

2Q 15 EARNINGS PRESENTATION



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



Carl Stephen Ong, 29,
Entrepreneur



Dr. Pamela Ingrid Lim, 31,
Dentist



Tess Atienza, 55,
Future Retiree

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

- EDWARD K. LEE, CHAIRMAN & FOUNDER



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

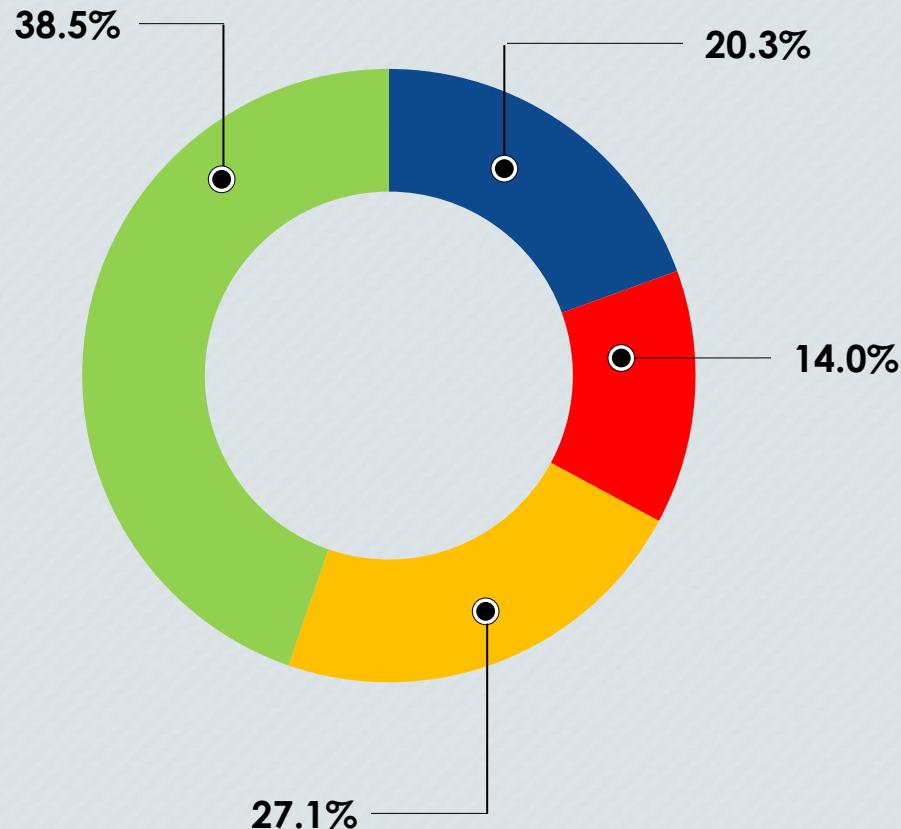
The leading and fastest-growing online stockbroker in the Philippines

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	474.7Mil
FREE FLOAT	182.9Mil
MARKET CAP*	Php7.5Bil

*AS OF END JUNE 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. . .

2013 Rank	Broker Name	Total Accounts		% Change	% of Total Accounts Online
		2012	2013		
1	COL Financial	46,444	83,540	79.9%	64.6%
2	BPI Securities	19,721	25,775	30.7%	19.9%
3	First Metro	6,638	9,995	50.6%	7.7%
4	Accord Capital	2,870	6,022	109.8%	4.7%
	Others	2,543	3,923	54.3%	3.0%
	Total	78,216	129,255	65.3%	100.0%

SOURCE: PSE

... And in Terms of Value and Volume of Transactions

Rank		Broker Name	Value TO (PhpBil)			% of Online Value TO	No. of Trades ('000)			No. of Online Transactions
Value TO	No. of Trades		2012	2013	% Change		2012	2013	% Change	
1	1	COL Financial	150.4	182.9	21.7%	75.4%	2,664.5	3,262.0	22.4%	78.8%
2	2	BPI Securities	24.5	26.6	8.3%	11.0%	331.1	408.2	23.3%	9.9%
3	3	First Metro	15.1	20.1	33.2%	8.3%	140.8	283.6	101.4%	6.8%
4	4	Accord Capital	1.4	8.6	512.4%	3.5%	6.4	105.3	83.7%	2.5%
5	7	F. Yap	2.3	1.4	-40.9%	0.6%	57.3	9.5	49.1%	0.2%
		Others	2.1	3.0	43.5%	1.2%	41.2	72.3	75.4%	1.7%
		Total	195.7	242.5	23.9%	100.0%	3,241.4	4,140.9	27.8%	100.0%

SOURCE: PSE

Also Amongst the Biggest Philippine-Based Brokers

1H15 Rank	Broker Name	1H15 Value Turnover (PhpBil)	% of Total
1	Deutsche Regis Partners Inc.	300.45	12.57
2	UBS Securities Philippines Inc.	226.40	9.47
3	CLSA Philippines, Inc.	201.07	8.41
4	Macquarie Capital Securities (Phil), Inc.	152.82	6.39
5	Credit Suisse Securities (Phil), Inc.	134.90	5.64
6	Philippine Equity Partners, Inc.	126.80	5.30
7	Maybank ATR Kim Eng Securities, Inc.	113.65	4.75
8	COL Financial Group, Inc.	91.76	3.84
9	Mandarin Securities Corp.	82.24	3.44
10	J.P. Morgan Securities Philippines, Inc.	77.10	3.23

SOURCE: PSE

Corporate Milestones



1999

AUGUST

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



2001-02

MARCH

The COL PH online trading platform became operational

APRIL

Citiseconline HK Ltd. (COL HK) became a trading participant of the HK Exchange

MAY

The COL HK platform was launched



2005-06

NOVEMBER

The COL PH Trading platform was officially launched to the public

JULY

COL listing in the PSE via initial public offering (IPO)

DECEMBER

PSE approved COL's application as a trading participant of the PSE



2008-09

AUGUST

Launch of the COL Easy Investment Program

FEBRUARY

COL operates its seat at the PSE



2010

APRIL

Launch of the full service independent advisory team called the Private Clients Group (PCG)



2012

MARCH

SEC approves the change in the corporate name to COL Financial Group, Inc.

APRIL

Launch of the new COL website with streaming data

DECEMBER

PSE awarded the first Bell award on Good Governance



2013

NOVEMBER

Awarded for the second time in a row the Bell Award on Good Governance



2014

JAN-NOV

Signed MOAs with majority of the Asset Mgt. Cos to distribute their funds

JULY

SEC grants Mutual Fund Distributor License

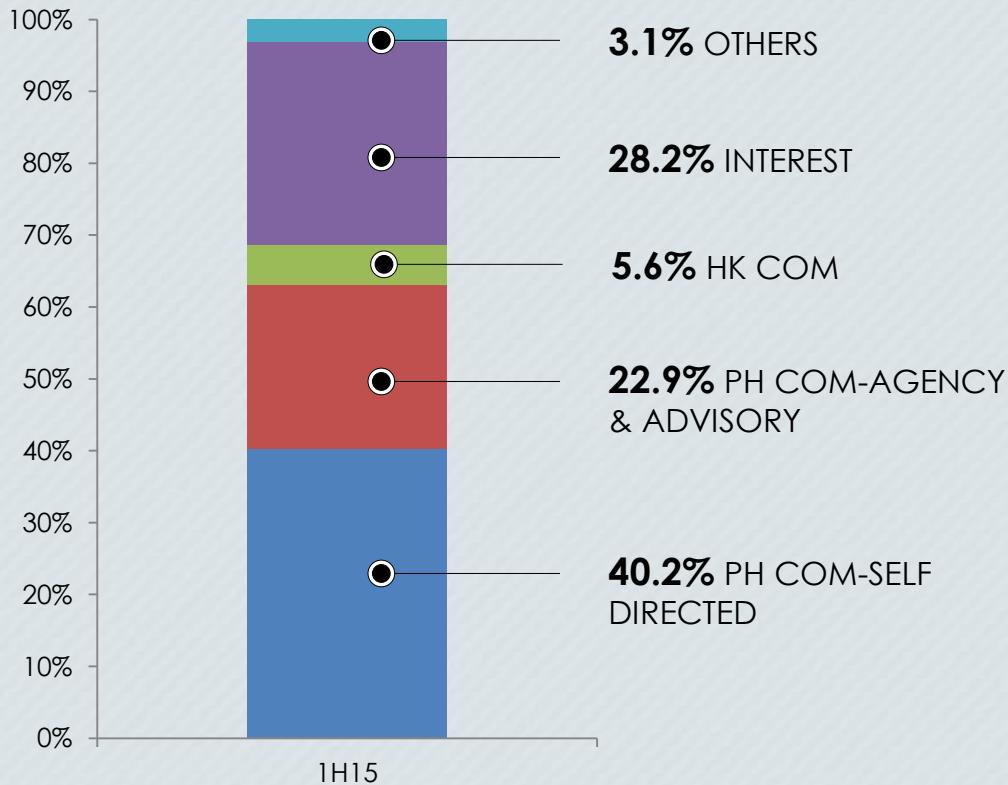
Launched COL iPhone App

SEPTEMBER

Opened the Makati Investor Center

Bulk of Revenues Generated From Philippine Operations

REVENUE BREAKDOWN



COL's Philippine operations account for 94.4% of revenues, while its HK operations account for the balance.

Commissions from both Philippines and HK account for 68.7% of revenues.

Interest income from margin loans and cash accounts for 28.2% of revenues.

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Key Highlights

POSITIVE

- Revenues and earnings up for both Philippines and HK
- Balance sheet remains healthy
- Strong growth in new accounts
- Strong start for the funds distribution business

NEGATIVE

- Market share dropped coming from a high base
- Margin lending down

CONSOLIDATED INCOME STATEMENT (IN PHP MIL)

1H15 Net Income Up 23.7%

1H15 net income improved by 23.7% to Php189.6 Mil.

Consolidated revenues increased by 16.7% Y/Y driven by the improvement in all revenue items - commissions, interest and other income.

Operating profit increased by 19.1% to Php236.9 Mil as growth in operating expenses was limited at 13.3%.

Income taxes increased marginally by 3.6% to Php47.3 Mil.

	1H14	1H15	Change	
			Amount	%
Income				
Commissions	233.4	270.8	37.5	16.1%
Interest	84.2	111.0	26.7	31.7%
Other income	2.8	12.4	9.6	341.9%
Total	337.8	394.2	56.4	16.7%
Expenses				
Commission expenses	39.5	47.8	8.3	20.9%
Personnel costs	32.6	36.3	3.7	11.2%
Professional fees	10.1	13.1	3.0	30.0%
Stock exch. dues & fees	9.5	9.8	0.3	3.4%
Communication	12.2	12.0	(0.1)	-1.1%
Rentals & utilities	8.6	9.1	0.5	6.0%
Depreciation	7.7	8.9	1.2	15.5%
Advertising & marketing	4.1	6.0	2.0	48.6%
Others	14.7	14.0	(0.7)	-4.7%
Total	138.8	157.2	18.4	13.3%
PRE-TAX INCOME (LOSS)	199.0	236.9	38.0	19.1%
TAXES	45.7	47.3	1.6	3.6%
NET INCOME (LOSS)	153.3	189.6	36.3	23.7%

REVENUE BREAKDOWN (IN PHP MIL)

Philippines & HK Performed Strongly During 1H15

Revenues increased as both Philippine and HK operations performed strongly.

Philippine revenues rose by 16.3% to Php371.8 Mil, largely driven by the 15.6% increase in commissions.

Interest income from local operations was up by 9.2% Php111.0 Mil as interest income from cash more than doubled due to the increase in yields and the improvement in COL's average cash position.

HK revenues jumped by 22.9% as it benefited from the strength of the HK market.

	1H14	1H15	Change	
			Amount	%
Philippines				
Commission	215.2	248.7	33.6	15.6%
Self-directed	137.8	158.6	20.8	15.1%
Agency & advisory	77.4	90.1	12.8	16.5%
Interest	101.6	111.0	9.3	9.2%
Others	2.8	12.1	9.3	333.1%
Philippine Revenues	319.6	371.8	52.2	16.3%
Hong Kong				
Commission	18.2	22.1	3.9	21.5%
Interest	0.0	0.0	(0.0)	-
Others	0.0	0.3	0.3	9557.4%
HK Revenues	18.2	22.3	4.2	22.9%
Revenue Share				
Philippines	94.6%	94.3%		
HK	5.4%	5.7%		
Self-directed	64.0%	63.8%		
Agency & advisory	36.0%	36.2%		

ROAE Increased Significantly

Operating profits rose by 19.1% Y/Y to Php236.9 Mil. Operating margin likewise improved due to the strength of Philippine and HK operations.

ROAE increased significantly to 30.2% brought about by higher margins and increased leverage.

SELECTED FINANCIAL INDICATORS

	1H14	1H15	Change	
			Amount	%
Operating Profits				
Philippines	195.4	228.6	33.2	17.0%
Hong Kong	3.6	8.4	4.8	132.2%
Total	199.0	236.9	38.0	19.1%
Operating Margins				
Philippines	61.1%	61.5%		
Hong Kong	19.8%	37.5%		
Consolidated	58.9%	60.1%		
EBITDA Margin	61.3%	62.4%		
Net Margin	45.4%	48.1%		
Asset Turnover*	12.0%	11.8%		
Asset/Equity	5.5	5.7		
ROAE*	24.8%	30.2%		

*Annualized

Strong and Highly Liquid Balance Sheet

COL remained cash rich and debt free.

Total assets grew by 10.4% to Php7.0 Bil largely driven by the 18.5% increase in cash.

Receivables fell by 15.6% to Php1.2 Bil largely due to the drop in margin lending.

Trade payables grew 15.5% to Php5.7 Bil largely due to the increase of COL's client cash.

Stockholders' equity fell 3.4% to Php1.2 Bil largely due to the declaration of Php0.50/sh of cash dividends, partly offset by the booking of Php189.6 Mil in profits.

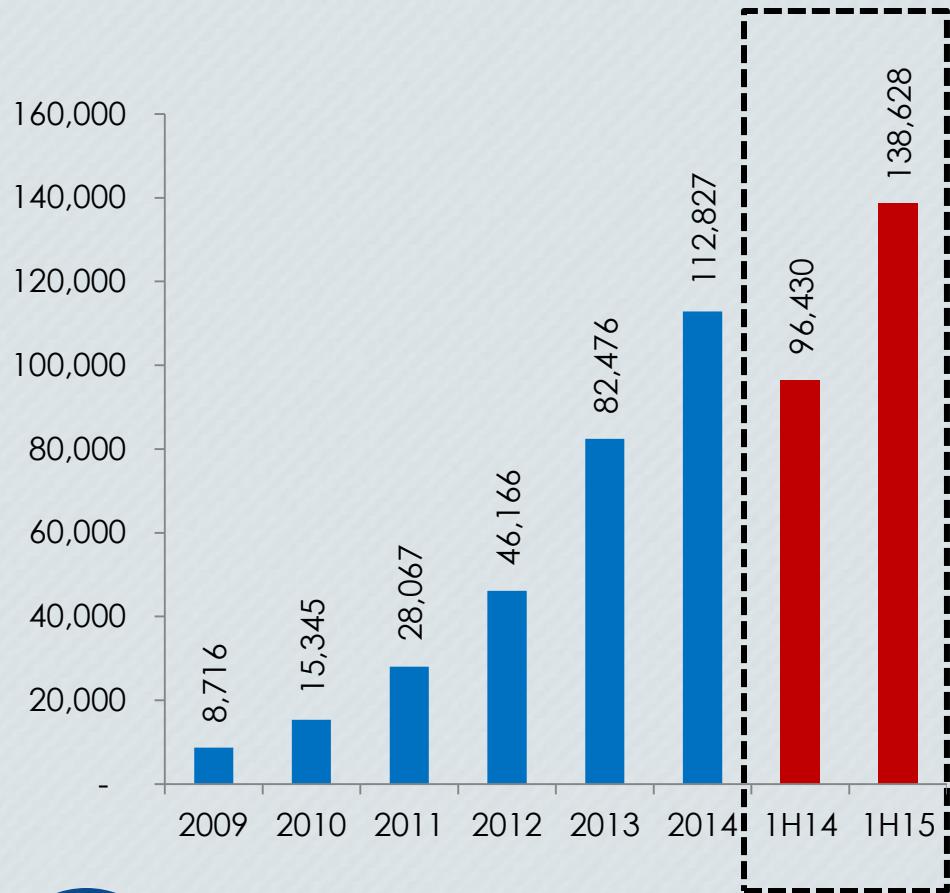
BVPS fell to Php2.60/sh.

CONSOLIDATED BALANCE SHEET (IN PHP MIL)

	12/31/14	06/30/15	Change	
			Amount	%
Cash & equivalents	4,794.3	5,681.7	887.4	18.5%
Receivables	1,438.4	1,213.5	(224.9)	-15.6%
Other current assets	23.8	21.9	(1.9)	-8.0%
Property & equipment – net	35.8	34.3	(1.5)	-4.2%
Other non-current assets – net	69.1	71.3	2.2	3.2%
TOTAL ASSETS	6,361.4	7,022.6	661.2	10.4%
Trade payables	4,940.9	5,708.4	767.5	15.5%
Other current liabilities	115.8	53.2	(62.6)	-54.0%
Non-current liabilities	28.2	28.2	0.0	0.0%
Total Liabilities	5,085.0	5,789.8	704.9	13.9%
Total Stockholders' Equity	1,276.5	1,232.8	(43.7)	-3.4%
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	6,361.4	7,022.6	661.2	10.4%
BVPS	2.69	2.60		

Sustained Customer Growth

CLIENT BASE



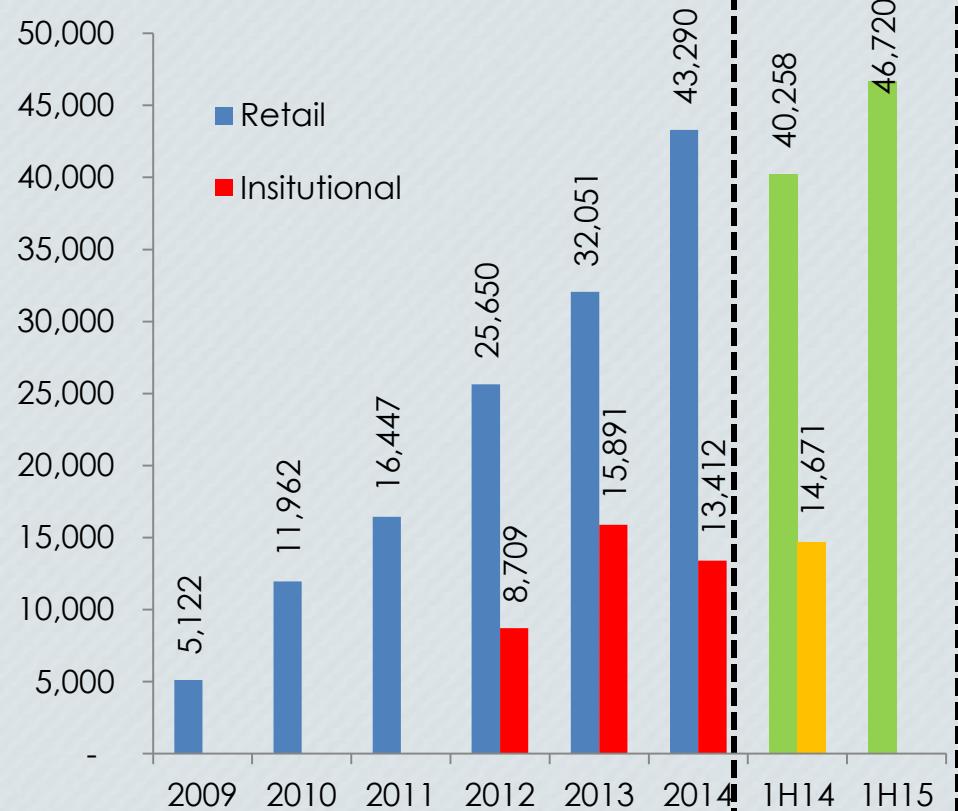
+43.8%

COL's client base grew by 43.8% Y/Y to 138,628 as of end June 2015.

Average monthly additions for YTD remained strong at 4,300. For 2Q15 alone, COL added 12,232 clients.

Healthy Retail Client Inflow

CLIENT EQUITY



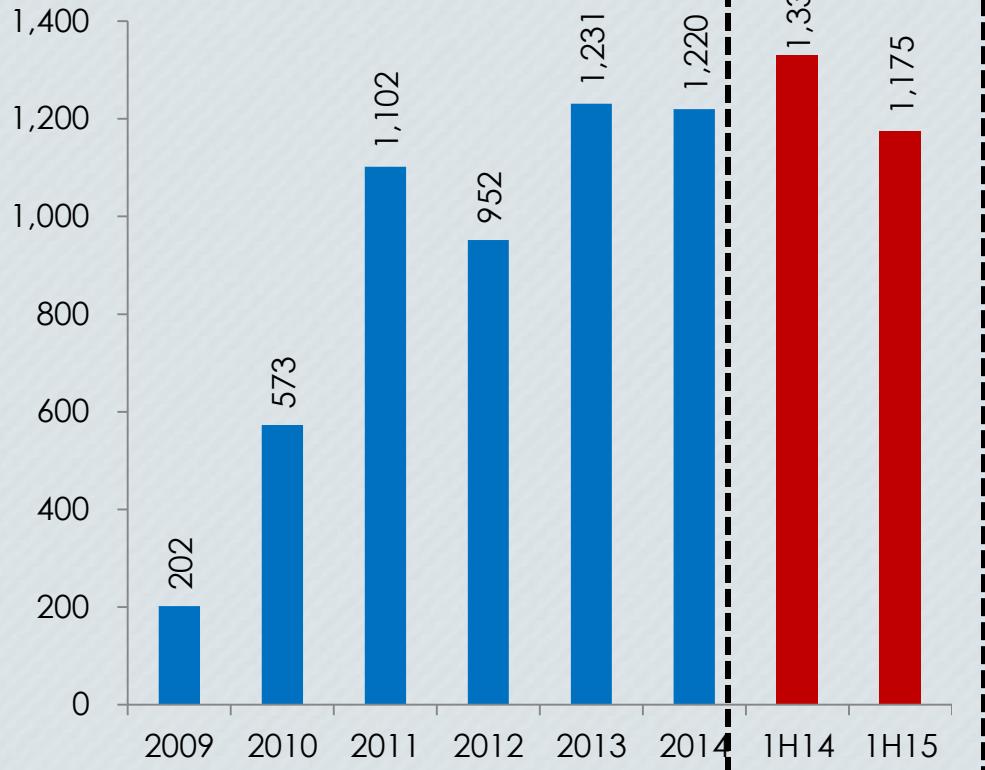
Client equity fell by 14.9% Y/Y to Php46.7 Bil largely due to the Php12.4 Bil outflow by an institutional client who previously used COL as a custodian.

However, equity of retail clients continued to grow, up by 16.1% Y/Y and 7.9% YTD to Php46.7 Bil.

Net new cash flow of retail clients remained positive at Php3.5 Bil in 1H15.

Margin Loans Drop

AVE DAILY MARGIN LOANS



Average daily margin loans were down 11.7% at Php1.2 Bil.

As of end 1H15, the total number of approved margin accounts reached 1,131, up 5.3% Y/Y.

Meanwhile, 28.9% of approved margin accounts utilized their margin lines in 1H15, down from 29.7% in 1H14.

Growing Value Turnover

COL's average daily value turnover increased by 18.2%.

Number of transactions handled also grew significantly by 39.6% to 2.5 Mil.

Despite this, COL's market share in the PSE and among local investors fell. The drop was largely due to the high base in 2Q14 (brought about by the popularity of speculative issues then), and as institutional investors led trading activity in the second quarter of 2015.

COL's PSE ranking remained strong, improving to 8th from 9th.

COMPARATIVE PERFORMANCE (COL VS. PSE)

	1H14	1H15	Change	
			Amount	%
PSE Ave. Daily T/O (PhpMil)	8,139.4	10,043.5	1,904.0	23.4%
COL Ave. Daily T/O (PhpMil)	652.1	771.1	119.0	18.2%
COL Market Share (Total)	4.0%	3.8%		
COL Market Share (Local)	8.3%	7.9%		
PSE Ranking*	9	8		
No. of Transactions – PSE ('000)	7,633.0	12,771.2	5,138.2	67.3%
No. of Transactions – COL ('000)	1,777.2	2,481.7	704.4	39.6%
COL Market Shares	23.3%	19.4%		
PSE Ranking	1	1		

* YTD

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Pro Active Growth Plans

Maintain leadership by focusing on our consistent, long-term strategic goals

Priorities	Statement	Strategies
Expand Client Acquisition	#1. Continue to be the leading asset gatherer in the brokerage industry	<ul style="list-style-type: none">• Set up more investor centers• Enter into tie-ups to expand market reach• Hold more investor education seminars<ul style="list-style-type: none">◦ Frequency and type• Offer more products and services that will address the needs of more investors<ul style="list-style-type: none">◦ Active and passive◦ Conservative to aggressive◦ Basic to sophisticated
Maintain a Mutually Beneficial Relationship	#2. Offer progressive client solutions that not only create value for the targeted client segments but also produce a profitable relationship for COL	
Long-Term Client Relationship	#3. Maintain long-term client relationships and exploit the power of COL promoters	
Expense Discipline	#4. Capitalize on operating leverage and increase profitability through our unique business model	<ul style="list-style-type: none">• Focus on efficient means to grow revenues & profitability
Effective Capital Management	#5. Maintain a strong balance sheet and be good stewards of stockholder values	<ul style="list-style-type: none">• ROE greater than 20%

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.

* Already signed service level and commercial term agreements.
Products currently available to COL clients

Update on Fund Distribution Business

TIMELINE

May 13

- Opened access to select COL clients
- Started seminars and low level communication efforts

July 27

- Opened access to all COL clients

ASSETS UNDER ADMINISTRATION* (AUA)

Type of Fund	AUA (PhpMil)	% of Total
Money Market	18.84	17.2%
Bond Fund	6.30	5.7%
Balanced Fund	11.60	10.6%
Equity Fund	72.8	66.5%
Total	109.58	100.0%

* As of end July

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 31, 2015
Total net inflow (PhpMil)*	23.75
Total orders	1,295
Ave daily inflow (PhpMil)	4.75
Ave order size (Php)	18,337.45

* Non-Money market funds only

**On track to generate Php1.0 Bil in AUA by
1st year anniversary**

Thank You

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