

COL FINANCIAL'S 2015 EARNINGS RELEASE

Headline:

2015 income flat at Php262.7 Million despite difficult market conditions

The year 2015 was a difficult year for the Philippine stock market. After rising by as much as 12.5% during the start of the year, the PSEi ended 2015 lower by 3.9%. Similarly, average daily value turnover fell by 10.1% from April to December after increasing by 47.6% during the first quarter of the year.

Despite this, COL Financial Group Inc.'s net income in 2015 was flat at Php262.7 Million. Although commission revenues fell by 3.3% to Php486.9 Million as investors traded more conservatively in the stock market, this was offset by the 80.2% increase in interest income from cash placements. As a result, consolidated revenues were higher by 1.8% to Php737.2 Million.

To help manage the negative impact of weaker trading volume, growth in operating expenses was also contained at only 1.3%. This in turn allowed operating profits to grow by 2.4% to Php361.8 Million.

On the positive side, COL Financial's client base continued to grow. As of end 2015, COL already had more than 160,000 accounts, up by 43.9% on a year-on-year basis. The asset base of retail clients also continued to increase, reaching Php46.9 Billion as COL registered Php5.8 Billion in net new flows.

COL also maintained its rank in 2015 as the number one stock broker in terms of volume of transaction and the eight largest stock broker in terms of value turnover.

Return on average equity also remained very healthy at 20.3% in 2015.

"Although the Philippine stock market is currently undergoing a difficult phase, we believe that this is only temporary. Given the country's strong fundamentals, we are confident that the stock market's long term trend remains positive. Coupled with the underpenetrated nature of the financial services industry, we still see much room for growth." said Mr. Dino Bate, COL Financial President and CEO.

"To capitalize on these opportunities, we will continue to find ways to better serve the Filipinos' investment needs, either through market education or by offering a wider suite of investment products." added Mr. Bate.

Last July, COL began to expand its product offering by offering mutual funds of the biggest asset management companies in its online platform. Although the fund distribution business has

been in operation for less than a year, COL ended 2015 with Php499.7 Million in assets under administration. COL also already accounted for 9.3% of industry wide equity mutual fund net sales during the second half of the year. As of end December, more than 7,500 COL clients already had mutual funds in their investment portfolio.

“We are pleased with our mutual fund distribution business as we were able to gather a significant amount of assets in such a short amount of time and despite minimal marketing effort. This strengthens our conviction that we are better serving the needs of the Filipino investors who we believe deserve a richer life.” shared Mr. Bate.