

2015 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

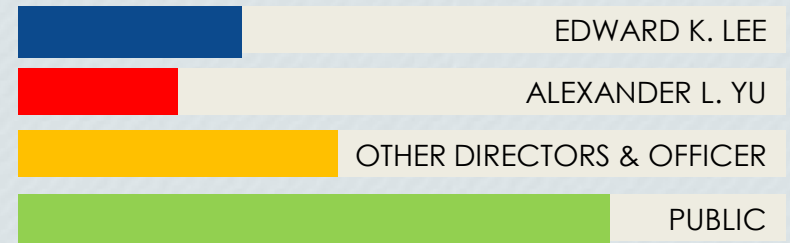
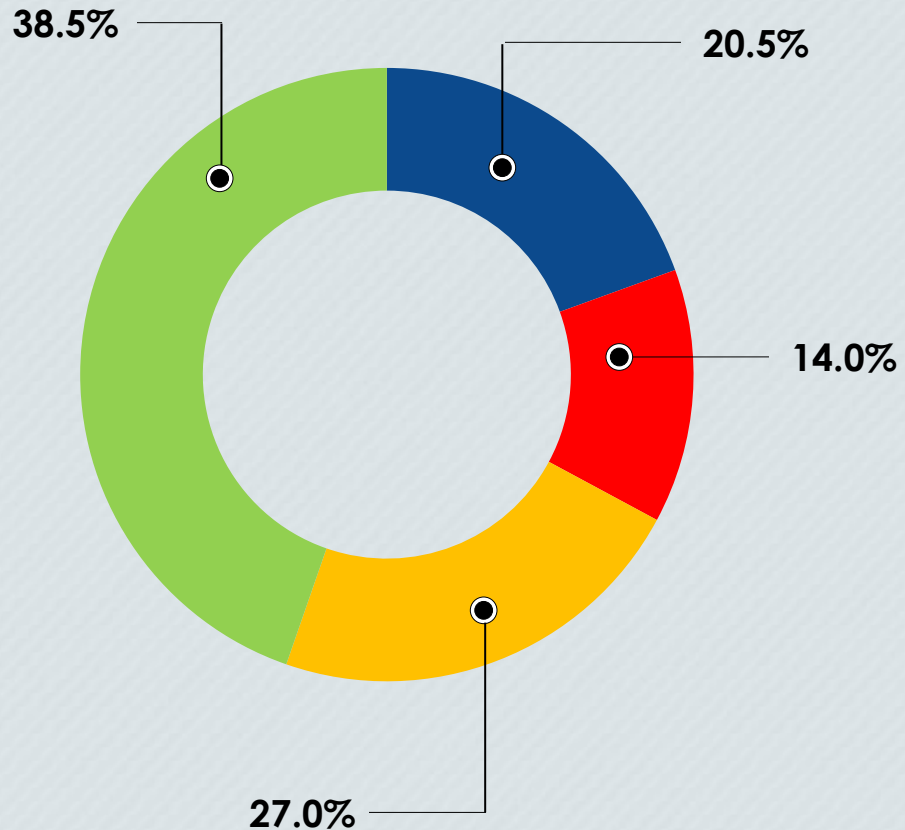
The leading and fastest-growing online stockbroker in the Philippines

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



OUTSTANDING SHARES	475.0Mil
FREE FLOAT	182.9Mil
MARKET CAP*	Php7.1Bil

*AS OF END DECEMBER 2015

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

2015 Rank	Broker Name	2015 Value Turnover (PhpBil)	% of Total
1	Deutsche Regis Partners Inc.	445.9	10.4%
2	Maybank ATR Kim Eng Securities, Inc.	428.5	10.0%
3	UBS Securities Philippines Inc.	352.3	8.2%
4	CLSA Philippines, Inc.	344.0	8.0%
5	Macquarie Capital Securities (Phil), Inc.	279.2	6.5%
6	Credit Suisse Securities (Phil), Inc.	258.7	6.0%
7	Philippine Equity Partners, Inc.	211.0	4.9%
8	COL Financial Group, Inc.	167.9	3.9%
9	Mandarin Securities Corp.	154.8	3.6%
10	J.P. Morgan Securities Philippines, Inc.	137.7	3.2%

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

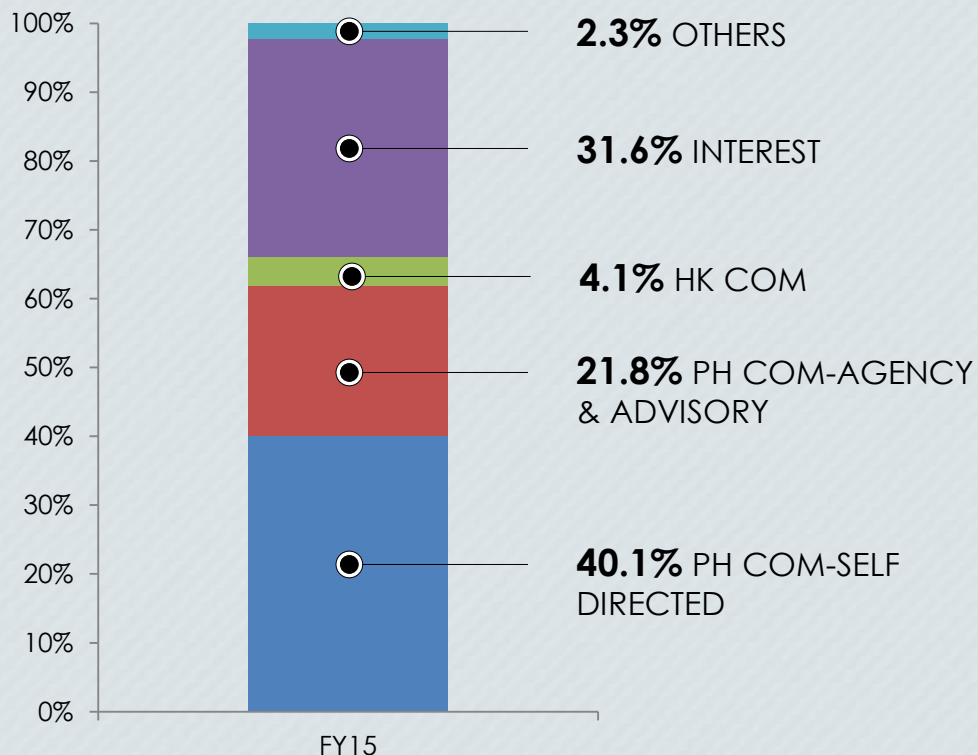


- Introduced COL Fund Source - the first fund supermarket in the country.
- Launched the COL Mobile App for the Android platform



Bulk of Revenues Generated From Philippine Operations

REVENUE BREAKDOWN



COL's Philippine operations account for 95.9% of revenues, while its HK operations account for the balance.

Commissions from both Philippines and HK account for 66.0% of revenues.

Interest income from margin loans and cash accounts for 31.6% of revenues.

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Key Highlights

POSITIVE

- 2015 net income flat
- Strong growth in new accounts
- Interest income from cash placements continued to grow
- Balance sheet remained healthy
- Strong start for the funds distribution business

NEGATIVE

- 2015 recurring profits fell 2.2%
- Margin lending down
- Lower market share in terms of value turn over

2015 Net Income Flat, Recurring Income – 2.2%

2015 net income was flat at Php262.7 Mil. Recurring income fell by 2.2% to Php286.4 Mil.

Consolidated revenues increased by 1.8% Y/Y as growth in interest and other income offset weakness in commission revenues.

Operating profit was up 2.4% to Php361.8 Mil. Excluding non-recurring expenses booked in 2014 and 2015, operating profits were flat at Php385.5 Mil.

Income taxes increased by 9.0% to Php99.1 Mil.

CONSOLIDATED INCOME STATEMENT (IN PHP MIL)

	2014	2015	Change	
			Amount	%
Income				
Commissions	503.4	486.9	(16.5)	-3.3%
Interest	215.4	233.2	17.8	8.3%
Other income	5.0	17.1	12.1	240.2%
Total	723.8	737.2	13.4	1.8%
Expenses				
Commission expenses	85.3	83.9	(1.4)	-1.6%
Personnel costs	107.0	110.8	3.8	3.6%
Professional fees	23.5	27.4	3.9	16.5%
Stock exch. dues & fees	20.7	21.1	0.4	2.1%
Communication	24.7	26.2	1.5	6.2%
Rentals & utilities	17.6	20.0	2.4	13.8%
Depreciation	15.2	17.7	2.5	16.1%
Advertising & marketing	9.7	9.5	(0.2)	-2.5%
Others	36.3	34.9	-1.4	-3.8%
Non-recurring expenses	30.4	23.7	(6.7)	-22.1%
Total	370.6	375.4	4.8	1.3%
PRE-TAX INCOME	353.2	361.8	8.6	2.4%
TAXES	91.0	99.1	8.1	9.0%
NET INCOME	262.3	262.7	0.4	0.2%
RECURRING NET INCOME	292.7	286.4	-6.3	-2.2%

Philippines Offsets Weakness of HK

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

Philippine revenues increased by 5.0% to Php706.1 Mil, largely driven by the 8.3% growth in interest income.

Interest income increased due to the 42.3% rise in COL's average cash position and the 40 bps increase in yields, offsetting the negative impact of lower margin loans.

Other income jumped 247.6% as COL benefited from clients' unexercised SRO.

HK revenues fell by 20.7% as market conditions weakened during the second half of 2015.

REVENUE BREAKDOWN (IN PHP MIL)

	2014	2015	Change	
			Amount	%
Philippines				
Commission	464.6	456.8	(7.9)	-1.7%
Self-directed	297.6	295.7	(1.9)	-0.6%
Agency & advisory	167.0	161.1	(6.0)	-3.6%
Interest	215.4	233.2	17.8	8.3%
Others	4.7	16.2	11.6	247.6%
Philippine Revenues	672.4	706.1	33.7	5.0%
Hong Kong				
Commission	38.8	30.1	(8.6)	-22.3%
Interest	0.0	0.0	(0.0)	-
Others	0.4	0.9	0.5	146.0%
HK Revenues	39.1	31.0	(8.1)	-20.7%
Revenue Share				
Philippines	94.5%	95.8%		
HK	5.5%	4.2%		
Self-directed	64.1%	64.7%		
Agency & advisory	35.9%	35.3%		

Strong and Highly Liquid Balance Sheet

COL remained cash rich and debt free.

Total assets grew by 25.0% to Php8.0 Bil largely driven by the 40.8% increase in cash.

Receivables fell by 25.2% to Php1.1 Bil largely due to the drop in margin lending from an average of Php1.2 Bil in 2014 to Php971 Mil during 2015.

Trade payables grew 32.3% to Php6.5Bil largely due to the increase of COL's client cash.

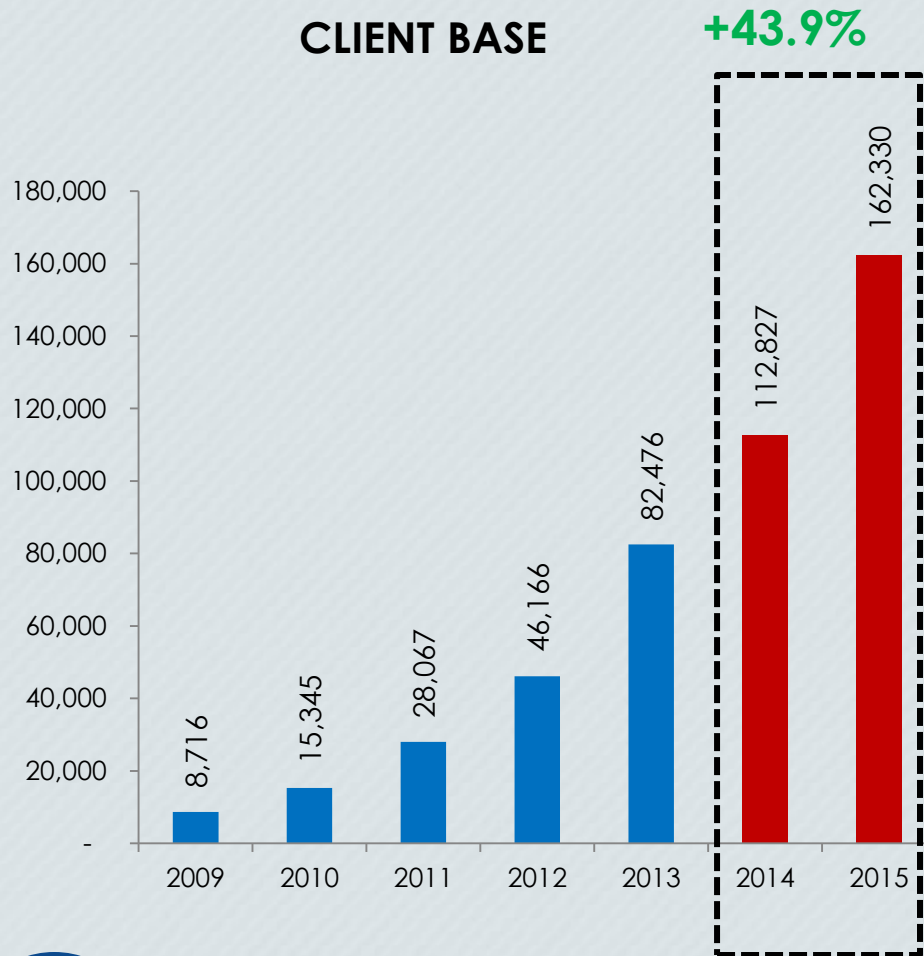
Stockholders' equity was up 3.2% to Php1.3 Bil due to the booking of Php262.7 Mil in profits, partly offset by the payment of Php0.50/sh of cash dividends.

BVPS increased slightly to Php2.77/sh.

CONSOLIDATED BALANCE SHEET (IN PHP MIL)

	12/31/14	12/31/15	Change	
			Amount	%
Cash & equivalents	4,794.3	6,749.2	1,954.9	40.8%
Receivables	1,438.4	1,075.8	(362.6)	-25.2%
Other current assets	23.8	23.8	12.2	(11.6)
Property & equipment – net	35.8	35.8	44.3	8.4
Other non-current assets – net	69.1	71.4	2.3	3.3%
TOTAL ASSETS	6,361.4	7,952.8	1,591.4	25.0%
Trade payables	4,940.9	6,539.1	1,598.2	32.3%
Other current liabilities	115.8	70.4	(45.4)	-39.2%
Non-current liabilities	28.2	26.3	(1.9)	-6.8%
Total Liabilities	5,085.0	6,635.8	1,550.9	30.5%
Total Stockholders' Equity	1,276.5	1,317.0	40.5	3.2%
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	6,361.4	7,952.8	1,591.4	25.0%
BVPS	2.69	2.77		

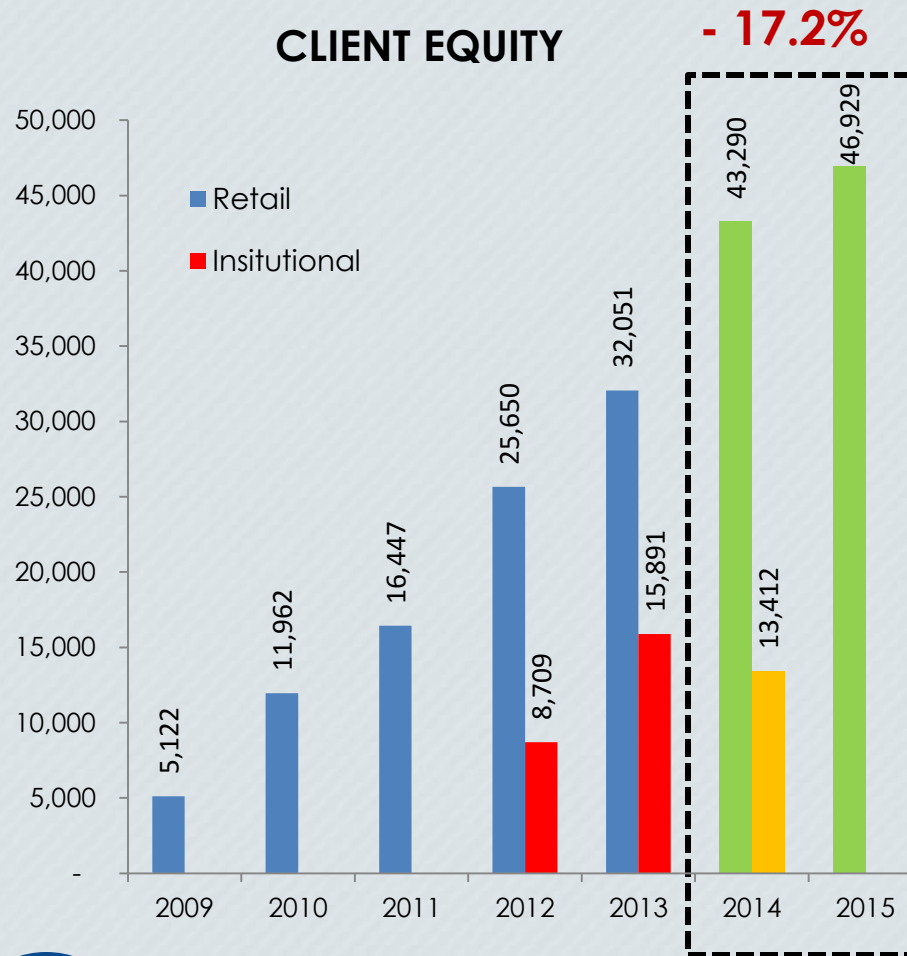
Sustained Customer Growth



COL's client base grew by 43.9% Y/Y to 162,330 as of end 2015.

Average monthly additions reached a record high of 4,125 in 2015.

Healthy Retail Client Inflow



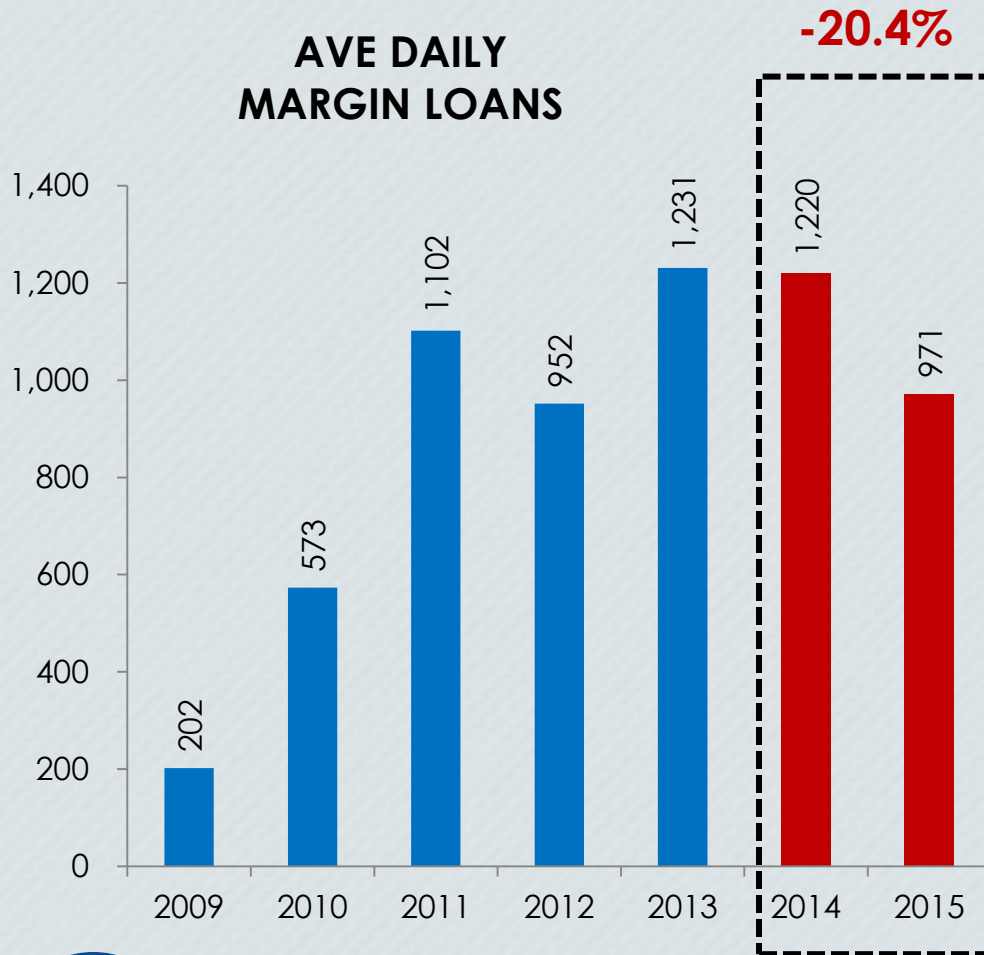
Client equity fell by 17.2% Y/Y to Php46.9 Bil largely due to the Php12.4 Bil outflow by an institutional client who previously used COL as a custodian.

Equity of retail clients continued to grow, up by 8.4% Y/Y to Php46.9 Bil.

Net new flow of retail clients remained positive at Php5.8 Bil in 2015.

Margin Loans Drop

AVE DAILY MARGIN LOANS



Average daily margin loans were down 20.4% at Php971 Mil Y/Y.

As of end December, the total number of approved margin accounts reached 1,142, up 2.2% Y/Y.

However, only 30.9% of approved margin accounts utilized their margin lines as of end 2015, down from 31.2% as of end 2014. In terms of value of margin granted, only 19.0% was utilized in 2015, down from 23.0% in 2014.

Market Share Declines

COL's average daily turnover fell 2.1% Y/Y to Php699.6 Mil in 2015. In contrast, the PSE's average daily turnover grew by 1.9%.

Consequently, COL's market share in terms of value turnover fell to 3.9% in 2015 for the whole market from 4.1% in 2014. Share of value turnover for local investors fell during the same period to 7.7% from a record high of 8.2% in 2014. However, it was still higher compared to its 2013 level of 7.5%.

Share of number of transactions also dropped to 19.6% from 21.8%.

Nevertheless, COL's ranking in the PSE was maintained at 1st in terms of number of transactions and 8th in terms of value turnover.

COMPARATIVE PERFORMANCE (COL VS. PSE)

	2014	2015	Change	
			Amount	%
PSE Ave. Daily T/O (PhpMil)	8,800.4	8,964.2	163.8	1.9%
COL Ave. Daily T/O (PhpMil)	714.8	699.6	(15.2)	-2.1%
COL Market Share (Total)	4.1%	3.9%		
COL Market Share (Local)	8.2%	7.7%		
PSE Ranking*	8	8		
No. of Transactions – PSE ('000)	18,506.1	25,511.4	7,005.3	37.9%
No. of Transactions – COL ('000)	4,038.3	5,001.7	963.4	23.9%
COL Market Shares	21.8%	19.6%		
PSE Ranking	1	1		

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Update on Fund Distribution Business

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

Asset Mgmt Co.	AUM (as of end '15)	
	Value (PhpBil)	Mkt Share
BPI (ALFM)	86.1	39.4%
Sun Life*	47.4	21.7%
Philam*	42.9	19.6%
Philequity*	16.5	7.6%
First Metro Asset Mgmt.*	13.1	6.0%
ATR KimEng*	8.0	3.7%
Total	213.9	97.9%
Total MF Market**	218.4	100.0%

SOURCE: PIFA, ASSET MANAGEMENT COS.

* Products currently available to COL clients

** Peso only

Update on Fund Distribution Business

AUA According to Fund Type*

Type of Fund	AUA (PhpMil)	% of Total
Money Market	87.1	17.4%
Bond Fund	36.9	7.3%
Balanced Fund	44.2	8.3%
Equity Fund	331.5	66.3%
Total	499.7	100.0%

* As of end December

7,526 accounts have mutual funds in their portfolios (4.6% of total accounts)

Update on Fund Distribution Business

Market Share of Industry Net Sales*

Fund Type	Industry (PhpMil)	COL (PhpMil)	% Share
Bond Fund	-3,249.8	35.2	-
Balanced Fund	-677.8	42.1	-
Equity Fund	3,332.0	311.0	9.3%

** Second half of 2015 only, excludes US dollar funds*

Thank You

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