good work both on and off the job.

The heart of this strategy is growing support for CSR activities among the entire Thailand Post Family.

2. “Growing Thai society connection through postal network.” is an important CSR strategy that focuses on people outside the Company and on Thailand Post’s role in using its existing competencies and resources to connect people all around the country.

The key to achieving this goal is selecting activities well-suited to THP’s core businesses and growing in three main ways: profits, social participation and environmental management.

3. “Growing knowledge through postage stamps.” is another outward-oriented CSR strategy that highlights the use of postage stamps as a medium for stimulating learning among youngsters and the general public.

Here the key is to take a proactive approach that “grows” knowledge and appreciation for the Thai identity through postage stamps.

### Thailand Post’s CSR Activities in 2014

#### 1. “Growing the heart of the volunteer post.” Strategy

##### 1.1 The Volunteer Post Leaders’ Workshop, Class 3

Thailand Post organised Class 3 of the volunteer post leaders workshop at the Moral Learning Centre for the Sufficiency Economy in Kanchanaburi between April 25 and 27, 2014. It was attended by 112 heads of provincial post offices and delivery post offices under the supervision of the Metropolitan Postal Bureau (North) and the Metropolitan Postal Bureau (South) as well as Thailand Post’s Board of Directors and Management. The event provided Thailand Post’s personnel





with the opportunity to take part in the development of activities/CSR projects in accordance with corporate goals. The event also fostered the employees' understanding of the process to support and strengthen Thailand Post's major communities.

## 1.2 Blood Donations

In cooperation with the Thai Red Cross, Thailand Post took part in a blood donation campaign, encouraging its employees/temporary workers to help patients at hospitals and create awareness of sacrifice. These blood drives take place every quarter at Headquarters, Metropolitan Postal Bureau (North), Metropolitan Postal Bureau (South) and regional postal bureaus (Regions 1-10). Throughout 2014, Thailand Post collected 1,101 units of blood from 1,143 blood donors.

## 1.3 "Bike for Life" Project

As the country's leading expert in delivery, Thailand Post has become aware through its nationwide network of the difficulties some children in remote areas face in going to school on foot. Thailand Post therefore launched a project called "Bike for Life", joining forces with the Thailand Bike for Health Association to collect old bicycles at more than 120 postal points around Thailand. Once the donated bikes were repaired, they were given to children at schools under the Office of the Basic Education Commission and in remote areas. The Company also collected funds donated via post offices nationwide.

On March 6, 2014, Thailand Post held "Old Two Wheelers Growing New Dreams" ceremony, presenting 130 bicycles to needy children at 7 schools in Pak Phli District, Nakhon Nayok, in Postal Region 2 area.

To extend the project further, Thailand Post established the Thailand Post Cycling Club (TPCC) and organised various activities. The club, which now has 106 members, regularly organises activities for its members including Wednesday Cycling, Bike Repairs for Younger Children, Presentation of Bicycles to Young Children at Khwae Noi Bamrung Daen Dam, Bike for Rangsit Baby Home, Khlong 6, Thailand Post Sharing for Needy Children, and Car Free Day 2014.

## 2. “Growing a Thai society connection through the postal network.” Strategy

### 2.1 Project to Support Major Communities

Thailand Post has implemented the CSR project in support of major communities with the aim of enhancing both the economy and quality of life of community members. The Company set up a working group on community support to select the major communities based on community product promotion. These included a group of Hang rice farmers in Wanon Niwat District, Sakhon Nakhon, which is located in Postal Region 10 area, and Pratupa Agricultural Cooperative Group in Lamphun, which is in Postal Region 5 area.

Thailand Post also set up sub-working groups 1 and 2 to be responsible for “Happy Post: Postal Service for Transport of Happiness from the Community to the Thai People” project. The implementation plan is divided in three phases as follows:

First phase: Survey and study community structure to provide support through the participatory approach.

Second phase: Set up a system to drive the project forward in line with the plan. Create activities to support the communities on a participatory basis and promote products to direct towards Happy Post.

Third phase: Conclude learning, monitor the implementation and evaluate the project.

### 2.2 CSR Activity through the Postal Delivery

#### 2.2.1 The Aluminium Donation for Prostheses Project

Thailand Post provided transport of donated items to the Pollution Control Department for its aluminium donation project for the production of prostheses under the Royal Patronage, based on the rules/regulations for delivery of donated items. Thailand Post also waived the postal charge for the posting of donated aluminium components weighing less than 5 kilograms from donors to the Pollution Control Department throughout 2014. Thailand Post was able to collect 5,200 kilograms of donated aluminium components nationwide, which can be used to produce 5,200 prosthetic legs.



#### 2.2.2 Delivery of Donated Items for Organizations outside the Company

In 2014, Thailand Post supported the delivery of donated essentials for various organizations, namely TV Channel 3, MCOT Public Company Limited, Capital Market Academy, the National Broadcasting Services of Thailand (NBT), Thai Jets Sport Boating Association, the Secretariat of The House of Representatives, the Crown Property Bureau, SIBA College and the Thai Cycling Club. The total weight exceeded 72 tonnes.





## 2.3 Thai Red Cross Fair 2014

Thailand Post takes part annually in an issuance of 60,000 Red Cross lottery tickets priced at 100 baht each to raise funds for Thai Red Cross charities. Thailand Post presented the proceedings of 1,500,000 baht to Her Royal Highness Princess Maha Chakri Sirindhorn, Executive Vice-President of the Thai Red Cross Society on July 7, 2014.

In addition, Thailand Post organised a booth at “Chula for the Thai Red Cross Fair 2014” held from July 14 to 20, 2014 at Chulalongkorn University.

## 2.4 Donation Boxes through Post Office Network

Thailand Post permitted various foundations to place their donation boxes at post offices nationwide. In the first round, the donation boxes of 21 foundations were made available at post offices between November 2013 and April 2014 and raised a total of 627,998.25 baht. The second round, donation boxes of 16 foundations were placed at post offices between May and October 2014. Among the foundations, Srikaew Ariya Foundation for Humanity reported the collection of 104,957.25 baht.

# 3. “Growing Knowledge through Postage Stamps.” Strategy

## 3.1 Discover the World of Postage Stamps

Thailand Post has continued the “Discover the World of Postage Stamps” project, which is designed to enhance young people’s intelligence and wisdom. In 2014, Thailand Post organised three events attracting 301 participants.

**First event:** World Animals Preservation was held on May 24, 2014 at Nakhon Ratchasima Zoo, Nakhon Ratchasima. The event exhibited a stamp set marking the 60<sup>th</sup> anniversary of the Zoological Park Organization as a way of educating young people about wild animals/wildlife conservation/environment as well as protected wild animals and rare species. A total of 101 persons from underprivileged children from Ratchasima Home and students under the 130 Years 130 Schools scheme participated.

**Second event:** Fighters for Thai Heritage was held on July 19, 2014 at the Office of Traditional Arts, Nakhon Pathom. The event showcased a stamp set marking Thai Heritage Conservation Day (Khon mask) to educate young people. One hundred students under the 130 Years 130 Schools scheme participated.

**Third event:** The Youth for Water Conservation was held on October 18, 2014 at the Samsen Water Treatment Plant and the Thai Waterworks Museum. The event showcased a stamp set marking the centenary of Thai waterworks with an emphasis on the importance of water, the inception of Thai waterworks, and the importance of water supply/source of water supply. The event aimed to enhance young people’s awareness of clean and safe water conservation to ensure a hygienic drinking water supply to the Thai people. One hundred students and their families under the 130 Years 130 Schools scheme participated.





## Highlights in 2014



### EMS Super Speed

The Domestic EMS service standard has been upgraded to EMS Super Speed, which promises the recipient same-day delivery through Thai Air Asia's air-cargo services under the slogan "Speedy, reliable with same-day delivery". Customers can verify the status of their postal items at any time throughout the route via the Track and Trace application for smartphones and [www.thailandpost.co.th](http://www.thailandpost.co.th).

### Passport Speed Post: PSP

The Department of Consular Affairs joined with Thailand Post in launching the Passport Speed Post: PSP service through which people can receive their passports delivered to their homes within 3 working days (for addresses in Bangkok and its vicinities) from the date of application, an equal timeframe of collecting their passports by themselves.



### FIFA World Cup 2014 Prediction Postcards

Thailand Post invited Thais to guess who would be crowned the champion of the FIFA World Cup 2014 via a special "World Champion" postcard collection. The collection came up with chic 10 postcard designs, 8 showcasing champion teams and the 2 others designing for expected champion teams. The competition prediction postcards gave buyers the chance to win cash prizes of up to 10 million baht and other prizes valued at more than 40 million baht. Thailand Post recorded sales of 250 million postcards.



### Post Insurance Campaign

Thailand Post entered into partnership with Siam City Insurance Public Company Limited to organise the major promotion campaign "Insure for Winning Millions". Customers buying the insurance products were given the chance to win gold valued at one million baht and other prizes valued at more than 9 million baht. The insurance products are available for sale at the post offices nationwide.



### Bike Charity

Thailand Post fulfilled children’s dreams by contributing 130 rehabilitated bikes under the Bike for Life project, delivering happiness from public-spirited Thai people to children in remote areas. The bikes offer the students more convenient travel to school, thus improving their educational abilities. This project emphasises the capability of transport professionals through a network of Thailand Post staff throughout the country.



### Siriraj Medicine through Postal Service

Thailand Post collaborated with Siriraj Hospital to offer its patients the option of receiving prescribed medicine through the postal service under the project “Siriraj makes progressive move with postal delivery of medicine nationwide.” The service can shorten waiting time to receive the medicine from 1-2 hours to just 15 minutes. Each patient pays just 150 baht additional expenses (70 baht for the hospital operation and 80 baht for Thailand Post’s EMS package service fee).

### MOU Signing Ceremony to Strengthen the Capabilities of Small and Medium-sized Enterprises for Sustainable Growth

- Bank of Thailand
- SME Bank
- Office of Small and Medium Enterprises Promotion
- National Science and Technology Development Agency
- National Innovation Agency
- Thailand Institute of Scientific and Technological Research
- Community Development Department



- Thailand Post Co., Ltd.
- Thai Credit Guarantee Corporation
- Software Industry Promotion Agency (Public Organization)



### “Love Series” Project

Inspired by superstar Bird-Thongchai McIntyre’s song “Khian Kham Wa Rak”, Thailand Post introduced a campaign to promote communications between Thais through writing. The campaign aimed to enhance awareness of the importance of writing through various special activities. In addition, a “Love Series” postcard collection with 12 designs was introduced to coincide with festivals, offering Thais a nice way of expressing their feelings all year round.



### Drop Box Initiative

Thailand Post joined with King Mongkut’s Institute of Technology Ladkrabang to initiate the Drop Box service, a 24-hour automated mail delivery station service.



### Domestic EMS

**"Speedy, Reliable with Round-the-Clock Tracking"**

The service offers speedy delivery of documents and other items to domestic recipients at fixed times. The track & trace system enables customers to track down their postal items at any time throughout the route on [www.thailandpost.co.th](http://www.thailandpost.co.th) or through the Thailand Post Contact Center.



### Logispost World at Affordable Prices

This conveyance service for large, heavy and/or oddly-shaped packages, both domestically and internationally, allows recipients to collect their parcels either at the destination post office (Logispost) or at the recipient's address (Logispost Plus). Item status can be monitored and verified through the track & trace system on [www.thailandpost.co.th](http://www.thailandpost.co.th) and through the Thailand Post Contact Center.



### Drive Thru Post

This service provides convenient posting service without the need to get out of the car. Customers can drop off their certified and registered letters, parcels, EMS and bill payments and top up all prepaid mobile phone systems. No more than 3 pieces of mail can be sent at any one time.



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### EMS Super Speed Service

This speedy service promises recipients same-day delivery of mailed items. The service covers 9 major economic centers, namely Bangkok, Chiang Mai, Udon Thani, Khon Kaen, Ubon Ratchathani, Surat Thani, Phuket, Hat Yai and Nakhon Si Thammarat. Items are insured against loss and can be traced throughout the route via the **track & trace** application on smartphones and [www.thailandpost.co.th](http://www.thailandpost.co.th).



### Direct Mail Service

This service is used for delivering promotional materials and small product samples to recipients with unspecified addresses (unaddressed mail service). It is an effective channel to reach households throughout the country at a cheaper service fee than normal postal mail.

# Always think of Thailand Post



### Drop Box initiative

Thailandpost entered into partnership with King's Mongkut Institute of Technology Ladkrabang (KMITL) to launch a 24-hour Drop Box service. Customers just register and request receipt of mailed items via the website. When the items arrive at destination post offices, delivery officers will send them into the Drop Box. The addressees will be informed by SMS of the mail arrival and code for collecting their item. The service was initially offered at the KMITL Post Office Counter and Thailand Post plans to progressively extend it across the postal network.





EMS World

**"Express delivery around the globe, Call 1545"**

This service is designed for the rapid delivery of documents and items to overseas recipients at fixed times. Users can track and trace their shipments via the website and the Thailandpost Contact Center.



**Pay @ Post**

This easy and quick service is designed to accept bill payments for a bewildering array of goods and services in all business sectors at post offices across the country.



**Yummy Post**

**Chinatown Specialties Available through the Post**

The Yummy Post delivery service offers office workers in 23 locations in Bangkok including SCB Chidlom, True Ratchada, Bangkok Bank Head Office and Government Center (Buildings A-B) to order delectable dishes from some famous restaurants in Yaowarat.

Customers can order food at all post offices, [www.postmart.com/shop](http://www.postmart.com/shop), Call Center 1545 and by calling 0 2982-8222



**Bank@post**

Bank@Post lets users deposit or receive money and make transfers between accounts or to other participating banks in real time. Cash receiving is available at 1,400 postal outlets all across Thailand.



**International Express Money Transfer via Western Union "Sending and Receiving Money Fast around the World at Post Offices"**

This service allows customers to instantly transfer money to more than 195 countries via an advanced online system linking Thailand Post and Western Union. Remittances can be made at the point of destination in minutes. The service is available at post offices nationwide bearing this logo.



**Online Money Orders**

**"Express Money Transfer, Fast Money Receiving"**

The service facilitates the fast sending of money to any domestic destination via the modern postal online network and enables the recipients to collect money at the destination post office within 15 minutes. An SMS text is sent to inform the recipient that a remittance has been made and to the sender to advise that the money has been picked up.



**Expansion of Delivery Station**

The Delivery Station was developed as an alternative for recipients to collect recorded mailed documents/items, in case the mail is brought to the addressee's residence, but the recipient is not available to sign. Thailand Post has expanded the service to 10 Delivery Stations, offering recipients greater convenience in picking up the mail. For information, call **Thailand Post Contact Center 1545**

\*\*Note: For more information about all services, call Thailand Post Contact Center 1545 or visit [www.thailandpost.co.th](http://www.thailandpost.co.th).

## Commemorative Stamps 2014



Issue Number : 1056

Title : H.M. King Bhumibol Adulyadej's 87<sup>th</sup>  
Birthday Anniversary

Date of Issue : 5 December 2014

Denomination : 5 Baht



Issue Number : 1043

Title : The Centenary of King  
Chulalongkorn Memorial Hospital

Date of Issue : 30 May 2014

Denomination : 3 Baht



Issue Number : 1038

Title : The Celebration of the 150<sup>th</sup> Anniversary  
of the Birth of Her Majesty Queen  
Saovabha Phongsri of The Fifth Reign

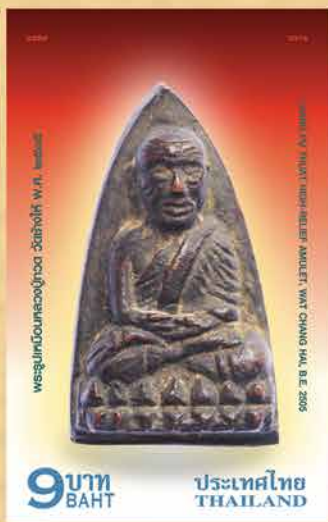
Date of Issue : 1 April 2014

Denomination : 3 Baht





←  
 Issue Number : 1042  
 Title : Important Buddhist  
 Religious Day (Vesak Day)  
 Date of Issue : 13 May 2014  
 Denomination : 3 Baht



↻  
 Issue Number : 1046  
 Title : Luang Pu Thuat,  
 Wat Chang Hai  
 Date of Issue : 15 December 2014  
 Denomination : 9 Baht



↻  
 Issue Number : 1057  
 Title : 90<sup>th</sup> Anniversary of Chiang Mai  
 Rajabhat University  
 Date of Issue : 1 December 2014  
 Denomination : 3 Baht



↑  
 Issue Number : 1033  
 Title : Chinese New Year  
 Date of Issue : 24 January 2014  
 Denomination : 5 Baht

↻  
 Issue Number : 1028  
 Title : Zodiac (Year of the Horse)  
 Date of Issue : 1 January 2014  
 Denomination : 3 Baht







# Commemorative Stamps 2014



Issue Number : 1045  
 Title : Centenary of Don Mueang  
 International Airport  
 Date of Issue : 1 July 2014  
 Denomination : 3 Baht (4 Designs)



Issue Number : 1050  
 Title : 100<sup>th</sup> Anniversary of Thailand Waterworks  
 Date of Issue : 15 August 2014  
 Denomination : 3 Baht



Issue Number : 1036  
 Title : 125<sup>th</sup> Anniversary of the Postal School  
 Date of Issue : 22 February 2014  
 Denomination : 3 Baht



Issue Number : 1031  
 Title : 80<sup>th</sup> Anniversary of Thammasat University  
 Date of Issue : 15 January 2014  
 Denomination : 3 Baht



Issue Number : 1030  
 Title : 50<sup>th</sup> Anniversary of Chiang Mai University  
 Date of Issue : 1 January 2014  
 Denomination : 3 Baht





Issue Number : 1039  
 Title : Thai Heritage Conservation Day 2014  
 Date of Issue : 2 April 2014  
 Denomination : 3 Baht (8 Designs)



Issue Number : 1032  
 Title : 50<sup>th</sup> Anniversary of Khon Kaen University  
 Date of Issue : 25 January 2014  
 Denomination : 3 Baht



Issue Number : 1041  
 Title : 75<sup>th</sup> Anniversary of Thailand Tobacco Monopoly  
 Date of Issue : 19 April 2014  
 Denomination : 3 Baht



## Commemorative Stamps 2014



Issue Number : 1040  
 Title : 20<sup>th</sup> Anniversary of Thai - Lao Friendship Bridge  
 (Nong Khai - Vientiane)  
 Date of Issue : 5 April 2014  
 Denomination : 3 Baht (2 Designs)



Issue Number : 1052  
 Title : Thailand - Macao, China Joint Issue  
 Date of Issue : 1 November 2014  
 Denomination : 3 Baht (2 Designs)



Issue Number : 1049  
 Title : Thailand - Vatican Joint Issue  
 Date of Issue : 15 August 2014  
 Denomination : 5 Baht



Issue Number : 1044  
 Title : 60<sup>th</sup> Anniversary of Diplomatic  
 Relations of Thailand - Israel  
 Date of Issue : 5 June 2014  
 Denomination : 3 Baht



Issue Number : 1051  
 Title : World Post Day 2014  
 Date of Issue : 9 October 2014  
 Denomination : 3 Baht



Issue Number : 1037  
 Title : 50<sup>th</sup> Anniversary of Sport Authority of Thailand  
 Date of Issue : 17 October 2014  
 Denomination : 3 Baht



Issue Number : 1048  
 Title : National Communications Day 2014  
 Date of Issue : 4 August 2014  
 Denomination : 3 Baht



Issue Number : 1055  
 Title : His Thai Majesty's Ship (2<sup>nd</sup> Series)  
 Date of Issue : 20 November 2014  
 Denomination : 5 Baht (4 Designs)






## Commemorative Stamps 2014



Issue Number : 1053  
 Title : New Year 2015 (1st Series)  
 Date of Issue : 14 November 2014  
 Denomination : 3 Baht (5 Designs)



Issue Number : 1054  
 Title : New Year 2015 (2<sup>nd</sup> Series)  
 Date of Issue : 14 November 2014  
 Denomination : 15 Baht (3 Designs)



Issue Number : 1034  
 Title : Symbol of Love  
 Date of Issue : 7 February 2014  
 Denomination : 5 Baht (2 Designs)







Issue Number : 1029  
 Title : National Children's Day 2014  
 Date of Issue : 11 January 2014  
 Denomination : 3 Baht (5 Designs)

Issue Number : 1035  
 Title : 60<sup>th</sup> Anniversary of the  
 Zoological Park Organization  
 Date of Issue : 15 February 2014  
 Denomination : 3 Baht



Issue Number : 1047  
 Title : Amphibian  
 Date of Issue : 10 July 2014  
 Denomination : 5 Baht (4 Designs)



## Good Corporate Governance Report

### Good Corporate Governance Policies

The Board of Directors appreciates the importance of complying with the principles of good corporate governance for state enterprises as set by the State Enterprise Policy Office of the Finance Ministry.

In a bid to ensure efficient, transparent and reliable management that will move Thailand Post to be a leading organization and contribute to the country's sustainable social and national development, the Board of Directors has set the good corporate governance policies for its Board members, executives and the entire staff to abide as follows:

1. The Board of Directors has an obligation to perform their duties independently and honestly, bearing in mind the responsibility for their own actions and the interests of the shareholders in particular. The Board sets policies and strategies for the Company growth in line with shareholder policies and based on a careful review of relevant risk factors and appropriate management guidelines. The Board also ensures the accuracy and reliability of the Company accounting practices and Thailand Post's financial statements and audit reports.

2. Board members, management and staff are pledged to uphold these 7 core principles of good corporate governance:

- 2.1 Responsibility for their own performance and obligations to basic human rights, contributing to a corporate culture of social responsibility.
- 2.2 Awareness of the need for adequate professional competence and efficiency, and the importance of constant self-improvement in every unit.
- 2.3 Honest, fair and equal treatment for all Thailand Post stakeholders, and carrying out work with due respect for their rights.
- 2.4 Commitment to transparency and accountability in workplace and transparent disclosure of information to all relevant parties.
- 2.5 Working to create short-term and long-term added value to the Company's business, bearing in mind the benefit to the country and the public.
- 2.6 Promoting good governance and ethical business practice through the inculcation of ethics in staff at all levels to be aware of ethical behaviour as corporate culture.
- 2.7 Support for public participation in the operations of the Company.

### Structure and Responsibilities of the Thailand Post Board of Directors

The Thailand Post Board of Directors is appointed by the Ministry of Finance, the company's sole shareholder. Appointments are made from a list of candidates drawn up by the Ministry and the potential nominees who have experience and expertise in various fields useful to the Company. They all meet the criteria for board membership under the Qualifications of State Enterprise Directors and Personnel Act B.E.2518 (1975), and have no personal stake in the business of Thailand Post. The Board comprises no fewer than 5 and no more than 11 members, who may or may not be company shareholders. At least one-third of the Board must be independent members from outside the organization, and the resumes of all appointees to the Thailand Post Board are posted on the company website ([www.thailandpost.com](http://www.thailandpost.com)) for public viewing.

The Thailand Post Board of Directors recognizes the importance of their responsibilities, which are clearly distinct from those of the Thailand Post executives. The key roles, duties and responsibilities of the Thailand Post Board consist of the following:

- Give approval to general company operations to ensure strict compliance with the principles of good corporate governance and garner recognition for Thailand Post as a model for upholding these principles.

- Set the company's vision, key strategies, policies and major plans.
- Oversee the work of Thailand Post executives, ensuring that they perform efficiently and effectively and in a conscientious and careful manner that achieves core company goals and promotes optimum long-term public benefits.
- Assume ultimate responsibility for Thailand Post's performance.
- Ensure the reliability of all accounting, financial statements, management reports, and audits.
- Promote compliance with international standards of internal auditing, focusing on practices that limit or reduce risk that may have an adverse effect on the company, and ensure implementation of an effective process for evaluating the adequacy of the internal control system.
- Set performance benchmarks for Thailand Post Board members for comparison with self-evaluations at least once a year.
- Present a report of assets and debts of state employees in line with the Constitutional Act to Prevent and Suppress Corruption B.E.2542 (1999).

## Meetings of the Board of Directors

The Thailand Post Board of Directors meets at least once a month on the third Wednesday of the month. If urgent matters arise, the members of the Board may seek permission from the Board Chairman to convene an extraordinary meeting as appropriate. The Board secretary shall send a written invitation, together with the agenda, and other relevant documents to each Board member prior to the scheduled date of the meeting so that they have sufficient time to study in detail the issues to be discussed.

At each meeting, individual Board member is free to express his/her views openly. A written report of the meeting verified by the Board members is prepared and kept on file for inspection by the members of the Board and other interested parties. Copies of these reports are also submitted to the Finance Ministry, the Ministry of Information and Communications Technology, the Office of the Auditor General, and the auditors from the Office of the Auditor General specifically assigned to Thailand Post.

Moreover, the Board of Directors announces its meeting agenda and resolutions on the Intranet system so as to allow interested staff to check out details. The identical information together with the summary of each Board meeting have also been provided to Thailand Post State Enterprise Labor Union as a show of transparency and as parts of the system of checks and balances put in place to protect all the company's stakeholders.

In 2014, the Board convened a total of 11 meetings. Individual attendance records appear below:

### The Board of Directors 1/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Dr. Nongluck Phinainitisart	13 February 2012 - 20 July 2014	6/6
2	Mr. Samai Leesakul	13 February 2012 - 22 July 2014	6/6
3	Mr. Distat Hotrakitya	27 December 2012 - 20 July 2014	3/6
4	Mr. Nuttavudh Photisaro	22 November 2013 - 20 July 2014	6/6
5	Mrs. Danucha Yindeepit	13 February 2012 - 24 August 2014	5/6
6	Pol. Lt. Col. Chinnachot Putivattada	13 February 2012 - 24 August 2014	5/6
7	Mr. Kosonlavat Intujunyong	13 February 2012 - 20 July 2014	6/6
8	Mr. Norawat Chotigoon	13 February 2012 - 24 August 2014	6/6
9	Mr. Kraitos Ongchaisak	13 February 2012 - 20 July 2014	6/6
10	Mr. Visanu Thepcharoen	13 February 2012 - 20 July 2014	5/6
11	Ms. Anusra Chittmittrapap	14 January 2012 - 24 August 2014	6/6

### The Board of Directors 2/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Lt. General Sathit Pitharat	25 August 2014 - 31 December 2014	5/5
2	Ms. Anusra Chittmittrapap	25 August 2014 - 31 December 2014	5/5
3	Mrs. Danucha Yindeepit *	25 August 2014 - 21 October 2014	2/3
4	Dr. Jaruvan Hengtrakool	25 August 2014 - 31 December 2014	5/5
5	Mr. Norawat Chotigoon	25 August 2014 - 31 December 2014	5/5
6	Dr. Don Bhasavanich	25 August 2014 - 31 December 2014	5/5
7	Mr. Rathapol Bhakdibhumi	25 August 2014 - 31 December 2014	5/5
8	Dr. Thitipong Nandhabiwat	25 August 2014 - 31 December 2014	5/5
9	Asst. Prof. Dr. ML Vittratorn Chirapravati	25 August 2014 - 31 December 2014	5/5

\* Mrs. Danucha Yindeepit resigned from Thailand Post Board of Directors, effective on 22 October 2014.

## Appointing Committees / Subcommittees

The Board of Directors has appointed committees and subcommittees to assist in reviewing and overseeing work, where necessary, as follows:

### Thailand Post Audit Committee

The duties and responsibilities of the Thailand Post Audit Committee are assigned by the Thailand Post Board of Directors and defined in the Auditor's Charter in line with the principles and guidelines of the Finance Ministry's Audit Committee Manual for State Enterprises. It is authorized to review and assess efficiency and effectiveness of procedures relating to good corporate governance, risk management practices and internal control mechanisms. The committee also ensures that the company's financial reporting is accurate and complete and that its operations comply with all relevant laws, rules, regulations, Cabinet resolutions, announcements and orders. It oversees implementation of an effective internal auditing system and verifies the independence of the internal auditing unit.

It advises the Thailand Post Board of Directors on all appointments, transfers, dismissals, and annual performance reports of all internal audit section chiefs and employees. It reviews related transactions and transactions that could represent a conflict of interest or create opportunities for corruption harmful to Thailand Post. The Committee attends meetings with the Thailand Post executives, auditors, and internal auditors.

In 2014, the Thailand Post Audit Committee carried out the following activities: acknowledged the results of the 2013 internal control evaluation and oversaw implementation of measures to improve the internal control system; reviewed risk management with regard to factors affecting the entire organization of Thailand Post and the Risk Correlation Map on a quarterly basis; reviewed Thailand Post's monthly, quarterly and annual financial statements; monitored the operating results and spending of the annual investment budget; monitored compliance with relevant laws and regulations on a quarterly basis; oversaw the performance of Thailand Post Board members with regard to Board regulations concerning conflicts between personal interests and interests of the organization; oversaw the work of the internal audit committee; approved the Internal Audit Office's Charter; approved the 5 years strategic operating auditing plan for 2015-2019; approved the internal audit plans for 2015; approved the Internal Audit Manual; monitored progress in implementing the 2014 internal audit plan on a quarterly basis; advised on 2014 key performance indicators; determined the appropriateness and adequacy of the internal audit personnel; considered and approved the appointments, transfers, and promotion of internal audit staff; and also attended the meetings with Thailand Post executives, auditors, and internal auditors.

In 2014, the Thailand Post Audit Committee convened seven meetings. Its members' attendance records were as follows:

#### Thailand Post Audit Committee 1/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Mrs. Danucha Yindeepit	1 March 2012 - 24 August 2014	4/4
2	Mr. Distat Hotrakitya	22 May 2013 - 20 July 2014	1/4
3	Mr.Kosonlavat Intujunyong	22 May 2013 - 20 July 2014	4/4



## Thailand Post Audit Committee 2/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Mrs. Danucha Yindeepit	5 September 2014 - 21 October 2014	2/2
2	Dr. Jaruvan Hengtrakool	5 September 2014 - 31 December 2014	3/3
3	Mr. Rathapol Bhakdibhumi	5 September 2014 - 31 December 2014	2/3
4	Ms. Anusra Chittmittrapap	9 December 2014 - 31 December 2014	1/1

## Thailand Post Relations Affairs Committee

This committee has the duties and responsibilities to give suggestions in improving work efficiency; promoting the organizational labor relations, reconciliation and settling labor disputes in the Company, improving workplace rules and regulations, playing an advisory role in responding to complaints lodged by employees or a labor union, as well as grievances involving disciplinary penalty taken, and consulting to consider improving employment conditions.

In 2014, the Thailand Post Relations Affairs Committee's key works included: reviewing and improving regulations on employees' medical care; considering direct medical fee disbursement between the Ramathibodi Hospital and Thailand Post; and examining term and condition for tax exemption on Thailand Post uniform/work attire.

In 2014, the Thailand Post Relations Affairs Committee convened 12 meetings. Attendance by the Thailand Post Board members appointed to the Committee at these meetings was as follows:

## Thailand Post Relations Affairs Committee 1/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
-	Pol.Lt.Col Chinnachot Putivattada	6 March 2012 - 24 August 2014	6/7

## Thailand Post Relations Affairs Committee 2/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
-	Mr. Norawat Chotigoon	11 September 2014 - 31 December 2014	4/4

Remark: The Thailand Post Relations Affairs Committee convened its meeting 8/2014 on 29 August 2014 without the presence of any Board member because appointments had not yet been made to fill the Board after the completion of the old Board member's term at that time.

### Thailand Post's President Nomination Committee

The committee has the duty to lay down selection criteria and recruit a person with appropriate knowledge, abilities and experience plus the qualifications that satisfy the standard requirements of the State Enterprises' Board Members and Employees Act of BE 2518 to take a post of Thailand Post's President.

In 2014, the Thailand Post's President Nomination Committee compiled the list of qualified candidates for the post of Thailand Post's President and presented it to the Board of Directors to consider. The committee convened six meetings. Its members' attendance record was as follows:

#### Thailand Post's President Nomination Committee 1/2014

No.	Directors	Period of Term	Number of participation/ Number of session (2014)
1	Mr. Samai Leesakul	28 March 2014 - 22 July 2014	2/2
2	Mrs. Danucha Yindeepit	28 March 2014 - 24 August 2014	2/2
3	Mr. Nuttavudh Photisaro	28 March 2014 - 20 July 2014	-/2
4	Pol. Lt. Col. Chinnachot Putivattada	28 March 2014 - 24 August 2014	2/2

#### Thailand Post's President Nomination Committee 2/2014

No.	Directors	Period of Term	Number of participation/ Number of session (2014)
1	Lt. General Sathit Pitharat	11 September 2014 - 31 December 2014	4/4
2	Mrs. Danucha Yindeepit	11 September 2014 - 21 October 2014	4/4
3	Dr. Jaruvan Hengtrakool	11 September 2014 - 31 December 2014	3/4
4	Dr. Don Bhasavanich	11 September 2014 - 31 December 2014	4/4

### President's Remuneration Subcommittee

The subcommittee has the duty to review the employment contract, set remuneration, and negotiate on the pay and benefit packages with the person nominated for the Thailand Post's President.

In 2014, the President's Remuneration Subcommittee specified the remuneration for and negotiated with the person nominated for the Thailand Post's President, and submitted the results to Board of Directors to consider.

The subcommittee convened two meetings. Its members' attendance record was as follows:

No.	Directors	Period of Term	Number of participation/ Number of session (2014)
1	Ms. Anusra Chittmittrapap	11 September 2014 - 31 December 2014	2/2
2	Mr. Rathapol Bhakdibhumi	11 September 2014 - 31 December 2014	2/2
3	Dr. Don Bhasavanich	26 November 2014 - 31 December 2014	1/2

### President's Performance Evaluation Subcommittee

The subcommittee has the duty to lay down criteria for evaluation of the President's performance, evaluate the President's performance every six months, and use the evaluation results in remuneration adjustment. In the event that the President fails to accomplish the intended goals, the subcommittee shall consider terminating his or her employment contract.

In 2014, the President's Performance Evaluation Subcommittee laid down the performance evaluation criteria that applied to the President for 2014 and evaluated the President's performance during her first six months of 2014 based on the criteria. The subcommittee convened three meetings. Its members' attendance record was as follows:

#### President's Performance Evaluation Subcommittee 1/2014

No.	Directors	Period of Term	Number of participation/ Number of session (2014)
1	Mrs. Danucha Yindeepit	8 March 2012 - 24 August 2014	2/2
2	Pol. Lt. Col. Chinnachot Putivattada	8 March 2012 - 24 August 2014	2/2
3	Mr. Visanu Thepcharoen	17 February 2014 - 20 July 2014	2/2

#### President's Performance Evaluation Subcommittee 2/2014

No.	Directors	Period of Term	Number of participation/ Number of session (2014)
1	Mrs. Danucha Yindeepit	11 September 2014 - 31 December 2014	1/1
2	Asst. Prof. Dr. M.L. Vittratorn Chirapravati	11 September 2014 - 31 December 2014	1/1
3	Dr. Thitipong Nandhabiwat	11 September 2014 - 31 December 2014	1/1

### Good Corporate Governance Subcommittee

The subcommittee has the duty and responsibility to review policies and set strategies, objectives and work plans on good corporate governance, the internal control system and social and environmental responsibilities that are in line with Thailand Post's business operations as well as monitor progress towards good governance practices.

Principal activities conducted by the Good Corporate Governance Subcommittee in 2014 included: reviewed good corporate governance indexes for 2014; considered 5 years good corporate governance plan for 2015-2019; reviewed corporate social responsibility plans for 2015; assessed Thailand Post's code of ethics draft and draft policy of code of business ethics; and acknowledged the internal control result report.

In 2014, the Good Corporate Governance Subcommittee convened four meetings and attendance by Thailand Post Directors appointed to the Subcommittee was as follows:

#### Good Corporate Governance Subcommittee 1/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Pol. Lt. Col. Chinnachot Putivattada	6 March 2012 -24 August 2014	2/2
2	Mr. Norawat Chotigoon	6 March 2012 - 24 August 2014	2/2
3	Ms. Anusra Chittmitrapap	10 July 2012 - 24 August 2014	2/2
4	Mr. Nuttavudh Photisar	17 February 2014 - 20 July 2014	2/2

#### Good Corporate Governance Subcommittee 2/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Asst. Prof. Dr. M.L. Vittratorn Chirapravati	5 September 2014 - 31 December 2014	2/2
2	Mr. Norawat Chotigoon	5 September 2014 - 31 December 2014	2/2
3	Mr. Rathapol Bhakdibhumi	5 September 2014 - 31 December 2014	2/2

### Thailand Post Risk Management Subcommittee

The Thailand Post Risk Management Subcommittee has the duties and responsibilities to submit policies, strategies, structures and risk management model in line with the principles of good corporate governance and the agreement on assessing the performance of state enterprises. The Risk Management Subcommittee not only oversees the practices of the management and departments throughout the organization to ensure compliance with the policies, strategies, and model of risk management, but also lends support for the integration of risk management, IT management and the Thailand Post decision-making process regarding strategic plans.

Key activities of the Thailand Post Risk Management Subcommittee in 2014 included: reviewed organizational risk management performance and Risk Correlation Map in 2014; considered the improvement of work plans/organizational risk management measures in 2014; reviewed Thailand Post risk management assessment criteria; and considered the organizational risk for 2015.

In 2014, the Thailand Post Risk Management Subcommittee convened five meetings, and attendance by Thailand Post Directors appointed to the Subcommittee is shown below:



## Thailand Post Risk Management Subcommittee 1/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Mr. Samai Leesakul	31 July 2013 - 22 July 2014	2/2
2	Mrs. Danucha Yindeepit	31 July 2013 - 24 August 2014	2/2
3	Mr. Kraitos Ongchaisak	31 July 2013 - 20 July 2014	2/2
4	Ms. Anusra Chittmittrapap	31 July 2013 - 24 August 2014	2/2

## Thailand Post Risk Management Subcommittee 2/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Dr. Don Bhasavanich	11 September 2014 - 31 December 2014	3/3
2	Dr. Thitipong Nandhabiwat	11 September 2014 - 31 December 2014	3/3
3	Mr. Norawat Chotigoon	11 September 2014 - 31 December 2014	3/3

## Remuneration Management Subcommittee

The Remuneration Management Subcommittee is responsible for overseeing and advising Thailand Post and its subsidiaries on issues relating to employee salaries/wages, compensation and welfare benefits for proposing to the Thailand Post Board of Directors.

In 2014, the Remuneration Management Subcommittee considered key issues including revision of salary structures in line with work value assessments; and salary structure of Thailand Post Distribution Co., Ltd. In 2014, the Remuneration Management Subcommittee convened 3 meetings, and records of the attendance of those Thailand Post Board members appointed to the subcommittee are given below:

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Mrs. Danucha Yindeepit	August 29, 2013 - August 24, 2014	3/3
2	Mr. Visanu Thepcharoen	August 29, 2013 - July 20, 2014	3/3
3	Miss Anusra Chittmittrapap	August 29, 2013 - August 24, 2014	3/3

## Employees/Permanent Workers Appeals Subcommittee

The Employees/Permanent Workers Appeals Subcommittee is responsible for scrutinizing appeals against disciplinary action, or termination of employment, and reviewing rules and regulations governing breaches of discipline, punishment, and appeals against punishment lodged by the Company's employees and permanent workers.

In 2014, Thailand Post Employees/Permanent Workers Appeals Subcommittee convened three meetings to consider employees' appeals against disciplinary action. Those members of the board appointed to the subcommittee attended as follows:

## Employees/Permanent Workers Appeals Subcommittee 1/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
-	Mr.Distat Hotrakitya	20 February 2013 - 20 July 2014	2/2

## Employees/Permanent Workers Appeals Subcommittee 2/2014

No.	Directors	Period of term	Number of participation/ Number of session (2014)
-	Dr. Jaruvan Hengtrakool	17 October 2014 - 31 December 2014	1/1

## Subcommittee for the Development of the Information and Communications Technology System

The scope of duties and responsibilities of the Subcommittee for the Development of the Information and Communications Technology System includes steering the Company's information technology system development in line with policies formulated by the government, the Ministry of Finance and the Ministry of Information and Communication Technology; drawing up a master plan in line with the Company's corporate plan; screening the Company's information technology system development before submitting to the Board of Directors; overseeing, controlling, monitoring, and evaluating progress in implementing these plans to ensure that they are completed on schedule; and considering an appointment of an advisor or a working group to study/analyze various matters as it deems fit.

Key activities of the ICT Development Subcommittee in 2014 included: considered terms of reference for hiring a consultant on ICT; monitored implementation progress of the consultant on postal counter automation system; monitored progress in implementing the IT development master plan for 2014-2018; and monitored progress on procurement of new information technology.

The ICT Development Subcommittee convened 12 meetings in 2014, and those members of the Board appointed to the Subcommittee attended as follows:

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Mr.Kraitos Ongchaisak	31 July 2013 - 20 July 2014	5/5
2	Mr.Smai Leesakul	31 July 2013 - 22 July 2014	4/5
3	Mr.Norawat Chotigoon	31 July 2013 - 24 August 2014	5/5
4	Mr.Kosonlavat Intujunyong	31 July 2013 - 20 July 2014	5/5
5	Miss Anusra Chittmitrapap	31 July 2013 - 24 August 2014	3/5

### Thailand Post Business Development Subcommittee

The Thailand Post Business Development Subcommittee is responsible for drawing up guidelines for the postal business development; planning the operations for business development in line with the postal business plan and the policies of the Thailand Post Board of Directors; monitoring, evaluating and overseeing business development for substantial achievement; determining the direction and master plan for ICT system development in line with the postal business plan; overseeing, controlling, monitoring and assessing progress of operations according to the master plan to ensure that it is completed as targeted.

Key activities of the Thailand Post Business Development Subcommittee in 2014 included: considering the draft of the master plan on Thailand Post ICT Development for 2015-2019; approving a proposal to procure the organization's human resource planning system through a special process; monitoring progress on implementation in line with the Thailand Post Master Plan on ICT Development for 2014-2018; considering a guideline to enter into collaboration with strategic partners for business development in the future; and considering a guideline for cooperation between Thailand Post and the international organizations.

In 2014, the Thailand Post Business Development Subcommittee convened 3 meetings, and those members of the Board appointed to the Subcommittee attended as follows:

No.	Directors	Period of term	Number of participation/ Number of session (2014)
1	Dr. Don Bhasavanich	10 October 2014 - 31 December 2014	3/3
2	Mr. Rathapol Bhakdibhumi	10 October 2014 - 31 December 2014	2/3
3	Dr. Thitipong Nandhabiwat	10 October 2014 - 31 December 2014	3/3
4	Miss Anusra Chittmittrapap	10 October 2014 - 31 December 2014	3/3

### Independent Directors

Independent Directors consist of Board members who are not appointed to the Board by virtue of their position and are not government employees. The number of Independent Directors should not be less than one-third of the total Thailand Post Board members in order to maintain a proper balance and ensure that the Independent Directors can make decisions without undue influence from any individual or group.

In 2014, the Board's independent members prepared a written report to certify their independence and convened two meetings to express their opinions on their work. Details are as follows:

#### Independent Directors 1/2014

No.	Independent Directors	Period of term	Number of participation/ Number of session (2014)
1	Dr. Nongluck Phinainitisart	13 February 2012 - 20 July 2014	1/1
2	Mr. Samai Leesakul	13 February 2012 - 22 July 2014	1/1
3	Mr. Kraitos Ongchaisak	13 February 2012 - 20 July 2014	1/1
4	Mr. Visanu Thepcharoen	13 February 2012 - 20 July 2014	1/1

## Independent Directors 2/2014

No.	Independent Directors	Period of term	Number of participation/ Number of session (2014)
1	Dr. Don Bhasavanich	25 August 2014 - 3 December 2014	1/1
2	Mr. Rathapol Bhakdibhumi	25 August 2014 - 3 December 2014	1/1
3	Dr. Thitipong Nandhabiwat	25 August 2014 - 3 December 2014	1/1
4	Asst. Prof. Dr. M.L. Vittratorn Chirapravati	25 August 2014 - 3 December 2014	1/1

## Remuneration for the Board/Subcommittee/Working Group Members

Thailand Post set a clear and transparent procedure concerning remuneration, meeting fees and annual bonuses paid to committee/subcommittee/working group members as follows:

**Monthly Remuneration** In compliance with the Cabinet's resolution of July 2, 2013, Thailand Post directors shall receive a monthly remuneration not exceeding 10,000 baht each, while the Board Chairman shall receive remuneration double that of the director.

**Meeting Attendance Fees** Thailand Post complies with the Cabinet's resolutions of July 2, 2013:

- Each of Board members shall receive the meeting attendance fee not exceeding 10,000 baht per month. The Board Chairman and Vice Chairman shall receive an additional 25% and 12.5% respectively.
- Board members appointed to subcommittees or other working groups receive additional meeting attendance fees equal to those paid for meetings of the Board of Directors. But Fees for attendance at subcommittee and/or working groups meetings shall be paid for participation in not more than two parties in each month and only one meeting per party per month. Members from outside organizations who are not Board members shall receive meeting attendance fees not exceeding 3,000 Baht for each meeting the external member attends. However, the Board members appointed to the Thailand Post Audit Committee shall receive a lump sum meeting attendance fee equivalent to the meeting fees paid to the Board members even in those months when the Audit Committee does not convene.

**Annual Bonuses** Thailand Post complies with the Cabinet's resolutions of January 31, 1978 and February 5, 1991, which specify the following:

- Board members are entitled to an annual bonus, the amount of which is determined by the period of service but not exceeding 60,000 baht per year.
- Board members are also entitled to an additional annual bonus based on company and individual performance review in a proportion set by the Ministry of Finance.
- The Chairman is paid 25% more than other Board members, and the Vice Chairman receives an additional 12.5%.



In 2014, Thailand Post paid remuneration to the Board of Directors as follows:

#### Thailand Post Board of Directors 1/2014

No.	Directors	Remuneration				
		Monthly Pay	Meeting Attendance Fees (Board members)	Meeting Attendance Fees (Subcommittees/ Working Groups)	Bonus (2014)	Total
1	Dr. Nongluck Phinainitisart	132,903.20	75,000.00	56,000.00	286,491.77	550,394.97
2	Mr. Samai Leesakul	67,096.76	67,500.00	265,500.00	135,635.07	535,731.83
3	Mr. Distat Hotrakitya	66,451.60	30,000.00	149,951.60	135,000.00	381,403.20
4	Mr. Nuttavudh Photisaro	66,451.60	60,000.00	75,000.00	14,625.00	216,076.60
5	Mrs. Danucha Yindeepit	70,000.00	50,000.00	270,250.00	135,000.00	525,250.00
6	Pol. Lt. Col Chinnachot Putivattada	77,741.94	50,000.00	205,000.00	135,000.00	467,741.94
7	Mr. Kosonlavat Intujunyong	66,451.60	60,000.00	204,951.60	135,000.00	466,403.20
8	Mr. Norawat Chotigoon	70,000.00	60,000.00	156,000.00	135,000.00	421,000.00
9	Mr. Kraitos Ongchaisak	66,451.60	60,000.00	165,500.00	135,000.00	426,951.60
10	Mr. Visanu Thepcharoen	66,451.60	50,000.00	193,500.00	135,000.00	444,951.60
11	Miss Anusra Chittmitrapap	70,000.00	60,000.00	230,500.00	135,000.00	495,500.00

Note:

1. Dr. Nongluck Phinainitisart (Number 1) was chosen as the Chairman of the Thailand Post Board as of December 18, 2013
2. Mr. Samai Leesakul (Number 2) was chosen as Vice Chairman of the Thailand Post Board as of December 18, 2013.
3. The Ministry of Finance, which is the sole shareholder of Thailand Post, agreed on November 22, 2013, to approve Thailand Post's setting of remuneration paid to the Board of Directors in line with the criteria according to the Cabinet resolution of July 2, 2013. Subsequently, the company began to pay remuneration in compliance with the criteria since December 2013. Back payments for the period from August to November 2013 were made in January 2014 and identified in the meeting attendance fees of the subcommittees.

#### Thailand Post Board of Directors 2/2014

No.	Directors	Remuneration				
		Monthly Pay	Meeting Attendance Fees (Board members)	Meeting Attendance Fees (Subcommittees/ Working Groups)	Bonus (2014)	Total
1	Lt. Gen. Sathit Pitharat	84,516.12	62,500.00	25,000.00	-	172,016.12
2	Miss Anusra Chittmitrapap	50,000.00	56,250.00	77,419.36	-	183,669.36
3	Mrs. Danucha Yindeepit	26,774.19	20,000.00	65,967.74	-	112,741.93
4	Dr. Jaruvan Hengtrakool	42,258.06	50,000.00	63,021.59	-	155,279.65
5	Mr. Norawat Chotigoon	50,000.00	50,000.00	90,000.00	-	190,000.00
6	Dr. Don Bhasavanich	42,258.06	50,000.00	95,000.00	-	187,258.06
7	Mr. Rathapol Bhakdibhumi	42,258.06	50,000.00	78,666.66	-	170,924.72
8	Dr. Thitipong Nandhabiwat	42,258.06	50,000.00	73,750.00	-	166,008.06
9	Asst. Prof. Dr. M.L. Vittratorn Chirapravati	42,258.06	50,000.00	35,000.00	-	127,258.06

Note: Thailand Post has not yet paid annual Directors' bonuses for 2014.

## Remuneration for Top Executives

Thailand Post's remuneration for the President and Vice Presidents is divided into the following types:

- Payment for work: salary, bonus and meeting attendance fees.
- Welfare Benefits: compensation, children educational assistance, medical allowance, uniforms, life insurance premium and merit-based compensation.
- Employer contribution to provident fund.
- Other remuneration: travelling allowance, car rental, house allowance, telephone bill, and special compensation based on early retirement program.

From 2012-2014, Thailand Post made payments to top executives as follows:

Type of remuneration	Year		
	2012	2013	2014
Work related	15,286,097.66	16,458,967.39	14,801,778.61
Welfare Benefits	3,611,640.50	1,256,187.50	1,254,532.92
Employer contribution to provident fund	916,784.11	1,042,241.62	1,078,618.74
Other	3,540,107.66	3,340,214.32	6,285,275.51
Total	23,354,629.93	22,097,610.83	23,420,205.78

## Policy to Prevent Conflicts of Interest

The Board of Directors has adopted obligations and measures to prevent, control and examine conflicts of interest between individuals and the company, which all its directors and employees are required to strictly follow. The measures are designed to prevent individuals from obtaining illicit benefits either for themselves or any other party through the performance or negligence of their duties or through their position on the Board of Directors or as an employee of Thailand Post.

At a meeting of the Board, any Director who is a stakeholder or has a conflict between his/her own personal interests and those of Thailand Post, must inform the Board meeting for exclusion from voting on the agenda item in question, or for removal from the meeting room during discussion of the agenda item.

For the employees, the Internal Audit Office is assigned to conduct random audits of individuals and their spouses to ensure that there are no unethical receipts of assets, or any irregularities in the bidding process, or that these persons are not contracting parties or stakeholders in any agreements made with Thailand Post.

If any irregularities are found, the Internal Audit Office must report to the Thailand Post President immediately.

In addition, individuals are also required to make full disclosure of any conflicts of interest arising from their appointment as an auditor or to any committee or working group including a procurement committee, a civil or disciplinary investigating committee, or selection committee.



## Thailand Post Audit Committee's Performance Report

Thailand Post Audit Committee consists of three members of the Company's Board of Directors. As of December 31, 2014, Thailand Post appointed the following Audit Committees:

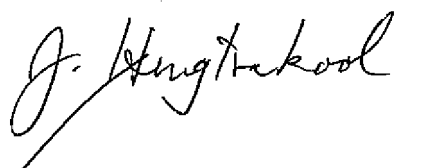
1. Dr. Jaruvan	Hengtrakool	Chairman
2. Miss Anusra	Chittmittrapap	Member
3. Mr. Rathapol	Bhaktibhumi	Member
4. Executive Vice President (Internal Audit Office)		Secretary

The duties and responsibilities of the Thailand Post Audit committee are assigned by the Board of Directors and clearly defined in the Thailand Post Audit Committee Charter, which is in line with the principles and guidelines stated in the State Enterprise Audit Committee Manual of the Ministry of Finance, amended Version 2012.

In 2014, the Thailand Post Audit Committee convened a total of 7 meetings. Thailand Post executives, the Head of the Internal Audit Office and other relevant officers attended the meetings, the substance of which can be summarized as follows:

1. Supervise and ensure that the management controls and monitors the internal control system are implemented as identified in the internal audit report. The Thailand Post's regulations are also revised and updated to ensure that internal control mechanisms are adequate and can be implemented in line with the procedures efficiently and productively.
2. Monitor Risk Management operation of Thailand Post and adequate risk management procedures based on the management's report on the major risks. Review organization-level risk management performance of Thailand Post and Risk Map on a quarterly basis; and identify organization-level risk of Thailand Post in 2015.
3. Review quarterly and annual financial reports by verifying their completeness and reliability. Assess financial reports are in compliance with generally accepted accounting standards and ensure that all financial documents are complete, accurate, and reliable.
4. Monitor to ensure that the operating performance and disbursement of the annual investment budget are in line with approved action plans and projects.
5. Supervise to ensure the independence and effectiveness of the Internal Audit Office through a review of the Office's charter 2014 approval, five years operating plan and strategic internal auditing plan (2015-2019) and audit manual. Assess the appropriateness and adequacy of internal audit resources; approve the appointment of Internal Audit Office's personnel; as well as promote and support continual professional development of auditing staff.

6. Require the Internal Audit Office to submit a report on audit outcomes, conflicts of interest, post-audit quality assessment and self-evaluation of the internal auditors. The assessment report will be used to improve and develop the internal auditors.
7. Join a meeting with the auditors of the Office of the Auditor General (OAG) without Thailand Post executives to discuss the scope and guidelines of auditing, findings and review of financial statements.
8. Prepare the meeting minutes and quarterly and annual audit performance reports submitted to the Thailand Post Board of Directors. Copies of the annual report will be submitted to the Ministry of Information and Communications Technologies and the Ministry of Finance.
9. Review and amend the Audit Committee Charter 2014 submitted to the Thailand Post Board of Directors for approval.
10. Self-evaluation at individual and team level of the audit committee members, in line with guidelines contained in a manual for State Enterprise Audit Committees, the Ministry of Finance, to ensure the Audit Committee's performance is efficient and reliable. For the year 2014, the performance evaluation results achieved the level of excellence.
11. Supervise the management to prepare the written codes of ethics, monitor actions according to the regulations on the conflicts between the interests of individuals and those of Thailand Post to ensure that no actions are in breach of the codes, and examine Thailand Post performance to ensure it is transparent and fair without any actions that may be considered conflicts of interest.
12. Follow up the practice of Thailand Post to ensure that the Company complies with all relevant laws and regulations significantly affecting its image and performance such as complaints, progress in civil cases, and disciplinary actions.
13. Endorse the Office of the Auditor General of Thailand as the Auditor of Thailand Post Co., Ltd. with a remuneration of 1,200,000 baht for its services.



(Dr. Jaruvan Hengtrakool)

Chairman of the Audit Committee

January 20, 2015





## Board of Directors' Responsibility for Financial Reporting

Thailand Post's Board of Directors places an emphasis on its responsibility for the Company's financial reports to ensure the accuracy and comprehensiveness of these documents which reflect the actual performance of the Company. In making the reports, the Board of Directors has always used appropriate accounting policies in line with generally accepted standards. The Board also discloses necessary information as shown in the financial statement's financial statement's remarks given by remarks given by the office of the Auditor General in its review of the statement.

The Board has set up an independent Auditing Committee to ensure that Thailand Post's financial reports are trustworthy and accurate and that its internal control system functions adequately and properly so as to make the Company's financial statement reliable.

Lieutenant General Sathit Pitharat  
Chairman

Mr. Piyawat Mahapauraya  
Senior Executive Vice President  
Acting President



## Auditors' Report

To the Shareholders of Thailand Post Co., Ltd.

The Office of the Auditor General (OAG) has performed audits of the consolidated financial statements of Thailand Post Co., Ltd. and its subsidiaries as well as the company financial statements of Thailand Post Co., Ltd. These comprise the consolidated and company statements of financial standing as of December 31, 2014; the consolidated and company statements of income; the company statement of comprehensive income; the consolidated and company statements of changes in shareholders' equity; the consolidated and company statements of cash flows for the year ending on the same date and a summary of significant accounting policies as well as other explanatory information.

### Executives' Responsibility for Financial Reporting

The Executives are responsible for preparing, submitting the consolidated and company financial statements and ensuring the completeness and accuracy of these statements in line with accepted financial reporting standards. The Executives are also responsible for essential internal controls that permit the preparation of financial reporting to be free from serious misstatements, whether due to fraud or error.

### Responsibilities of the Auditors

The Office of the Auditor General's responsibility is to express an opinion on these consolidated and company financial statements based on the audits. The OAG carried out the audits in accordance with generally accepted accounting audit standards. These require the OAG to comply with ethical requirements, including to plan and perform the audit to obtain reasonable assurance that all financial statements are free from serious material misstatement.

An audit involves performing procedures to obtain audit evidence concerning the amounts and disclosures in the consolidated and company financial statements. The procedures selected depend on the auditor's judgement, including an assessment of the risks resulting from any serious material misstatement of the consolidated and company financial statements either as a result of deliberate error or negligence.

In making risk assessments, the auditors examine the company's internal controls relevant to the entity's preparation and submission of proper and accurate consolidated and company financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.

The audit includes an assessment of the accounting policies used and reasonableness of accounting estimates made by management, as well as an evaluation of the overall presentation of the consolidated and company financial statements.

The OAG believes that the audit evidence it has obtained is sufficient and appropriate to provide a basis for the OAG's audit opinion.

### Opinion

In the opinion of the OAG, the above mentioned consolidated and company statements of financial standing of Thailand Post Co., Ltd. and its subsidiaries, and the financial standing of Thailand Post Co., Ltd., as of December 31, 2014, the consolidated and the company performance and consolidated and company cash flows for the year ending on the same date were all accurate in substantive matters in compliance with the financial reporting standards.

(Signed) Pattra Showsri  
(Mrs. Pattra Showsri)  
Director of Financial Audit Office No. 6

(Signed) Prawit Tantrajin  
Mr. Prawit Tantrajin  
Auditor-in-Charge

## Statement of Financial Standing

Thailand Post Co., Ltd. and its Subsidiary  
As of December 31, 2014

Unit: Baht

	Notes	Consolidated	The Company	
		2014	2014	2013 (Revised)
<b>Assets</b>				
<b>Current assets</b>				
Cash & equivalents	4	4,688,230,688.49	4,439,810,596.20	3,598,360,458.41
Temporary investment	5	5,877,388,973.06	5,877,388,973.06	5,640,366,059.31
Account receivables, domestic	6	1,181,920,080.17	1,181,754,420.17	883,007,121.67
Account receivables, international	7	684,375,531.52	684,375,531.52	734,336,144.40
Other receivables	8	151,423,720.50	151,474,097.96	167,987,707.26
Inventories	9	360,017,656.10	360,017,656.10	386,087,612.69
Accrued revenue		371,963,739.32	340,984,167.65	337,688,633.96
Prepaid expenses		165,043,842.15	164,626,445.99	177,891,565.64
Other current assets		73,692,668.00	79,847,353.14	71,549,736.83
Total current assets		13,554,056,899.31	13,280,279,241.79	11,997,275,040.17
<b>Non-current assets</b>				
Temporary investments	10	100,010,000.00	100,010,000.00	-
Investments in subsidiary	11	-	350,000,000.00	-
Long-term investment	12	1,017,171,679.60	1,017,171,679.60	338,114,258.20
Lands, buildings, and equipment	13	6,795,296,613.96	6,795,150,268.99	6,911,387,192.23
Intangible assets	14	127,310,224.23	127,310,224.23	126,818,305.76
Deferred Income Tax	15	803,264,589.66	803,264,589.66	821,126,831.52
Other non-current assets	16	40,633,551.84	22,837,848.09	22,771,265.46
Total non-current assets		8,883,686,659.29	9,215,744,610.57	8,220,217,853.17
<b>Total assets</b>		<b>22,437,743,558.60</b>	<b>22,496,023,852.36</b>	<b>20,217,492,893.34</b>

The accompanying notes form an integral part of these financial statements.

## Statement of Financial Standing (Continued)

Thailand Post Co., Ltd. and its Subsidiary

As of December 31, 2014

Unit: Baht

	Notes	Consolidated	The Company	
		2014	2014	2013 (Revised)
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Accrued domestic money orders and postal orders		343,186,354.08	343,186,354.08	416,350,204.78
Agency service payables		180,172,113.20	180,172,113.20	311,787,484.17
Trade account payables - domestic		270,601,136.54	236,190,159.93	241,015,625.93
Trade account payables - international		610,290,612.79	610,290,612.79	618,393,942.58
Other payables	17	196,461,535.90	194,230,101.28	178,344,498.93
Accrued expenses	18	2,964,147,093.02	3,043,185,518.97	1,669,231,417.85
Accrued corporate income tax		331,030,361.47	331,032,308.93	98,742,310.53
Advanced revenue	19	150,145,353.93	150,145,353.93	133,840,102.08
Other current liabilities	20	425,147,209.47	425,787,648.00	309,512,104.56
<b>Total current liabilities</b>		<b>5,471,181,770.40</b>	<b>5,514,220,171.11</b>	<b>3,977,217,691.41</b>
<b>Non-current liabilities</b>				
Deferred revenue		142,238,175.30	142,238,175.30	169,904,153.84
Employee benefit liabilities	21	3,825,314,856.49	3,825,314,856.49	3,876,210,333.05
Staff pension fund	22	26,406,391.60	26,406,391.60	30,887,074.40
<b>Total non-current liabilities</b>		<b>3,993,959,423.39</b>	<b>3,993,959,423.39</b>	<b>4,077,001,561.29</b>
<b>Total liabilities</b>		<b>9,465,141,193.79</b>	<b>9,508,179,594.50</b>	<b>8,054,219,252.70</b>

The accompanying notes form an integral part of these financial statements.




## Statement of Financial Standing (Continued)

Thailand Post Co., Ltd. and its Subsidiary  
As of December 31, 2014

Unit: Baht

	Notes	Consolidated		The Company	
		2014	2014	2013 (Revised)	
<b>Liabilities and shareholders' equity</b>					
Shareholders' equity					
Capital stock					
Registered capital					
125,000,000 common stocks @ 10 Baht par value		1,250,000,000.00	1,250,000,000.00	1,250,000,000.00	
Outstanding stocks					
125,000 common stocks @ 10 Baht par value		1,250,000,000.00	1,250,000,000.00	1,250,000,000.00	
Retained profit					
Appropriated retained profit					
legal reserve	23	125,000,000.00	125,000,000.00	125,000,000.00	
Unappropriated retained profit		11,597,602,364.81	11,612,844,257.86	10,788,273,640.64	
Other components of owner's equity					
Total equity of the parent company		12,972,602,364.81	12,987,844,257.86	12,163,273,640.64	
Non-controlling interests					
Total shareholders' equity		12,972,602,364.81	12,987,844,257.86	12,163,273,640.64	
Total liabilities and shareholders' equity		22,437,743,558.60	22,496,023,852.36	20,217,492,893.34	

The accompanying notes form an integral part of these financial statements.



(Mr. Piyawat Mahapauraya)  
Senior Executive Vice President  
Acting President



(Mrs. Smorn Terdthumpiboon)  
Senior Executive Vice President

## Statement of Income

Thailand Post Co., Ltd. and its Subsidiary  
For the Year Ended December 31, 2014

Unit: Baht

	Notes	Consolidated		The Company	
		2014	2014	2014	2013
<b>Revenues</b>					
Operating revenue	24	21,412,614,739.74	21,381,760,120.26	18,991,743,564.79	
Other income	25	409,835,436.58	408,361,269.24	399,828,234.03	
Total revenues		21,822,450,176.32	21,790,121,389.50	19,391,571,798.82	
<b>Expenses</b>					
Costs of sales and services rendered		16,739,833,821.65	16,698,147,166.70	15,175,841,497.58	
Selling expenses		478,278,834.85	478,260,181.97	402,672,480.72	
Administrative expenses		1,502,048,775.54	1,496,183,403.50	1,436,632,293.21	
Other expenses		741,335,032.46	741,335,032.46	736,372,894.67	
Total expenses	26	19,461,496,464.50	19,413,925,784.63	17,751,519,166.18	
Profit before tax		2,360,953,711.82	2,376,195,604.87	1,640,052,632.64	
Income tax	27	(581,446,178.14)	(581,446,178.14)	(415,705,599.09)	
Net profit for the period		1,779,507,533.68	1,794,749,426.73	1,224,347,033.55	
<b>Allocation of net profit for the period</b>					
Parent company share		1,779,507,533.68	1,794,749,426.73	1,224,347,033.55	
Share of non-controlling interests		-	-	-	
		1,779,507,533.68	1,794,749,426.73	1,224,347,033.55	
<b>Earnings per share</b>					
Basic earnings per share		14.24	14.36	9.79	

The accompanying notes form an integral part of these financial statements.

## Statement of Comprehensive Income

Thailand Post Co., Ltd. and its Subsidiary  
For the year Ended December 31, 2014

Unit: Baht

	Notes	Consolidated	The Company	
		2014	2014	2013
Net profit for the period		1,779,507,533.68	1,794,749,426.73	1,224,347,033.55
Other comprehensive income			-	-
Actuarial profit				
For employee benefit scheme		(26,482,070.50)	(26,482,070.50)	17,522,774.81
Income tax of other comprehensive income	27	5,296,414.10	5,296,414.10	(3,488,174.95)
Other comprehensive income - Net from tax		(21,185,656.40)	(21,185,656.40)	14,034,599.86
Total comprehensive income for the period		1,758,321,877.28	1,773,563,770.33	1,238,381,633.41
Allocation of total comprehensive income for the period				
Parent company share		1,758,321,877.28	1,773,563,770.33	1,238,381,633.41
Share of non-controlling interests		-	-	-
		1,758,321,877.28	1,773,563,770.33	1,238,381,633.41

The accompanying notes form an integral part of these financial statements.

## Statement of Changes in Shareholders' Equity

Thailand Post Co., Ltd. and its Subsidiary  
For the Year Ended December 31, 2014

Unit: Baht

	Notes	Consolidated			Total
		Capital stocks	Retained Profit		
			Appropriated	Unappropriated	
Balance as of January 1, 2013		1,250,000,000.00	125,000,000.00	9,815,284,421.31	11,190,284,421.31
Comprehensive income		-	-	1,238,381,633.41	1,238,381,633.41
Declared dividend	29	-	-	(265,392,414.08)	(265,392,414.08)
<b>Balance as of December 31, 2013</b>		<b>1,250,000,000.00</b>	<b>125,000,000.00</b>	<b>10,788,273,640.64</b>	<b>12,163,273,640.64</b>
Balance as of January 1, 2014		1,250,000,000.00	125,000,000.00	10,788,273,640.64	12,163,273,640.64
Comprehensive income		-	-	1,758,321,877.28	1,758,321,877.28
Declared dividend	29	-	-	(948,993,153.11)	(948,993,153.11)
<b>Balance as of December 31, 2014</b>		<b>1,250,000,000.00</b>	<b>125,000,000.00</b>	<b>11,597,602,364.81</b>	<b>12,972,602,364.81</b>

The accompanying notes form an integral part of these financial statements.

Unit: Baht

	Notes	The Company			Total
		Capital stocks	Retained Profit		
			Appropriated	Unappropriated	
Balance as of January 1, 2013		1,250,000,000.00	125,000,000.00	9,815,284,421.31	11,190,284,421.31
Comprehensive income		-	-	1,238,381,633.41	1,238,381,633.41
Declared dividend	29	-	-	(265,392,414.08)	(265,392,414.08)
<b>Balance as of December 31, 2013</b>		<b>1,250,000,000.00</b>	<b>125,000,000.00</b>	<b>10,788,273,640.64</b>	<b>12,163,273,640.64</b>
Balance as of January 1, 2014		1,250,000,000.00	125,000,000.00	10,788,273,640.64	12,163,273,640.64
Comprehensive income		-	-	1,773,563,770.33	1,773,563,770.33
Declared dividend	29	-	-	(948,993,153.11)	(948,993,153.11)
<b>Balance as of December 31, 2014</b>		<b>1,250,000,000.00</b>	<b>125,000,000.00</b>	<b>11,612,844,257.86</b>	<b>12,987,844,257.86</b>

The accompanying notes form an integral part of these financial statements.



## Statement of Cash Flow

Thailand Post Co., Ltd. and its Subsidiary  
For the Year Ended December 31, 2014

Unit: Baht

	Notes	Consolidated	The Company	
		2014	2014	2013 (Revised)
<b>Cash flow from operating activities</b>				
Profit before tax		2,360,953,711.82	2,376,195,604.87	1,640,052,632.64
Adjustments to reconcile profit before tax to cash flows from operating activities				
Depreciation and amortization	26	1,027,459,105.40	1,027,457,841.88	999,669,545.56
Revenue from fixed assets donation		(1,966,315.14)	(1,966,315.14)	(1,606,873.73)
Bad and doubtful debts		3,253,358.36	3,253,358.36	(28,741,056.33)
Obsolete goods		(12,223,902.29)	(12,223,902.29)	32,659,738.08
Deferred income		(27,665,978.54)	(27,665,978.54)	(27,506,666.97)
Interest earned		(263,261,685.20)	(262,146,993.68)	(247,915,124.70)
Profit from sale of assets	25	(6,281,062.25)	(6,281,062.25)	(16,352,212.08)
Profit from foreign exchange		(14,186,368.92)	(14,186,368.92)	(11,408,552.31)
<b>Profit from operating activities prior to changes in assets and liabilities</b>		<b>3,066,080,863.24</b>	<b>3,082,436,184.29</b>	<b>2,338,851,430.16</b>
<b>Changes in working capital assets (increase) decrease</b>				
Account receivables - domestic		(303,282,574.93)	(303,116,914.93)	89,133,451.60
Account receivables - international		(2,319,630.18)	(2,319,630.18)	(140,153,220.81)
Other receivables		17,681,124.60	17,630,747.14	77,435,424.07
Inventories		38,293,858.88	38,293,858.88	237,011,990.79
Accrued revenue		(37,675,144.50)	(7,306,600.23)	(90,173,835.20)
Prepaid expenses		(252,033.44)	165,362.72	40,755,323.27
Other current assets		(2,142,931.17)	(8,297,616.31)	25,836,084.27
Other non-current assets		(19,416,175.93)	(1,620,472.18)	(525,904.59)

## Statement of Cash Flow (Continued)

Thailand Post Co., Ltd. and its Subsidiary  
For the Year Ended December 31, 2014

Unit: Baht

Notes	Consolidated		The Company	
	2014	2014	2014	2013 (Revised)
<b>Liabilities increase (decrease)</b>				
Accrued payables, domestic money orders and postal orders	(73,163,850.70)	(73,163,850.70)	(8,684,998.45)	
Agency service payables	(131,615,370.97)	(131,615,370.97)	40,410,865.70	
Trade account payables - Domestic	29,585,510.61	(4,825,466.00)	(297,385,622.61)	
Trade account payables - International	40,432,271.96	40,432,271.96	49,840,362.82	
Other payables	18,117,036.97	15,885,602.35	2,251,338.18	
Accrued expenses	1,324,003,519.61	1,403,041,945.56	(60,592,607.32)	
Advanced revenue	21,787,942.36	21,787,942.36	1,038,075.28	
Other current liabilities	115,704,738.47	116,345,177.00	(107,638,596.01)	
Employee benefit obligations	(77,377,547.06)	(77,377,547.06)	(77,233,926.35)	
Staff pension fund	(4,480,682.80)	(4,480,682.80)	2,310,550.49	
Cash from operating activities	4,019,960,925.02	4,121,894,940.90	2,122,486,185.29	
Income tax	(325,999,471.24)	(325,997,523.78)	(637,963,757.99)	
<b>Net cash from operating activities</b>	<b>3,693,961,453.78</b>	<b>3,795,897,417.12</b>	<b>1,484,522,427.30</b>	
<b>Cash flows from investing activities</b>				
Interest received	259,901,227.62	259,397,563.50	242,174,858.51	
Investments in subsidiary	-	(350,000,000.00)	50,000,000.00	
Net increase in long-term investment	(233,156,130.83)	(233,156,130.83)	(210,571,000.00)	
Cash paid for purchase of land, plant and equipment	13 (899,350,161.47)	(899,202,552.98)	(1,055,958,474.60)	
Cash paid for purchase of intangible assets	14 (10,043,048.23)	(10,043,048.23)	(10,657,272.35)	
Cash received from sale of land, plant and equipment	7,334,031.04	7,334,031.04	20,667,944.70	
Net increase (decrease) in temporary investment	(785,711,278.41)	(785,711,278.41)	238,136,078.60	
<b>Net cash for investing activities</b>	<b>(1,661,025,360.28)</b>	<b>(2,011,381,415.91)</b>	<b>(726,207,865.14)</b>	
<b>Cash flows for earning activities</b>				
Declared dividend	(948,993,153.11)	(948,993,153.11)	(265,392,414.08)	
<b>Net cash for earning activities</b>	<b>(948,993,153.11)</b>	<b>(948,993,153.11)</b>	<b>(265,392,414.08)</b>	
Impact from foreign exchange rate	5,927,289.69	5,927,289.69	12,683,561.00	
<b>Increase in cash and cash equivalents-net</b>	<b>1,089,870,230.08</b>	<b>841,450,137.79</b>	<b>505,605,709.08</b>	
Cash and cash equivalents: beginning balance	3,598,360,458.41	3,598,360,458.41	3,092,754,749.33	
<b>Cash and cash equivalents: ending balance</b>	<b>4,688,230,688.49</b>	<b>4,439,810,596.20</b>	<b>3,598,360,458.41</b>	

The accompanying notes form an integral part of these financial statements.

# Notes to the Financial Statements

## Thailand Post Co., Ltd. and its Subsidiary

For the Year Ended December 31, 2014

(Unit: Millions of Baht unless otherwise noted)

## 1. General Information

### 1.1 Establishment of the Company

Thailand Post Co., Ltd. located at 111 Moo 3, Chaeng Watthana Road, Thung Song Hong, Laksi, Bangkok 10210-0299, was established as a limited company on August 14, 2003. The business, rights, liabilities, responsibilities, assets, shareholder equity, and all employees as well as all authorities and privileges previously granted to the postal services of the Communications Authority of Thailand (CAT) were transferred to Thailand Post according to the State Enterprise Corporatization Act B.E.2542 (1999). Thailand Post is still required to comply with the rules, regulations and Cabinet resolutions pertaining to state enterprises in general.

### 1.2 Types of Business

The Company's core business activities concern all types of postal services as well as related or other similar businesses, or businesses that are of benefit to the postal business, whether domestic, international or outside Thailand. For this purpose, the postal business is defined as:

- 1) Postal services mean acceptance of messages, documents and things from one party and delivery to another party within Thailand and abroad by post or by other means, as well as other related services.
- 2) Financial services mean the acceptance of deposits or acceptance of payments from a service user at a post office for payment to an individual or organization which has entered into an agreement with the Company at another post office, either by post or by other means determined by the company.
- 3) Philately means the collection of used or unused postage stamps and other collectable items related to postage stamps.
- 4) Postal goods mean materials/items sold by the Company for the convenience of postal customers.

## 2. Accounting Policies

The significant accounting policies used in the preparation of the Company's financial statements are as follows:

### 2.1 Guidelines for Preparing the Company's Financial Statements

The consolidated and Company's financial statements are prepared in accordance with generally accepted accounting principles under the Accounting Act B.E.2543 (2000), and are consistent with the accounting standards defined in the Accounting Profession Act B.E. 2547 (2004).

Financial statements of the Company are also revised in accordance with interpretations and accounting guidance from the Federation of Accounting Professions according to the new Thai financial reporting standards and new Thai financial reporting and interpretations in effect.

The Company's financial statements consist of financial statements of Thailand Post Co., Ltd. and the staff pension fund.

The consolidated financial statements consist of financial statements of the Company and Thailand Post Distribution Co., Ltd. Thailand Post holds 100 percent shares in Thailand Post Distribution Co., Ltd. and it is thus a subsidiary company. The consolidated financial statements incorporate financial statements of the Company and its subsidiaries after the intercompany elimination.

## 2.2 Foreign Exchange Transactions

The Company converted the cost of all foreign-denominated transactions into Thai Baht, using the exchange rate on the date of the transactions. All assets and liabilities denominated in a foreign currency as of the date of the statement of financial position are likewise converted into Thai Baht using the exchange rate posted by the Bank of Thailand on that date. Profit and loss which result from the receipt of or payment in a foreign currency and the conversion of assets and liabilities into that currency are recorded in the statement of income.

## 2.3 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank deposits, or short-term investment that are readily converted into cash and have a fixed term of three months or less.

## 2.4 Temporary Investment

Temporary investment refers to fixed deposit accounts, bills of exchange and promissory notes, government bonds and short-term treasury bills with a fixed term of more than 3 months but not more than 12 months.

Investment in debt instruments, the Company intends to hold these investments until maturity. They are classified as current investment holdings and appear under amortized costs. The difference between purchase price and redemption value is amortized based on the actual rate of return throughout the remaining term of the debt instruments.

## 2.5 Account Receivable

Account receivable is presented on the basis of expected value. Allowance for doubtful accounts is based on the Company's past debt collection experience, the estimated amount of doubtful accounts, and the financial status of non-government and non-state enterprise debtors as of the date of the statement of financial position. Debtors are grouped according to the overdue period on their debts. Rate of reserve for doubtful accounts are as follows:

Period of overdue	Rate of reserves for doubtful account
More than 3 months - 6 months	10
More than 6 months - 9 months	50
More than 9 months - 12 months	90
More than 1 year	100

## 2.6 Inventories

Inventory appears as historical cost or anticipated net value, whichever is less. Historical cost means cost of acquisition consisting of purchase price and expenses directly involved in the purchase of the goods or supplies, e.g. taxes and transport costs, minus any discounts and rebates obtained from purchasing those goods/supplies.

Anticipated net value is based on an estimation of the regular sales price minus the necessary costs of selling the goods. The historical cost of goods in inventory is calculated as follows:

Postal goods, e.g. boxes, envelopes are calculated on the basis of a moving average. Postage stamps, postage stamps for collection, collectable items, miscellaneous items, and postal souvenirs are calculated on a first in first out (FIFO) basis.

## 2.7 Other Receivables

Most other receivables are due to employees' borrowings from the Company to purchase motorcycles and to cover the cost of treatment for unexpected injuries. Interest rates on these loans float in line with interest rates on 12 months fixed deposit accounts at Krung Thai Bank plus 1 and 0.25 percent respectively. To borrow, employees must provide a guarantor and monthly payments are deducted from the employees' salaries.

## 2.8 Other Current Assets

The majority of the Company's other current assets consist of general materials, printed forms, pharmaceuticals and medical supplies.

## 2.9 Lands, Buildings, and Equipment

Lands, buildings, and equipment include buildings, structures, and additions to buildings and structures which the Company has built on land rented from the State and whose ownership will be transferred to the Treasury upon the end of the rental agreement. Thailand Post acknowledges these assets at cost price as of the date on which it took possession or the date on which construction was completed.

They appear in the statement of financial position at cost price minus accumulated depreciation. Depreciation of all assets is calculated by the straight-line method over the expected useful life of the assets except for land. Useful life by type of assets are as follows:

	Useful Life (year)
Buildings, structures, and additions	10 - 20
Additions on rental land	10
Machinery and equipment	10
Tools and appliances	5 - 10
Office equipment	1 - 5
Vehicles	5

Expenses for additions or improvements to assets which are expected to generate future economic benefits are listed as an asset's cost and are depreciated over the remaining useful life of the asset. Maintenance and repair costs are acknowledged as expenses in the accounting period in which they occurred.

## 2.10 Intangible Assets

These are licenses for computer software shown as the cost price minus the accumulated amortization calculated by the straight-line depreciation method over the useful life of the software within a period of 10 years.

## 2.11 Other Non-current Assets

These consist of the right to rent State-owned land, securities debtors, and postage stamp reserves that provide historical information on the issuance of postage stamps. The right to use land rented from the State appears at cost price minus accumulated amortization. Amortization is calculated by the straight-line method over the 30 years rental period.

## 2.12 Estimated Debt

The Company lists estimated debt when it appears reasonably likely at present to incur legal obligations, or when it is the consequence of some past actions and the Company anticipates that it will be required to pay the debt at some time in the future and can make a reliable estimate of the amount to be paid.

## 2.13 Deferred Revenue

This item refers to value of the assets purchased with money from the fund carrying agency fees from on-line lottery sales and compensations from the government (Treasury Department), which are gradually realized as revenue in installments according to the lifetime of the assets.

## 2.14 Acknowledgement of Income and Expenses

- Income from services is recognized upon completion.
- Income from the sale of goods is acknowledged upon delivery.



- Income/expenses from international postal services are recorded as income or expenses each month on accrual basis, and upon issuance or receipt of an invoice, the ledger entry is transferred to account receivables or payables for international services.

## 2.15 Related Persons or Businesses

Related persons or businesses refer to persons or businesses empowered to control the Company, controlled by the Company either directly or indirectly or under the same control as the Company, including the shareholding Company, a subsidiary or other subsidiary within the same group of companies.

In addition, related persons or businesses also refer to joint ventures and shareholders with voting rights, either directly or indirectly, and that have a significant influence over the Company, executive members of the board or other highly placed members of Company management. This definition also extends to immediate family members and businesses connected to these individuals.

In evaluating relations between the Company and related persons or businesses, the Company gives greater weight to the content of the relation than to the legal form.

The Company is under the control of the Ministry of Finance, which is the sole shareholder. Thailand Post has not recognized any state enterprise as its related businesses, even the Ministry of Finance has a controlling share in those businesses.

Thailand Post set up its subsidiary called Thailand Post Distribution Co., Ltd. according to the Cabinet resolution of October 22, 2013, to provide total logistics solutions including transport routes, recipient addresses, packing, warehousing and distribution of products as well as other additional related services. Thailand Post holds 100 percent shares in Thailand Post Distribution Co., Ltd. with a registered capital of 350 million baht. The Thailand Post Distribution Co., Ltd. was registered as the company on January 9, 2014 with a fully paid-up share capital of 350 million baht on September 29, 2014.

## 2.16 Employee Benefits

### 2.16.1 Thailand Post Employees' Pension Fund

The Thailand Post employees' pension fund operates in compliance with the regulation of the Thailand Post Board of Directors, Issue 6, concerning the Thailand Post employees' pension fund B.E. 2548 (2005), and the first amendment of B.E.2549 (2006).

Thailand Post established the Pension Fund with the objective of providing assistance to staff and employees once they leave their jobs.

Thailand Post contributes to the fund monthly, paying in 10 percent of the employee's salary plus an additional contribution on the last day of the budget year, which is calculated by multiplying the year-end salary by the years of employment as determined by the pension fund regulation.

The yield on pension fund assets is acknowledged as income, and the Company's contributions to the fund are listed as expenses in the statement of income in the period which the transactions occur. Pension fund assets are also listed on the Company statement of financial position.

### 2.16.2 Provident Fund

On August 28, 2012, the Company registered an employee provident fund under the name "The Registered Provident Fund of Employees of Thailand Post Company Limited." All business, rights, liabilities, obligations, assets, directors and members of the provident fund were transferred from "The Registered Provident Fund of Employees of the CAT Telecom Public Company Limited and Thailand Post Company Limited."

Staff members who started their jobs prior to December 13, 1996, were able to choose to join the provident fund or the Company's pension fund, whereas those whose employment began after this date could only become members of the provident fund. Upon termination of employment, or withdrawal from the fund without resigning his/her position, members are entitled to receive the money according to provident fund rules.

Thailand Post is not legally or constructively obligated to pay any additional amount. In case that its assets are insufficient to pay the entire sum, the Company's contributions to the provident fund are listed as expenses in the statement of income in the period in which the transactions occur. The assets of the provident fund have been separated from those of Thailand Post and are overseen by Kasikorn Asset Management Company Limited and SCB Asset Management Co., Ltd.

### 2.16.3 Severance Pay

Under Thai labor law, those who have been employed for a consecutive period of no less than 120 days are entitled to severance pay when their employment is terminated or when they are dismissed without cause. According to the law, those who have completed no less than five years of employment and whose employment is terminated due to retirement, are also eligible for some money as a token of appreciation for their service.

## 2.17 Income Tax

Income tax consists of income tax for the current period and deferred income tax. Income tax for the current period and deferred income tax are acknowledged in the profit and loss statement, except for that portion relating to items directly acknowledged and included in shareholder equity or other comprehensive income items, in compliance with established accounting standards.

### 2.17.1 Current Income Tax

Current Income tax is the expected tax payable or refundable as a result of the taxable profit or loss for the period, using tax rates enacted or expected to come into force at the end of reporting period, and any adjustment to tax in previous years.

### 2.17.2 Deferred Income Tax

Deferred income tax is calculated from temporary differences between the carrying amounts of assets and liabilities in the statements of financial standing and its tax bases. Deferred income tax is not recognized if it arises from the temporary differences: initial acknowledge of goodwill and initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss, differences arising on investments in subsidiaries and joint ventures, if reversing entries appears to be unlikely in the foreseeable future.

The value of deferred income tax assets is determined by the tax rates that are expected to be applied to the temporary differences when reversing entries occur, based on tax rates that have been enacted or expected to come into force by the end of reporting period.

In determining the value of current income tax and deferred income tax, the Company takes into account the impact of uncertain tax conditions which may cause additional taxes and interest. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

This assessment relies on estimates and assumptions and may involve a series of decisions about future events. New information may cause the Company to change its decisions depending on the adequacy of existing tax liabilities. Changes in tax liabilities will impact tax expenses for the period in which these changes occur.

Deferred tax assets are recognized when the Company has sufficient probable future taxable profit which can be utilized. The carrying amount of deferred tax asset will be reviewed at the end of each reporting period based on assumptions of probable future taxable profit arising in each period.

The assumptions of future taxable profit are uncertain and might be changed that will impact the recognition of deferred tax assets.

## 2.18 Earnings Per Share

Basic earnings per share are determined by dividing the net profit for the shareholding period by the weighted average number of common shares issued and paid up.

## 2.19 Reclassification of Accounting Items

The Company has reclassified the following accounting items to ensure better accuracy and appropriateness. They consist of long-term investments with maturity of one year as temporary investments minus corporate tax payable and withholding income tax; revenue payable from accrued expenses recorded as other payables. The effects of the accounting reclassification as at December 31, 2013 are as follows:

Temporary investment increased	796.79
Long-term investment decreased	796.79
Other current assets decreased	29.41
Income tax payable decreased	29.41
Other payable increased	41.87
Accrued expense decreased	41.87

## 3. New Thai Accounting Standards (TAS), Revised Thai Financial Reporting Standards (TFRS), Revised Accounting Standards, Interpretation of New Accounting Standards and Interpretation of New Financial Reporting Standards and New Accounting Practice Guidelines

New Thai Accounting Standards (TAS), Revised Thai Financial Reporting Standards (TFRS), Revised Accounting standards Interpretation of New Accounting Standards, Interpretation of New Financial Reporting Standards, New Accounting Practice Guidelines published in the Royal Gazette during the year are as follows:

- Effective for the accounting period beginning on or after January 1, 2014
 

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Cash Flow Statement
TAS 12 (Revised 2012)	Income Tax
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employees' Benefits
TAS 21 (Revised 2012)	Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Disclosure of Information on Related Persons or Businesses
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Statement
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible Assets
TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operations

Interpretation of New Accounting Standards 15	Operating Leases - Incentives
Interpretation of New Accounting Standards 27	Estimate of Contents of Items Pertaining to Laws under Lease Agreements
Interpretation of New Accounting Standards 29	Disclosure of Information Concerning Service Concession Agreements
Interpretation of New Accounting Standards 31	Revenue - Exchange Items for Advertising Services
Interpretation of New Accounting Standards 32	Intangible Assets - Website Costs
Interpretation of New Financial Reporting Standards 1	Changes in Liabilities Resulting from Demolition, Renovation and Similar Liabilities
Interpretation of New Financial Reporting Standards 4	Determining Whether an Agreement Contains a Lease
Interpretation of New Financial Reporting Standards 5	Stakeholder Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
Interpretation of New Financial Reporting Standards 7	Retroactive Adjustments under TAS 29 Pertaining to Financial Reporting in Situation of Hyperinflationary Economies
Interpretation of New Financial Reporting Standards 10	Interim Financial Reporting and Impairment
Interpretation of New Financial Reporting Standards 12	Service Concession Arrangements
Interpretation of New Financial Reporting Standards 13	Customer Privileges Programs
Interpretation of New Financial Reporting Standards 15	Agreements for the Construction of Real Estate
Interpretation of New Financial Reporting Standards 17	Payments of Non-Monetary Assets to Owners
Interpretation of New Financial Reporting Standards 18	Transfers of Assets from Customers
● Effective for the accounting period beginning on or after January 1, 2015	
Guidelines for the Financial Reporting (Revised 2014)	
TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 11 (Revised 2014)	Construction Contracts
TAS 19 (Revised 2014)	Employees' Benefits
TAS 23 (Revised 2014)	Borrowing Costs
TAS 26 (Revised 2014)	Accounting and Reporting on Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2014)	Financial Reporting in situation of Hyperinflationary Economies
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements

TFRS 12	Disclosure of Interest in Other Entities
Interpretation of Accounting Standards 10	Government Assistance - No Specific Relation to Operating Activities
Interpretation of Accounting Standards 15 (Revised 2014)	Operating Leases - Incentives
Interpretation of Accounting Standards 25 (Revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
Interpretation of Accounting Standards 27 (Revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
Interpretation of Accounting Standards 29 (Revised 2014)	Disclosures of Service Concession Agreements
Interpretation of Accounting Standards 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services
Interpretation of Accounting Standards 32 (Revised 2014)	Intangible Assets - Website Costs
Interpretation of Financial Reporting Standards 14	The Asset Limit on a Defined Benefit, Minimum Funding Requirements and their Interaction based on TAS 19 (Revised 2014) - Employees' Benefits Agreements for the Construction of Real Estate
Interpretation of Financial Reporting Standards 15 (Revised 2014)	
Interpretation of Financial Reporting Standards 18 (Revised 2014)	Transfers of Assets from Customers
• Effective for the accounting period beginning on or after January 1, 2016	
TFRS 4	Insurance Contracts

The Company's executives have reviewed the New Thai Accounting Standards (TAS), New Thai Financial Reporting Standards (TFRS), Revised TAS, Interpretation of New Accounting Standards, Interpretation of New Financial Reporting Standards, and New Accounting Practice Guidelines and considered that they should have no impact on the substance of the financial statements previously submitted.

#### 4. Cash and Cash Equivalents consisting of:

	Consolidated		The Company	
	2014	2014	2014	2013
Cash	244.76	244.27	244.27	338.88
Bank Accounts				
Current accounts	(3.95)	3.51	3.51	(1.64)
Savings deposits	1,509.75	1,414.35	1,414.35	1,666.99
Fixed deposits not over 3 months	2,937.67	2,777.68	2,777.68	1,594.13
Subtotal	4,443.47	4,195.54	4,195.54	3,259.48
Total	4,688.23	4,439.81	4,439.81	3,598.36



Bank deposits of the Company as at December 31, 2014 and December 31, 2013 totaled 4,195.54 million baht and 3,259.48 million baht respectively, of which payments received from third parties are recorded in accounts as accrued payable to creditors. The amounts payable in respect of domestic money orders and postal orders, and agency service accounted for 523.36 million baht and 728.14 million baht respectively.

## 5. Temporary Investment

consisting of:

	Consolidated		The Company	
	2014	2014	2014	2013
6-month fixed deposit	1,936.21	1,936.21	1,936.21	1,331.66
10-month fixed deposit	110.00	110.00	110.00	-
12-month fixed deposit	3,100.78	3,100.78	3,100.78	2,473.57
Debt instruments held to maturity date (one year)	379.51	379.51	379.51	1,038.34
Long-term deposit held until maturity of one year	350.89	350.89	350.89	796.79
<b>Total</b>	<b>5,877.39</b>	<b>5,877.39</b>	<b>5,877.39</b>	<b>5,640.36</b>

## 6. Domestic Account Receivables

consisting of:

	Consolidated		The Company	
	2014	2014	2014	2013
Postal services with credit account	933.04	933.04	933.04	735.43
Business customers with credit account	250.03	250.03	250.03	139.03
Sale of postal stamps/collectible items	8.69	8.69	8.69	16.67
Rent on property and equipment	8.66	8.66	8.66	10.62
Other receivables	7.73	7.56	7.56	4.15
	1,208.15	1,207.98	1,207.98	905.90
<u>Less</u> allowance for doubtful debts	(26.23)	(26.23)	(26.23)	(22.89)
<b>Domestic Account receivables</b>	<b>1,181.92</b>	<b>1,181.75</b>	<b>1,181.75</b>	<b>883.01</b>

Divided by the aging of account receivables as follows:

	Consolidated		The Company	
	2014	2014	2014	2013
Outstanding balance	931.03	930.86	930.86	721.84
Due Date				
- Not exceeding 3 months	126.94	126.94	126.94	75.18
- Exceeding 3-6 months	74.85	74.85	74.85	41.70
- Exceeding 6-9 months	25.96	25.96	25.96	6.34
- Exceeding 9-12 months	8.70	8.70	8.70	2.09
- Exceeding 1 year	40.67	40.67	40.67	58.75
	1,208.15	1,207.98	1,207.98	905.90
<u>Less</u> allowance for doubtful debts	(26.23)	(26.23)	(26.23)	(22.89)
<b>Total</b>	<b>1,181.92</b>	<b>1,181.75</b>	<b>1,181.75</b>	<b>883.01</b>

**7. International Account Receivables** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Terminal dues, international postal items	633.46	633.46	685.81
Receivables international money order	50.92	50.92	48.53
International account receivables	0.12	0.12	0.12
	684.50	684.50	734.46
<u>Less</u> allowance for doubtful debts	(0.12)	(0.12)	(0.12)
International account receivables	684.38	684.38	734.34

**8. Other receivables** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Employee receivables	182.51	182.51	195.44
Other debtors	55.61	55.66	60.36
	238.12	238.17	255.80
<u>Less</u> allowance for doubtful debts	(86.70)	(86.70)	(87.81)
Other debtors	151.42	151.47	167.99

**9. Inventories** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Collectibles	123.12	123.12	123.08
Postage stamps for collecting	110.18	110.18	119.52
Postal goods	110.28	110.28	135.56
General postage stamps	32.65	32.65	40.54
Miscellaneous goods	4.23	4.23	0.05
	380.46	380.46	418.75
<u>Less</u> cost of damaged or outdated goods	(20.44)	(20.44)	(32.66)
Inventories	360.02	360.02	386.09

The cost of inventories recorded as expenses and included in sales costs for the year ending December 31, 2014 and 2013 consisting of:

	Consolidated	The Company	
	2014	2014	2013
The cost of inventories recorded as expenses and included in sales costs	573.51	573.51	511.50

## 10. Temporary Investments with Obligations

The Company signed an agreement with the Government Housing Bank for a home loans for employee scheme. The Company must hold its deposit at the bank equivalent to outstanding debts of the borrowers as of December 31, 2014. The temporary investment under the agreement consists of 100.01 million baht of fixed deposit at the Government Housing Bank.

## 11. Investment in Subsidiary

Thailand Post set up a subsidiary called Thailand Post Distribution Co., Ltd. according to the Cabinet's resolution on October 22, 2013 to provide integrated logistics solutions ranging from transport management, recipient addresses, packing, warehouse and distribution, as well as other additional related services. The Company holds 100 percent shares in Thailand Post Distribution Co., Ltd. with a registered capital of 350 million baht. The new company was registered as a limited company on January 9, 2014 with a fully paid-up capital of 350 million baht on September 29, 2014.

## 12. Long-term Investments consisting of:

	Consolidated	The Company	
	2014	2014	2013
14-month fixed deposit	200.00	200.00	-
15-month fixed deposit	200.00	200.00	-
18-month fixed deposit	-	-	200.00
20-month fixed deposit	70.00	70.00	-
22-month fixed deposit	-	-	110.00
24-month fixed deposit	559.95	559.95	486.79
36-month fixed deposit	180.89	180.89	180.89
37-month fixed deposit	157.22	157.22	157.23
<u>Less</u> Long-term deposits due within one year	(350.89)	(350.89)	(796.79)
Total	1,017.17	1,017.17	338.12

### 13. Lands, Buildings and Equipment consisting of:

	Consolidated										total	
	Lands	Land improvements	Plant, Building and improvements	Postal equipment	Other equipment	Suppliers and Stationary	Vehicles	Assets under Construction and Installation				
<b>Cost</b>												
As of January 1, 2014	1,737.50	134.85	10,392.27	2,361.03	349.39	1,706.71	1,534.71	730.98				18,947.44
Acquisition	13.57	7.40	96.56	77.36	46.44	126.24	290.55	241.23				899.35
Transferred assets under construction	-	57.71	664.89	1.32	42.53	39.80	-	(816.64)				(10.39)
Donation	-	-	-	-	0.05	1.92	-	-				1.97
Divestiture	-	(0.20)	(17.82)	(86.59)	(7.21)	(29.84)	(54.64)	-				(196.30)
Change of classification	-	-	(6.27)	0.22	0.58	5.47	-	-				-
As of December 31, 2014	1,751.07	199.76	11,129.63	2,353.34	431.78	1,850.30	1,770.62	155.57				19,642.07
<b>Cumulative depreciation</b>												
As of December 31, 2014	-	73.39	7,303.06	1,958.51	249.82	1,434.33	1,016.94	-				12,036.05
Divestiture	-	(0.20)	(17.26)	(86.41)	(6.99)	(29.76)	(54.63)	-				(195.25)
Change of classification	-	-	(6.49)	0.22	0.60	5.67	-	-				-
Depreciation in period	-	13.84	557.74	64.29	32.90	140.09	197.11	-				1,005.97
As of December 31, 2014	-	87.03	7,837.05	1,936.61	276.33	1,550.33	1,159.42	-				12,846.77
<b>Book value</b>												
As of January 1, 2014	1,737.50	61.46	3,089.21	402.52	99.57	272.38	517.77	730.98				6,911.39
As of December 31, 2014	1,751.07	112.73	3,292.58	416.73	155.45	299.97	611.20	155.57				6,795.30

As of December 31, 2014, the cost of land, building and equipment after full value depreciation which are still in use totalled 5,470.08 million baht (compared with 5,140.67 million baht as of December 31, 2013).

Depreciation expenses for the year ending December 31, 2014 stood at 1,005.97 million baht, consisting of 776.21 million baht in sales and service costs, and 229.76 million baht in selling and administrative expenses.

	The Company								total	
	Lands	Land improvements	Plant, Building and improvements	Postal equipment	Other equipment	Suppliers and Stationary	Vehicles	Assets under Construction and Installation		
<b>Cost</b>										
As of January 1, 2014	1,737.50	134.85	10,392.27	2,361.03	349.39	1,706.71	1,534.71	730.98	18,947.44	
Acquisition	13.57	7.40	96.56	77.36	46.44	126.09	290.55	241.23	899.20	
Transferred assets under construction	-	57.71	664.89	1.32	42.53	39.80	-	(816.64)	(10.39)	
Donation	-	-	-	-	0.05	1.92	-	-	1.97	
Divestiture	-	(0.20)	(17.82)	(86.59)	(7.21)	(29.84)	(54.64)	-	(196.30)	
Change of classification	-	-	(6.27)	0.22	0.58	5.47	-	-	-	
As of December 31, 2014	1,751.07	199.76	11,129.63	2,353.34	431.78	1,850.15	1,770.62	155.57	19,641.92	
<b>Cumulative depreciation</b>										
As of December 31, 2014	-	73.39	7,303.06	1,958.51	249.82	1,434.33	1,016.94	-	12,036.05	
Divestiture	-	(0.20)	(17.26)	(86.41)	(6.99)	(29.76)	(54.63)	-	(195.25)	
Change of classification	-	-	(6.49)	0.22	0.60	5.67	-	-	-	
Depreciation in period	-	13.84	557.74	64.29	32.90	140.09	197.11	-	1,005.97	
As of December 31, 2014	-	87.03	7,837.05	1,936.61	276.33	1,550.33	1,159.42	-	12,846.77	
<b>Book value</b>										
As of January 1, 2014	1,737.50	61.46	3,089.21	402.52	99.57	272.38	517.77	730.98	6,911.39	
As of December 31, 2014	1,751.07	112.73	3,292.58	416.73	155.45	299.82	611.20	155.57	6,795.15	

As of December 31, 2014, the cost of land, building and equipment after full value depreciation which are still in use totalled 5,470.08 million baht (compared with 5,140.67 million baht as of December 31, 2013).

Depreciation expenses for the year ending December 31, 2014 stood at 1,005.97 million baht, consisting of 776.21 million baht in sales and service costs, and 229.76 million baht in selling and administrative expenses.



**14. Intangible Assets** consisting of:

		Consolidated and The Company
<b>Cost - a computer program</b>		
As of January 1, 2014		185.05
Acquisition		10.04
Amortization		-
Transferred assets during installation		10.39
<b>As of December 31, 2014</b>		<b>205.48</b>
<b>Cumulative amortization</b>		
As of January 1, 2014		58.23
Amortization in period		19.94
<b>As of December 31, 2014</b>		<b>78.17</b>
<b>Book value</b>		
As of January 1, 2014		126.82
<b>As of December 31, 2014</b>		<b>127.31</b>

**15. Deferred Income Tax Assets** consisting of:

Consolidated and The Company				
	Employees' benefits	Thailand Post employees' pension fund	Other items	Total
As of January 1, 2013	775.12	16.96	51.32	843.40
Items recorded in the statement of income	(15.45)	(4.07)	0.74	(18.78)
Items recorded in the statement of comprehensive income	(3.49)	-	-	(3.49)
<b>As of December 31, 2013</b>	<b>756.18</b>	<b>12.89</b>	<b>52.06</b>	<b>821.13</b>
Items recorded in the statement of income	(15.48)	(0.27)	(7.41)	(23.16)
Items recorded in the statement of comprehensive income	5.29	-	-	5.29
<b>As of December 31, 2014</b>	<b>745.99</b>	<b>12.62</b>	<b>44.65</b>	<b>803.26</b>

## 16. Other Non-current Assets

consisting of:

	Consolidated	The Company	
	2014	2014	2013
Leasing rights brought forward	20.45	20.45	22.01
Less Leasehold titles due to be amortized within 1 year	(1.55)	(1.55)	(1.56)
Net leasehold	18.90	18.90	20.45
Secured receivable	20.44	2.64	1.86
Deferred charge	0.80	0.80	-
Postage stamp reserves	0.50	0.50	0.46
Total	40.64	22.84	22.77

## 17. Other Payables

consisting of:

	Consolidated	The Company	
	2014	2014	2013
Secured payable	150.59	148.75	125.46
The Revenue Department payable	34.88	34.49	41.87
Others	10.99	10.99	11.02
Total	196.46	194.23	178.35

## 18. Accrued Expenses

consisting of:

	Consolidated	The Company	
	2014	2014	2013
Compensation for early retirement program	998.06	998.06	0.03
Bonus	528.85	528.85	517.76
Terminal dues, outgoing international postal items	523.25	523.25	481.47
International mail conveyance costs	123.14	123.14	93.68
Others	790.85	869.89	576.29
Total	2,964.15	3,043.19	1,669.23

**19. Advanced Revenues** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Terminal dues, incoming international postal items	62.36	62.36	42.90
Postage collection deposit accounts	27.17	27.17	28.28
Rent on property and equipment	26.35	26.35	25.11
Domestic business reply service	20.27	20.27	19.78
Postage paid for franking machines	5.71	5.71	5.94
Others	8.29	8.29	11.83
<b>Total</b>	<b>150.15</b>	<b>150.15</b>	<b>133.84</b>

**20. Other Current Liabilities** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Provident Fund Contribution payable	141.59	141.59	-
Customs duty in arrears of international parcel	125.78	125.78	111.71
Fund carrying remuneration from Government Lottery Office	92.43	92.43	110.80
Payables	28.63	28.63	49.37
Deferred output tax	12.23	12.54	10.97
Charitable donations to be remitted	1.83	1.83	1.84
Advanced cash received, international money orders	1.50	1.50	5.17
Others	21.16	21.49	19.65
<b>Total</b>	<b>425.15</b>	<b>425.79</b>	<b>309.51</b>

**21. Employees Benefit Obligations** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Beginning balance	3,876.21	3,876.21	3,970.97
Current service cost	206.12	206.12	200.40
Interest cost	147.32	147.32	141.96
Actuarial gains and losses	26.48	26.48	(17.53)
Paid benefits	(430.82)	(430.82)	(419.59)
<b>Ending balance</b>	<b>3,825.31</b>	<b>3,825.31</b>	<b>3,876.21</b>

The main assumptions regarding estimates made in accordance with actuarial gains and losses principles used to calculate obligations under the employees profit scheme as of December 31, 2014 were as follows:

	Annual percentage rate
Yield on Government bonds at 19.09 years duration	3.78
Average employee turnover rate	0.49
Average death rate	0.23
Rate of salary increase per year	7.50

## 22. Thailand Post Employees' Pension Fund

The company had a pension fund for employees as of December 31, 2014 totalling 26.41 million baht. In this period, the company paid contributions to the pension fund to meet obligations totalling 6.52 million baht and paid 11 million baht fund to the employees.

## 23. Legal Reserve

In 2008, the company had appropriated 10%, or 125 million baht, of its registered and paid capital for the legal reserve.

## 24. Operating Revenues consisting of:

	Consolidated		The Company	
	2014	2014	2014	2013
Communication services	9,829.41	9,829.41	9,829.41	8,755.55
Transport services	9,697.18	9,697.18	9,665.90	8,225.58
Retail services	1,015.06	1,015.06	1,015.06	1,064.69
Financial services	714.72	714.72	714.72	781.59
Others	156.24	156.67	156.67	164.33
Total	21,412.61	21,381.76	21,381.76	18,991.74

## 25. Other Revenues consisting of:

	Consolidated		The Company	
	2014	2014	2014	2013
Interest earned	261.39	260.28	260.28	245.71
Profit on foreign exchange	19.49	19.49	19.49	-
Profit from sale of equipment	6.28	6.28	6.28	16.36
Interest earned on Pension Fund	1.87	1.87	1.87	2.21
Others	120.81	120.44	120.44	135.55
Total	409.84	408.36	408.36	399.83

**26. Expenses by Nature** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Employee expenses	10,376.64	10,357.43	9,855.26
Postal transportation cost	1,547.23	1,530.65	1,313.28
Leases	1,428.07	1,419.52	1,188.34
Other operating expenses	1,382.11	1,379.12	1,151.51
Depreciation and amortization	1,027.46	1,027.46	999.67
Remuneration for postal & financial services	901.73	901.73	748.89
Compensation funds for the early retirement program	728.17	728.17	726.35
Cost of goods sold	573.51	573.51	511.50
Postal operation expenses	533.40	533.40	471.20
Maintenance	393.42	393.42	265.18
Utilities	347.87	347.65	301.91
Marketing and promotional activities	208.73	208.71	208.41
Others	13.16	13.16	10.02
<b>Total</b>	<b>19,461.50</b>	<b>19,413.93</b>	<b>17,751.52</b>

Employee expenses consist of employee remuneration, employee welfare expenses, and staff training cost. Other operating expenses include auditing fees of 1.32 million baht.

**27. Income Tax** consisting of:

	Consolidated	The Company	
	2014	2014	2013
Income tax acknowledged in the statement of income			
Income tax under the tax law	558.29	558.29	396.92
Changes in temporary differences	23.16	23.16	18.78
<b>Total</b>	<b>581.45</b>	<b>581.45</b>	<b>415.70</b>
Income tax acknowledged in the statement of comprehensive income			
Changes in temporary differences			
Employee benefit obligations	5.29	5.29	3.49



## 28. Remuneration to Directors

consisting of:

	Consolidated	The Company	
	2014	2014	2013
Meeting attendance fees	1.74	1.06	1.75
Directors' bonus	0.97	0.97	1.02
Total	2.71	2.03	2.77

Directors' bonus do not include additional sums received subsequent to the state enterprise performance evaluations.

## 29. Paid Dividends

In 2013, the company paid dividends of 265.39 million baht to the Ministry of Finance, the company's sole shareholder. This consisted of dividend payment for the second half of the year 2012 totalling 108.08 million baht, and a mid-year dividend payment for the year 2013 totalling 157.31 million baht.

In 2014, the company paid dividends of 948.99 million baht to the Ministry of Finance, the company's sole shareholder. This consisted of dividend payment for the second half of the year 2013 totalling 451.43 million baht, and a mid-year dividend payment for the year 2014 totalling 497.56 million baht.

## 30. Contingent Assets and liabilities

### 30.1 Contingent assets

The company is the plaintiff in lawsuits against a number of individuals and businesses, most involving alleged breaches of purchase agreements, construction contracts and employment contracts. The total value of these cases as of December 31, 2014 was 107.62 million baht (compared with 64.97 million baht as of December 31, 2013). The major cases are as follows:

- 30.1.1 V.I. Juristic Partnership. Breach of contract for development of Enterprise Resource Planning system (ERP), worth 44.06 million baht.
- 30.1.2 Pracharat Engineering Co., Ltd. Breach of contract for expansion of the Phra Khanong Post Office worth 16.52 million baht.
- 30.1.3 Anghthong Engineering Limited Partnership. Breach of contract for construction of medical clinic building, worth 5.66 million baht.

### 30.2 Contingent liabilities

The company is also the defendant in a number of legal cases involving the following individuals and businesses. Most of them involved alleged breaches of purchase agreements, construction contracts and employment contracts with a combined worth of 200.22 million baht as of December 31, 2014 (compared with 229.62 million baht as of December 31, 2013). The major cases are as follows:

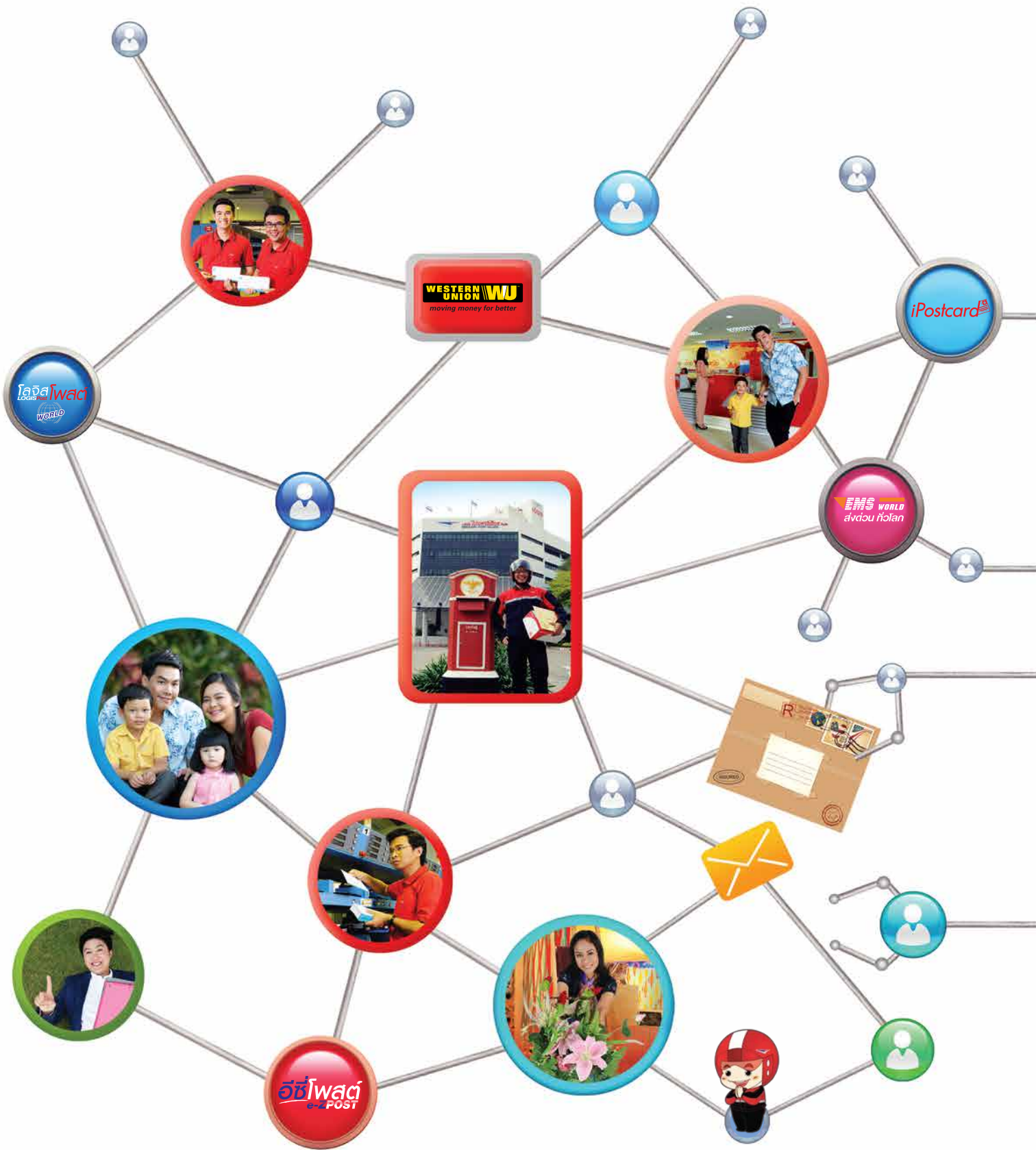
- 30.2.1 Ms. Jantima Ruengratatrai. Explosion of a parcel at a post office in Trat Province. The plaintiff is seeking 64.07 million baht in damages.
- 30.2.2 D.B.A. Consulting Co., Ltd. Seeking the return of a security deposit worth 23.36 million baht over an alleged breach of contract for the development of a finance and postage stamp accounting system.

As of December 31, 2014, no decision had been made in the case, and no allowance was made for possible payment of said amount. Therefore, estimated liabilities relating to these matters do not appear in the Thailand Post financial statements.



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