

9M 15 EARNINGS PRESENTATION



Dr. Pamela Ingrid Lim, 31,
Dentist



Tess Atienza, 55,
Future Retiree



Mikki and Nina Cuence, 30, with
daughter Maya, 2

**"COL FINANCIAL WAS BUILT ON THE FOUNDATION THAT
EVERY FILIPINO DESERVES TO BE RICH."**

— EDWARD K. LEE, CHAIRMAN & FOUNDER



Carl Stephen Ong, 29,
Entrepreneur



Rose Fres Fausto, Author and Columnist with her sons Martin
22, Enrique 19, and Anton 15

**Celebrating a
RICHER LIFE.**

Invest and Build
Genuine wealth
with the
Philippines' most
trusted Online
Stockbroker

Investor Presentation Highlights



**COMPANY
OVERVIEW**



**FINANCIAL & OPERATING
HIGHLIGHTS**



**GROWTH
PLANS**

Company Overview

Established and licensed by the SEC in 1999

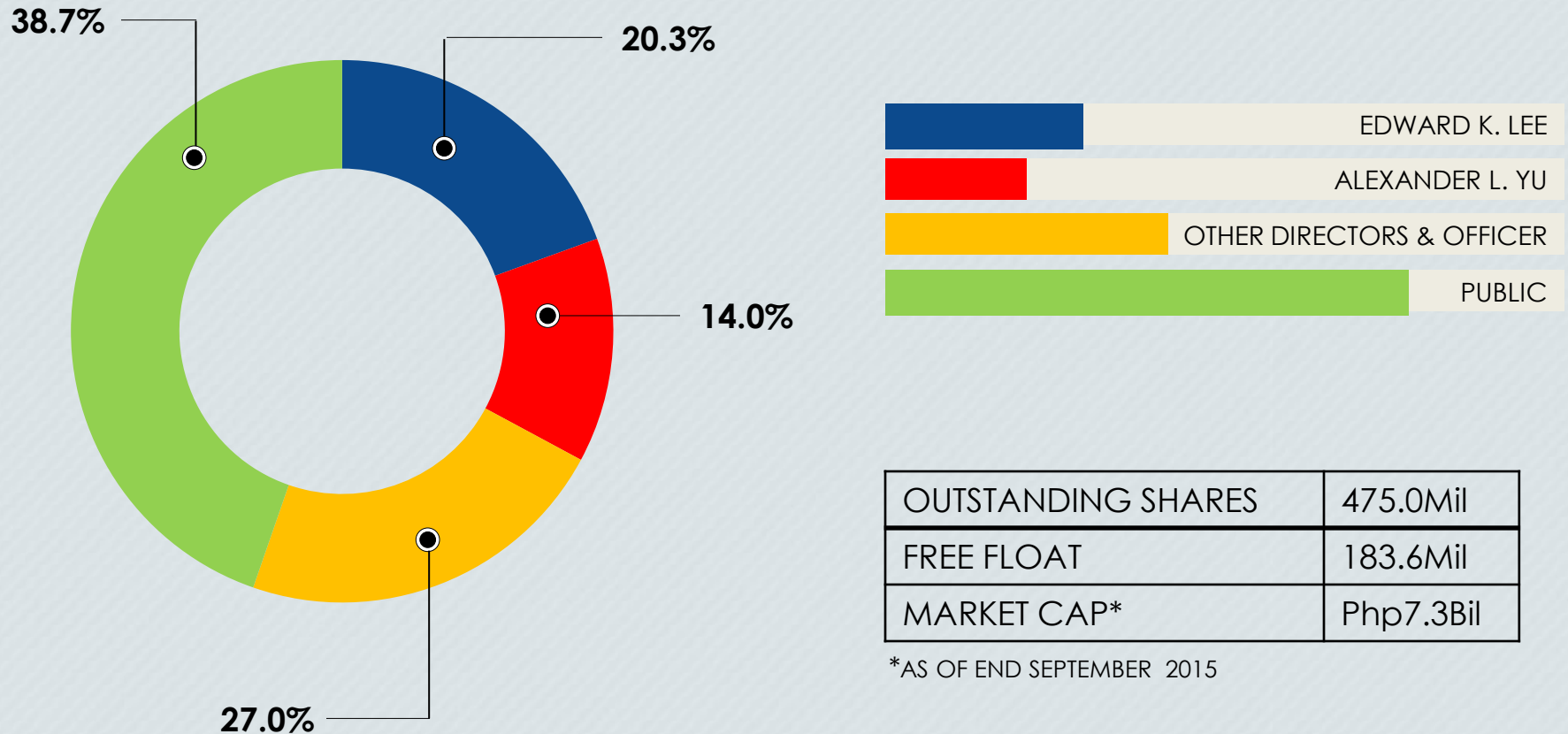
The leading and fastest-growing online stockbroker in the Philippines

Focused on tapping the underserved retail investor base in the stock market

Founder (Edward K. Lee) retains a 20.3% stake and actively manages the Company



Ownership Structure



Business Objective

To be the preferred source of financial services, a trusted provider of guidance and investment and a strong organization committed to delivering great value to its customers.

Our goal is to be the
Champion of the Filipino Investor

Leading and Fastest Growing Online Stockbroker in the Philippines In Terms of Numbers of Accounts. . .

2014 Rank	Broker Name	Total Accounts*		% Change	% of Total Accounts Online
		2013	2014		
1	COL Financial	83,540	114,078	36.6%	65.3%
2	BPI Securities	25,775	33,769	31.0%	19.3%
3	First Metro	9,995	12,207	22.1%	7.0%
4	Accord Capital	6,022	8,319	38.1%	4.8%
	Others	3,923	6,219	58.5%	3.6%
	Total	129,255	174,592	35.1%	100.0%

*2014 Numbers are estimates only
SOURCE: PSE, COL Estimates

Amongst the Biggest Philippine-Based Brokers

9M15 Rank	Broker Name	9M15 Value Turnover (PhpBil)	% of Total
1	Deutsche Regis Partners Inc.	383.75	11.20%
2	UBS Securities Philippines Inc.	300.91	8.78%
3	CLSA Philippines, Inc.	275.90	8.05%
4	Maybank ATR Kim Eng Securities, Inc.	271.02	7.91%
5	Macquarie Capital Securities (Phil), Inc.	217.14	6.34%
6	Credit Suisse Securities (Phil), Inc.	209.24	6.11%
7	Philippine Equity Partners, Inc.	174.34	5.09%
8	COL Financial Group, Inc.	133.75	3.90%
9	Mandarin Securities Corp.	118.32	3.45%
10	J.P. Morgan Securities Philippines, Inc.	110.74	3.23%

SOURCE: PSE

Corporate Milestones



- Became licensed by the SEC to conduct business as a broker and seller of securities in the Philippines

1999

2001-2002

- The COL PH online trading platform became operational
- CitisecOnline HK Ltd. (COL HK) became a trading participant of the HK exchange
- Launched the COL HK platform



- COL's IPO for PSE listing
- Launched the COL PH Trading platform
- PSE approved COL's application as a trading participant

2005-2006

2008-2010



- Launched the COL Easy Investment Program
- COL began to operate its PSE seat
- Launched the full-service agency and advisory team called the COL Private Clients Group (PCG)



- Official change of corporate name to COL FINANCIAL GROUP, INC.
- Received the 1st PSE Bell Award in Good Governance

2012

2013

- Signed a partnership with I-Remit to expand reach to OFWs
- Received the 2nd PSE Bell Award in Good Governance



- SEC granted COL the Mutual Distributor License
- Partnered with ALFM, ATRAM, First Metro, Philamlife, Philequity and Sun Life
- Launched the COL Mobile App for the iOS platform
- Opened the Makati Investor Center



2014

2015

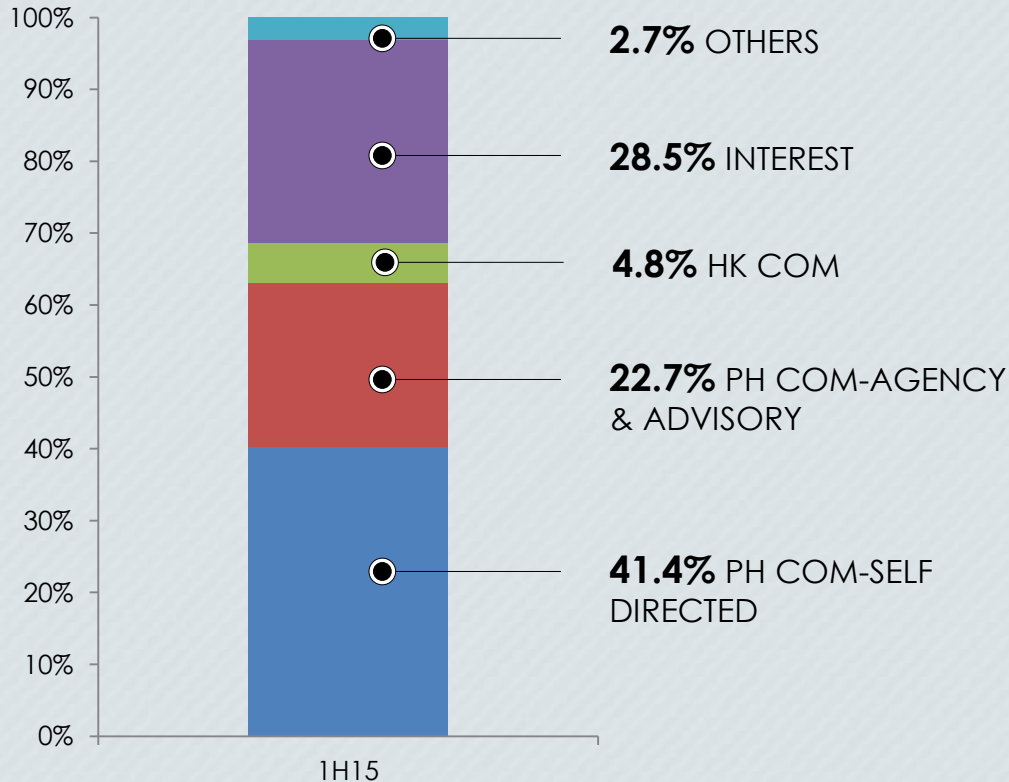


- Introduced COL Fund Source - the first fund supermarket in the country.
- Launched the COL Mobile App for the Android platform



Bulk of Revenues Generated From Philippine Operations

REVENUE BREAKDOWN



COL's Philippine operations account for 95.1% of revenues, while its HK operations account for the balance.

Commissions from both Philippines and HK account for 68.8% of revenues.

Interest income from margin loans and cash accounts for 28.5% of revenues.

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Key Highlights

POSITIVE

- 9M15 recurring profits up 8.4%
- Strong growth in new accounts
- Strong start for the funds distribution business
- Interest income from cash placements continued to grow
- Balance sheet remained healthy

NEGATIVE

- 9M15 headline profits down 1.1%
- Margin lending down

9M15 Net Income - 1.1%, Recurring Income + 8.4%

9M15 net income fell by 1.1% to Php246.4 Mil. However, recurring income increased by 8.5% to Php270.4 Mil.

Consolidated revenues increased by 8.3% Y/Y driven by the improvement in all revenue items - commissions, interest and other income.

Operating profit was flattish at Php312.3 Mil largely due to the booking of Php23.7 Mil worth of taxes and related penalties which are non-recurring in nature. Excluding the said amount, operating profits were up 6.9%.

Income taxes increased marginally by 1.3% to Php65.8 Mil.

CONSOLIDATED INCOME STATEMENT (IN PHP MIL)

	9M14	9M15	Change	
			Amount	%
Income				
Commissions	368.3	391.1	22.9	6.2%
Interest	152.0	162.0	10.0	6.6%
Other income	4.3	15.2	10.9	254.9%
Total	524.6	568.3	43.7	8.3%
Expenses				
Commission expenses	62.9	67.8	4.9	7.8%
Personnel costs	45.7	51.5	5.8	12.7%
Professional fees	15.5	18.8	3.3	21.1%
Stock exch. dues & fees	15.0	16.4	1.5	9.7%
Communication	18.4	18.6	0.2	1.2%
Rentals & utilities	13.1	15.0	1.9	14.7%
Depreciation	11.5	12.7	1.2	10.2%
Advertising & marketing	6.2	8.0	1.8	28.5%
Others	22.1	23.6	1.5	6.7%
Non-recurring expenses	-	23.7	23.7	-
Total	210.4	256.1	45.7	21.7%
PRE-TAX INCOME	314.2	312.3	(2.0)	-0.6%
TAXES	64.9	65.8	0.9	1.3%
NET INCOME	249.3	246.4	(2.8)	-1.1%
RECURRING NET INCOME	249.3	270.1	20.9	8.4%

Philippines Offsets Weakness of HK

Revenues increased as growth of Philippines offset the weakness of HK.

Philippine commissions increased by 8.6% to Php364.0 Mil, largely driven by the 10.9% growth in commissions from self-directed clients.

Interest income from local operations was up 6.6% Php162.0 Mil as interest income from cash benefited from the 40 bps increase in yields and the 37% rise in COL's average cash position.

Other income jumped 257.8% as COL benefited from clients' unexercised SRO.

HK revenues fell by 15.4% as market conditions weakened during 3Q15.

REVENUE BREAKDOWN (IN PHP MIL)

	9M14	9M15	Change	
			Amount	%
Philippines				
Commission	335.3	364.0	28.8	8.6%
Self-directed	212.1	235.2	23.1	10.9%
Agency & advisory	123.1	128.8	5.7	4.6%
Interest	152.0	162.0	10.0	6.6%
Others	4.0	14.4	10.4	257.8%
Philippine Revenues	491.3	540.4	49.1	10.0%
Hong Kong				
Commission	33.0	27.1	(5.9)	-17.9%
Interest	0.0	0.0	(0.0)	-
Others	-0.1	0.8	0.9	1495.2%
HK Revenues	33.0	27.9	(5.1)	-15.4%
Revenue Share				
Philippines	93.7%	95.5%		
HK	6.3%	4.5%		
Self-directed	63.3%	64.6%		
Agency & advisory	36.7%	35.4%		

ROAE was Flattish

Operating profits were flattish at Php312.3 Mil as operating margin fell for both Philippine and HK operations. Excluding the non-recurring tax expense and related penalties, operating margin was flattish at 59.2%.

ROAE was flattish at 25.8% as the increase in leverage offset the drop in margin and asset turnover.

SELECTED FINANCIAL INDICATORS

	9M14	9M15	Change	
			Amount	%
Operating Profits				
Philippines	300.9	303.8	2.9	1.0%
Hong Kong	13.3	8.5	(4.8)	-36.3%
Total	314.3	312.3	(1.9)	-0.6%
Operating Margins				
Philippines	61.3%	56.2%		
Hong Kong	40.5%	30.5%		
Consolidated	59.9%	55.0%		
EBITDA Margin	62.2%	57.2%		
Net Margin	47.5%	43.4%		
Asset Turnover*	12.1%	11.3%		
Asset/Equity	5.3	5.4		
ROAE*	25.8%	25.5%		

**Annualized*

Strong and Highly Liquid Balance Sheet

COL remained cash rich and debt free.

Total assets grew by 33.1% to Php8.5 Bil largely driven by the 50.2% increase in cash.

Receivables fell by 20.2% to Php1.1 Bil largely due to the drop in margin lending from an average of Php1.2 Bil in 2014 to Php1.0 Bil during 9M15.

Trade payables grew 43.3% to Php7.1 Bil largely due to the increase of COL's client cash.

Stockholders' equity was up 1.8% to Php1.3 Bil due to the booking of Php246.4 Mil in profits, partly offset by the payment of Php0.50/sh of cash dividends.

BVPS increased slightly to Php2.74/sh.

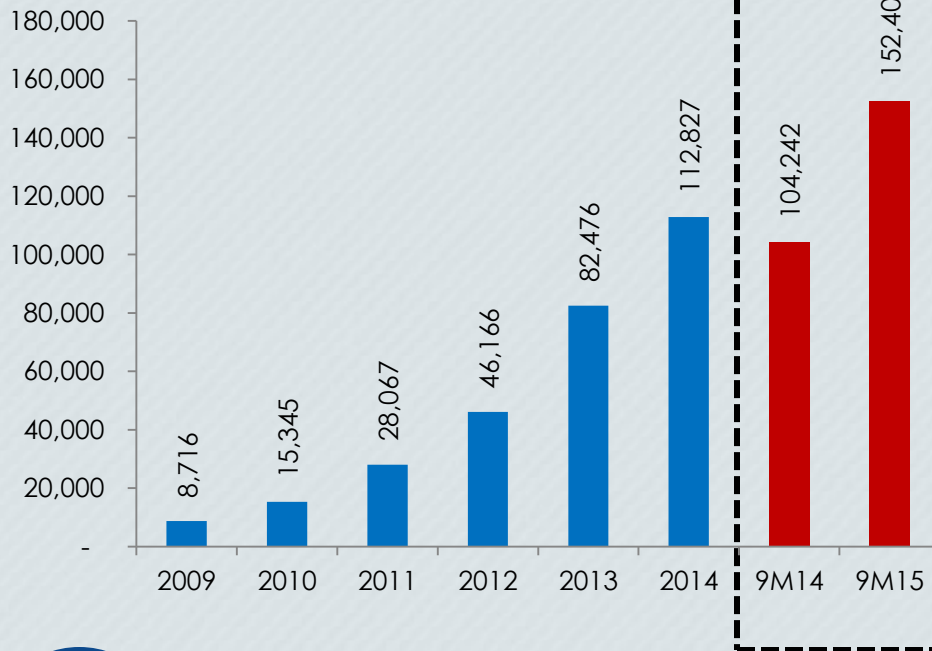
CONSOLIDATED BALANCE SHEET (IN PHP MIL)

	12/31/14	09/30/15	Change	
			Amount	%
Cash & equivalents	4,794.3	7,199.0	2,404.7	50.2%
Receivables	1,438.4	1,148.4	(290.0)	-20.2%
Other current assets	23.8	15.9	(7.9)	-33.1%
Property & equipment – net	35.8	37.3	1.4	4.0%
Other non-current assets – net	69.1	67.9	(1.2)	-1.7%
TOTAL ASSETS	6,361.4	8,468.4	2,107.0	33.1%
Trade payables	4,940.9	7,080.8	2,139.9	43.3%
Other current liabilities	115.8	59.5	(56.3)	-48.6%
Non-current liabilities	28.2	28.2	0.0	0.0%
Total Liabilities	5,085.0	7,168.5	2,083.6	41.0%
Total Stockholders' Equity	1,276.5	1,299.9	23.4	1.8%
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	6,361.4	8,468.4	2,107.0	33.1%
BVPS	2.69	2.74		

Sustained Customer Growth

CLIENT BASE

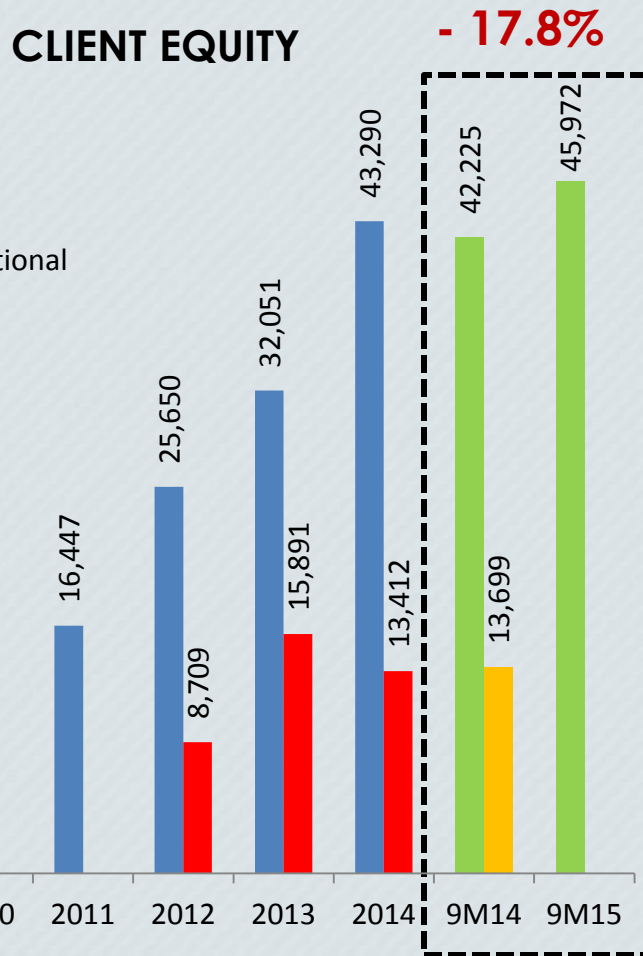
+46.2%



COL's client base grew by 46.2% Y/Y to 152,409 as of end September 2015.

Average monthly additions for YTD remained strong at 4,398. For 3Q15 alone, COL added 13,781 clients.

Healthy Retail Client Inflow



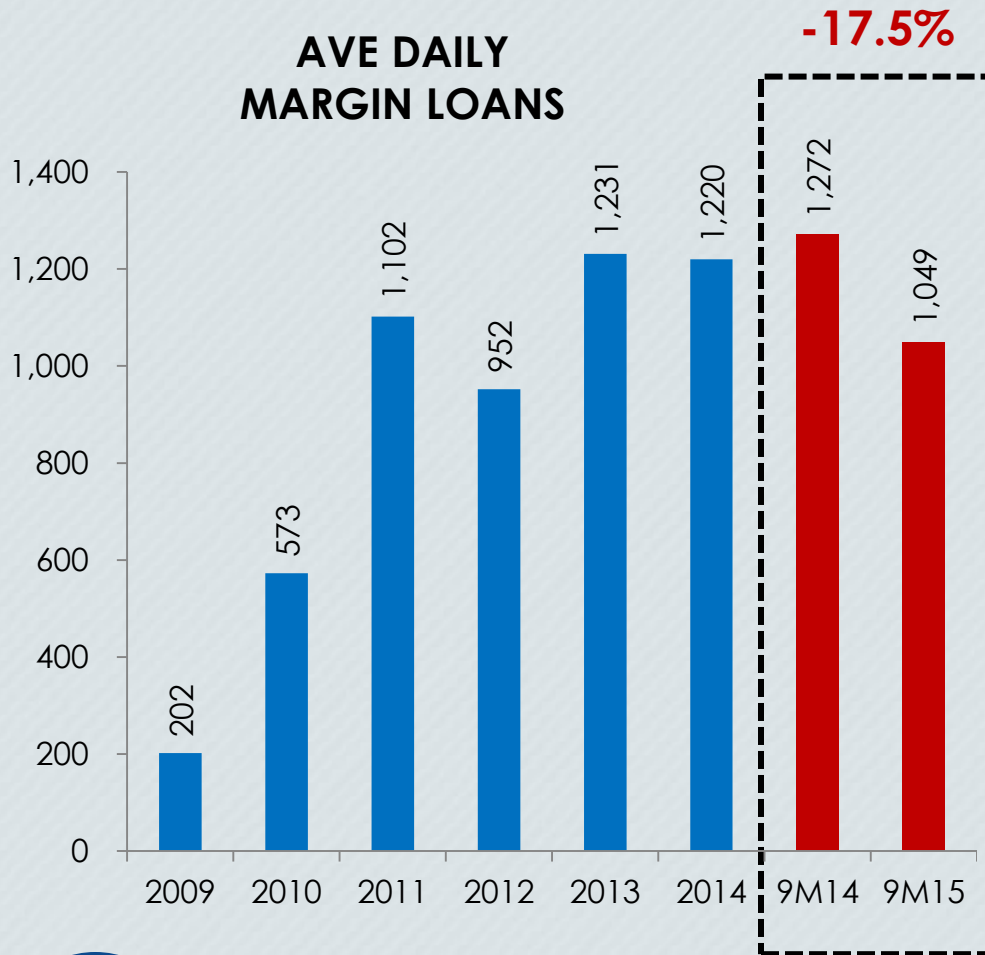
Client equity fell by 17.8% Y/Y to Php46.0 Bil largely due to the Php12.4 Bil outflow by an institutional client who previously used COL as a custodian.

Equity of retail clients continued to grow, up by 8.9% Y/Y and 6.2% YTD to Php46.0 Bil.

Net new cash flow of retail clients remained positive at Php5.1 Bil in 9M15.

Margin Loans Drop

AVE DAILY MARGIN LOANS



Average daily margin loans were down 17.5% at Php1.0 Bil Y/Y.

As of end September, the total number of approved margin accounts reached 1,129, up 1.9% Y/Y.

However, only 31.2% of approved margin accounts utilized their margin lines in 9M15, down from 32.6% in 9M14. In terms of value of margin granted, only 20.5% was utilized in 9M15, down from 24.5% in 9M14.

Market Share Suffers from High Base Effect

COL underperformed the market, coming from a high base in 9M14.

Average daily turnover rose 8.2% Y/Y to Php738.9 Mil during 9M15. This is slower than the 12.3% increase in the PSE's average daily turnover.

Consequently, COL's market share in terms of value turnover fell to 3.9% in 9M15 for the whole market from 4.1% in 9M14. Share of value turnover for local investors likewise fell during the same period to 7.9% from 8.4%.

Share of number of transactions also dropped to 19.5% from 21.4%.

On the positive side, PSE ranking improved to 8th from 9th.

COMPARATIVE PERFORMANCE (COL VS. PSE)

	9M14	9M15	Change	
			Amount	%
PSE Ave. Daily T/O (PhpMil)	8,430.4	9,464.1	1,033.7	12.3%
COL Ave. Daily T/O (PhpMil)	682.9	738.9	56.1	8.2%
COL Market Share (Total)	4.1%	3.9%		
COL Market Share (Local)	8.4%	7.9%		
PSE Ranking*	9	8		
No. of Transactions – PSE ('000)	13,167.6	19,792.7	6,625.2	50.3%
No. of Transactions – COL ('000)	2,812.1	3,855.4	1,043.3	37.1%
COL Market Shares	21.4%	19.5%		
PSE Ranking	1	1		

* YTD

Market Share Suffers from High Base Effect

COMPARATIVE PERFORMANCE (COL VS. PSE)

	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15
PSE Ave. Daily T/O (PhpMil)	7,372.4	8,932.1	8,986.9	9,981.5	10,874.5	9,226.3	8,352.1
COL Ave. Daily T/O (PhpMil)	486.0	823.8	738.9	819.7	930.5	614.4	677.2
COL Market Share (Total)	3.3%	4.6%	4.1%	4.1%	4.3%	3.3%	4.1%
COL Market Share (Local)	7.5%	8.8%	8.6%	7.8%	8.4%	7.2%	7.8%
PSE Ranking*	10	9	9	8	8	8	8
No. of Transactions – PSE ('000)	3,594.6	4,038.4	4,711.3	5,338.6	6,582.0	6,189.2	7,021.5
No. of Transactions – COL ('000)	625.8	1,151.5	1,035	1,226.1	1,386.1	1,095.5	1,373.7
COL Market Shares	17.4%	28.5%	22.0%	23.0%	21.1%	17.7%	19.6%
PSE Ranking	1	1	1	1	1	1	1

* YTD

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**GROWTH
PLANS**

Update on Fund Distribution Business

ASSET MGMT. CO.S AVAILABLE THROUGH “COL FUND SOURCE”

Asset Mgmt Co.	AUM (as of end '14)	
	Value (PhpBil)	Mkt Share
BPI (ALFM)	80.9	35.5%
Sun Life*	46.9	20.6%
Philam*	39.9	17.5%
Philequity*	31.2	13.7%
First Metro Asset Mgmt.*	13.6	6.0%
ATR KimEng*	10.7	4.7%
Total	223.3	97.9%
Total MF Market	228.0	100.0%

SOURCE: PIFA, ASSET MANAGEMENT COS.

** Products currently available to COL clients*

Update on Fund Distribution Business

BETA TESTING PHASE

Date	May 13 to July 24, 2015
Total net inflow (PhpMil)*	63.61
Total orders	3,091
Ave daily inflow (PhpMil)	1.25
Ave order size (Php)	20,579.75

OPEN ACCESS PHASE

Date	July 27 to Sept 30, 2015
Total net inflow (PhpMil)*	174.41
Total orders	11,291
Ave daily inflow (PhpMil)	3.81
Ave order size (Php)	15,181

** Non-Money market funds only*

On track to generate Php1.0 Bil in Assets under Administration (AUA) by 1st year anniversary

Update on Fund Distribution Business

AUA According to Fund Type*

Type of Fund	AUA (PhpMil)	% of Total
Money Market	10.95	4.7%
Bond Fund	18.95	8.1%
Balanced Fund	26.34	11.2%
Equity Fund	178.34	76.0%
Total	234.58	100.0%

* As of end September

5,712 accounts have mutual funds in their portfolios

Update on Fund Distribution Business

Market Share of Industry Net Sales*

Fund Type	Industry (PhpMil)	COL (PhpMil)	% Share
Bond Fund	-684.5	17.9	-
Balanced Fund	-677.4	25.9	-
Equity Fund	1,641.4	156.2	9.5%

** Third quarter only, excludes ETF & US dollar funds*

Market share in terms of equity fund net sales reached 19.5% and 31.8% in August & September respectively

Thank You

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