

## COL FINANCIAL'S FIRST QUARTER 2016 EARNINGS RELEASE

### Headline:

#### **COL continued to post record numbers**

COL Financial continued to post a record performance during the first quarter of 2016. Market share in terms of value turnover jumped to 5.2% in the Philippine Stock Exchange (PSE), 60 basis points higher than its previous record high. Market share in terms of local value turnover improved even more significantly, by 150 basis points to 10.8%. COL's customer base and retail client equity also continued to grow, reaching record levels of more than 171,000 and Php51.4 Billion as of end March, respectively.

COL's newly launched fund distribution business, COL Fund Source, also performed well. Despite being in operations for less than a year, COL Fund Source already had close to 12,000 clients. The total value of assets under administration already reached Php701.6 Million as of end March. In fact, during the first quarter of 2016, COL accounted for 12.8% of the mutual fund industry's total net sales of peso denominated equity funds.

Despite these positive developments, COL's profits during the first three months of 2016 fell by 34.2% to Php70.6 Million. Profits fell as the company was negatively affected by poor market conditions. During the first quarter of the year, value turnover in the PSE fell by 36.6% and was largely responsible for the 23.5% drop in COL's commission revenues to Php118.2 Million. Interest income also fell by 9.7% to Php52.1 Million as poor market conditions prompted investors to be less aggressive and to reduce the size of their margin loans.

Nevertheless, COL was able to maintain its leading position as the eight largest stock broker in terms of value turnover and the number one stock broker in terms of volume of transactions.

Return on average equity also remained very healthy at 23.0% in the first quarter of 2016.

"Our initiatives which are focused on finding ways to better serve the Filipinos' investment needs are clearly bearing fruit as more and more Filipinos utilize COL's online platform to buy stocks and mutual funds." said Mr. Dino Bate, COL Financial President and CEO.

"Given the country's strong fundamentals, we are confident that the challenges currently facing the stock market are only temporary and that the long term trend remains positive." added Mr. Bate. "What is important is that we continue to educate and encourage more Filipinos to save and invest. We believe that helping Filipinos enjoy a richer life will inevitably lead to higher profitability for the company."