

In the business of trust.
Investor Presentation



INVESTOR PRESENTATION HIGHLIGHTS



COMPANY OVERVIEW



KEY INVESTMENT HIGHLIGHTS



FINANCIAL HIGHLIGHTS

COMPANY OVERVIEW

Established and licensed by the SEC in 1999

In 2002, wholly owned subsidiary COL HK became a trading participant of the HK Exchange

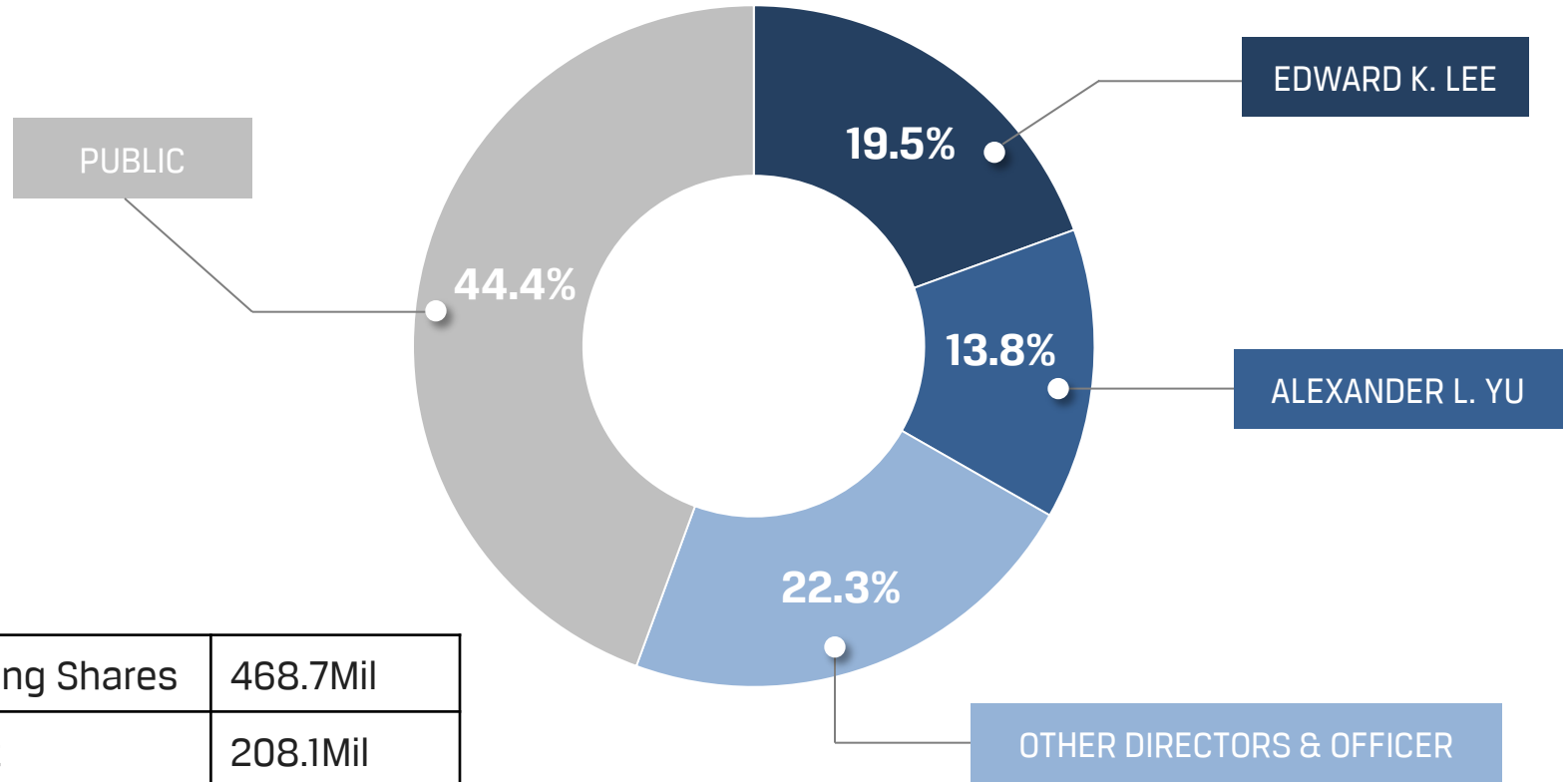
The leading and fastest-growing online stockbroker in the Philippines

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

Founder (Edward K. Lee) retains 19.5% stake and actively manages the Company



OWNERSHIP STRUCTURE



Outstanding Shares	468.7Mil
Free Float	208.1Mil
Market Cap*	Php9.5Bil

*As of end of March 2013

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 & FASTEST GROWING ONLINE STOCKBROKER IN THE PHILIPPINES IN TERMS OF NUMBER OF ACCOUNTS

2012 Rank	Broker Name	Total Accounts		% Change	% of Total Accounts Online
		2011	2012		
1	COL Financial	27,969	46,444	66.1%	59.4%
2	BPI Securities	16,543	19,721	19.2%	25.2%
3	First Metro	4,217	6,638	57.4%	8.5%
4	Accord Capital	2,184	2,870	31.4%	3.7%
	Others	1,837	2,543	38.4%	3.3%
	Total	52,750	78,216	48.3%	100.0%

SOURCE: PSE

AND IN TERMS OF VALUE AND VOLUME OF ONLINE TRANSACTIONS

Rank		Broker Name	Value T0 (Php Bil)			% of Online Value T0	No. of Trades ('000)			% of Online Transactions
Value T0	No. of Trades		2011	2012	% Change		2011	2012	% Change	
1	1	COL Financial	121.9	150.4	23.3%	76.8%	1,242.2	2,664.5	114.5%	82.2%
2	2	BPI Securities	23.3	24.5	5.3%	12.5%	287.5	331.1	15.2%	10.2%
3	3	First Metro	11.4	15.1	32.1%	7.7%	117.6	140.8	19.7%	4.3%
4	8	F. Yap	4.1	2.3	-43.2%	1.2%	5.4	6.4	19.1%	0.2%
5	4	Accord Capital	1.9	1.4	-29.7%	0.7%	28.8	57.3	99.3%	1.8%
		Others	2.1	2.1	0.5%	1.1%	26.8	41.2	53.6%	1.3%
		Total	164.8	195.7	18.8%	100.0%	1,708.3	3,241.4	89.7%	100.0%

SOURCE: PSE

ALSO AMONGST THE BIGGEST PHILIPPINE-BASED BROKERS

2011 Rank	2012 Rank	Broker Name	Value Turnover (Php Mil)	2012 % Total
2	1	Deutsche Regis Partners Inc.	382,244	10.80
4	2	UBS Securities Phil.	355,272	10.03
3	3	CLSA Phils. Inc	304,177	8.58
1	4	Maybank ATR KimEng Securities, Inc.	259,447	7.32
5	5	Macquarie Securities (Phil), Inc.	221,661	6.26
6	6	Phil. Equity Partners, Inc.	157,126	4.43
8	7	COL Financial Group, Inc.	150,354	4.24
11	8	DBP- Daiwa Capital Markets Phil. Inc.	143,930	4.06
9	9	J.P Morgan Securities Phil. Inc.	119,981	3.39
13	10	SB Equities	104,119	2.94
Total PSE Value Turnover			3,543,422	

SOURCE: PSE

CORPORATE MILESTONES

MARCH 2001

The COL PH online trading platform became operational.

APRIL 2002

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

MAY 2002

The COL HK platform was launched.



JANUARY 2008

Received the PSE Outstanding Domestic IPO Award for 2006 and special recognition for Active Investor Education. COL was ranked by the PSE as the #1 Online Stockbroker in the Philippines for most number of trades transacted.

AUGUST 2008

Launch of the COL Easy Investment Program.

FEBRUARY 2009

COL operates its seat at the PSE.

FEBRUARY 2012

Launched the Relationship Manager services for high value customers.

MARCH 2012

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

APRIL 2012

Launch of the new COL website with streaming data.

DECEMBER 2012

Awarded the first Bell Award on Good Governance by the PSE



1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012

AUGUST 1999

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



NOVEMBER 2005

The COL PH Trading platform was officially launched to the public.

JULY 2006

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



NOVEMBER 2006

The COL Investor Education Series comprised of free basic and advanced technical seminars was launched.

Margin Financing was launched.

DECEMBER 2006

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

APRIL 2010

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

DECEMBER 2010

COL PRO, the first real-time, customizable, all-in-one trading application, was provided to high-value customers for more efficient transacting.

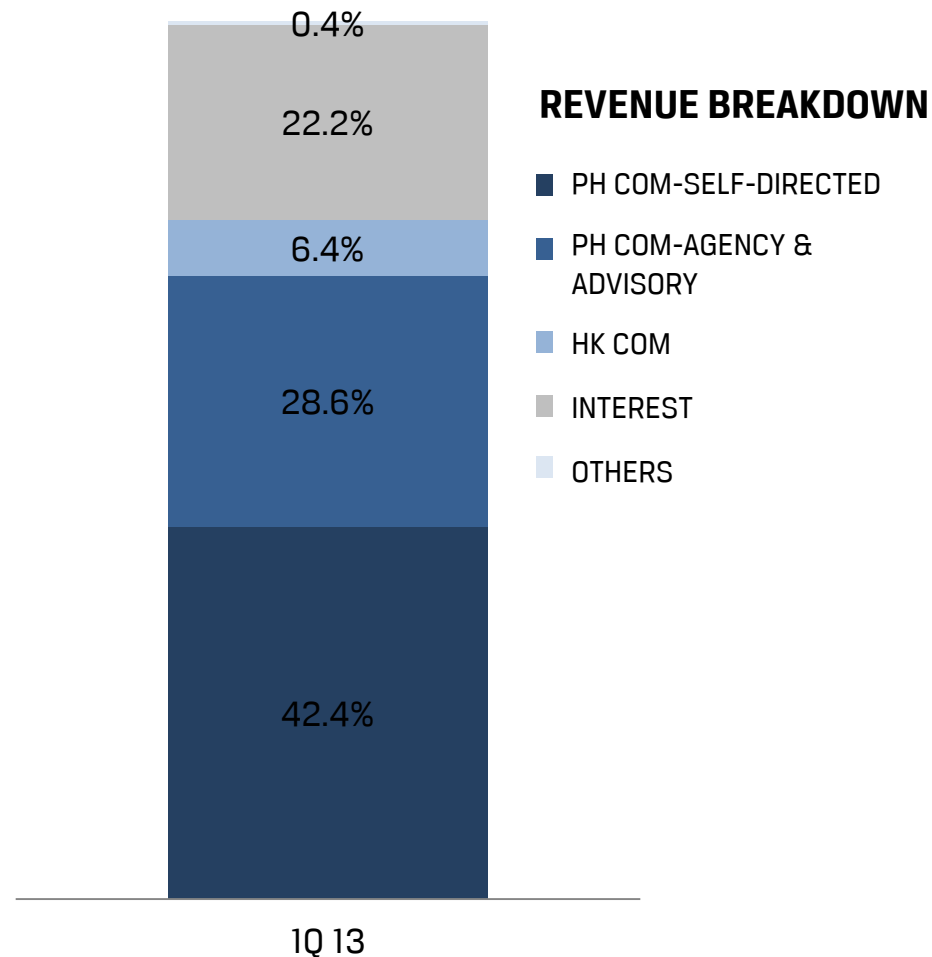


JULY 2011

Opening of the COL Business and Data Center in Ayala Triangle Tower 1, Makati.

BULK OF REVENUES GENERATED FROM PHILIPPINE OPERATIONS

- COL's Philippine operations account for 93.6% of revenues, while its HK operations account for the balance
- Commissions from both Philippines and HK account for 77.4% of revenues
- Interest income from margin loans and cash account for 22.2% of revenues



INVESTOR PRESENTATION HIGHLIGHTS



COMPANY OVERVIEW



KEY INVESTMENT HIGHLIGHTS



FINANCIAL HIGHLIGHTS

KEY INVESTMENT HIGHLIGHTS

- Equity investments in an expansion phase
- Online brokerage business in a secular uptrend
- Highly geared towards the expanding retail investors base
- To leverage on strong brand equity

EQUITY INVESTMENTS IN AN EXPANSION PHASE

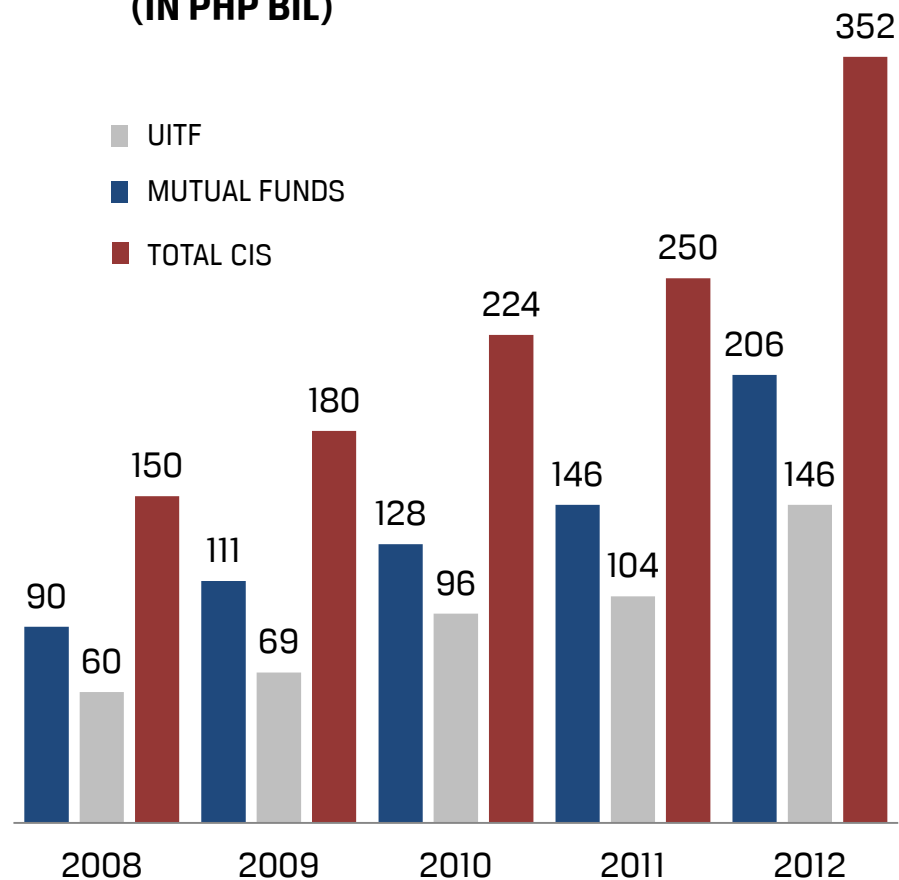
- Total investments in CIS have increased by a CAGR of 23.7% from 2008 to 2012
- Growth was driven by the 23.0% and 24.9% CAGR of investments in UITFs and mutual funds

TOTAL COLLECTIVE INVESTMENT SCHEMES IN THE PHILIPPINES (IN PHP BIL)

	2008	2009	2010	2011	2012
UITF	90	111	128	146	206
Mutual Funds	60	69	96	104	146
Total CIS	150	180	224	250	352
Growth	-36.2%	20.0%	24.4%	11.6%	40.7%

SOURCE: TOAP, BSP

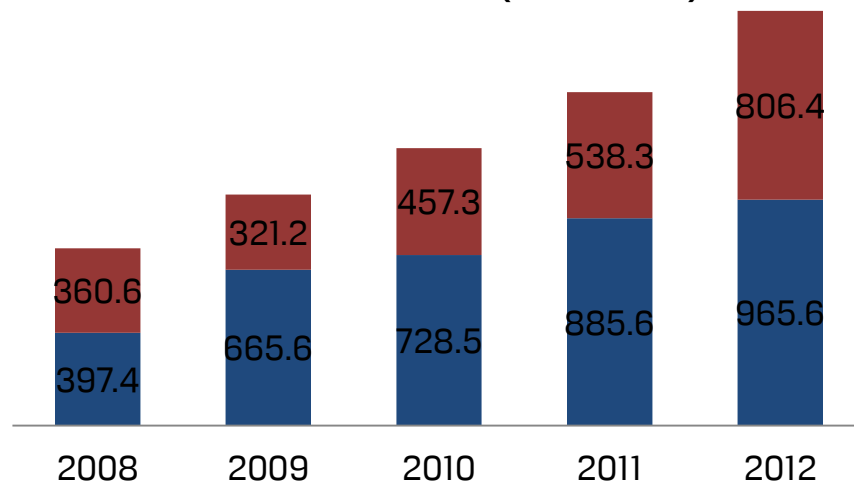
TOTAL CIS IN THE PHILIPPINES (IN PHP BIL)



EQUITY INVESTMENTS IN AN EXPANSION PHASE

- Value turnover in the PSE also increased by a CAGR of 23.6% from 2008 to 2012
- Growth in value turnover of local investors (24.8% CAGR) outpaced that of foreign investors (22.3% CAGR)

PSE VALUE TURNOVER (IN PHP BIL)

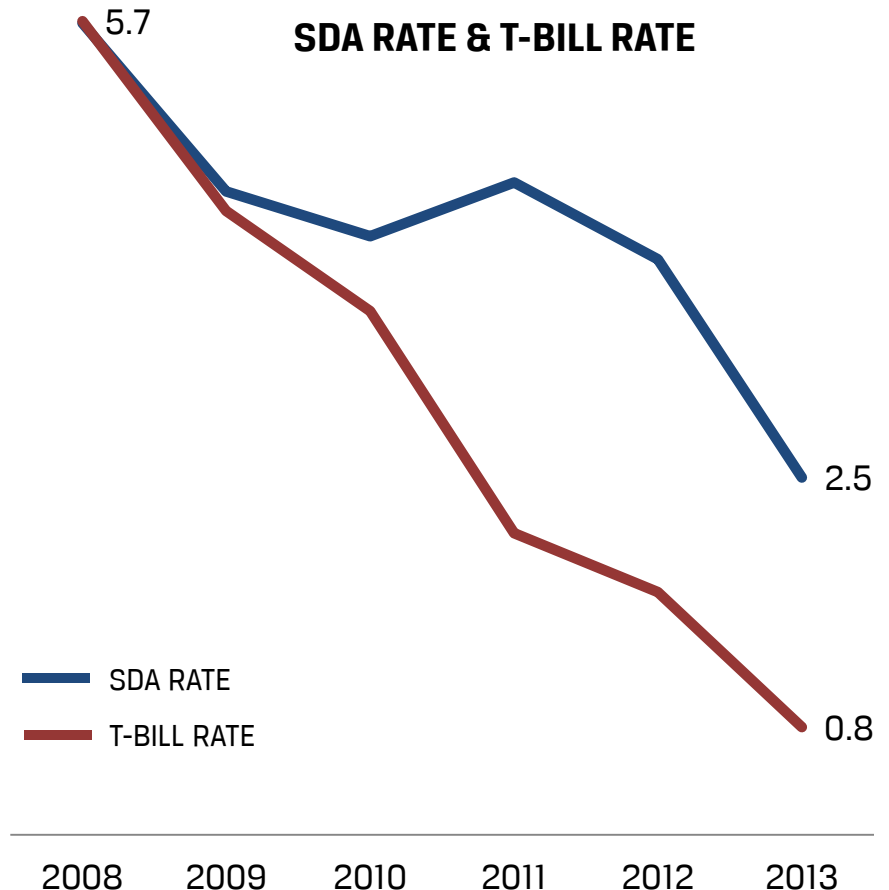


	Local		Foreign		Total	
	Value	Change	Value	Change	Value	Change
2008	397.4	-40.5%	360.6	-45.2%	758.0	-42.9%
2009	665.6	67.5%	321.2	-10.9%	986.8	30.2%
2010	728.5	9.4%	457.3	42.4%	1,185.8	20.2%
2011	885.6	21.6%	538.3	17.7%	1,423.9	20.1%
2012	965.6	9.0%	806.4	49.8%	1,772.0	24.4%

SOURCE: PSE, BLOOMBERG

DRIVEN BY FALLING INTEREST RATES

- Interest rates are on a downtrend, with the average SDA and 91-day T-bill rates falling from 5.7% in 2008 to 2.5% and 0.8% during the first five months of 2013
- The drop in interest rates was driven by improving government finances, benign inflation, and the upgrade of Philippines' credit rating to investment grade

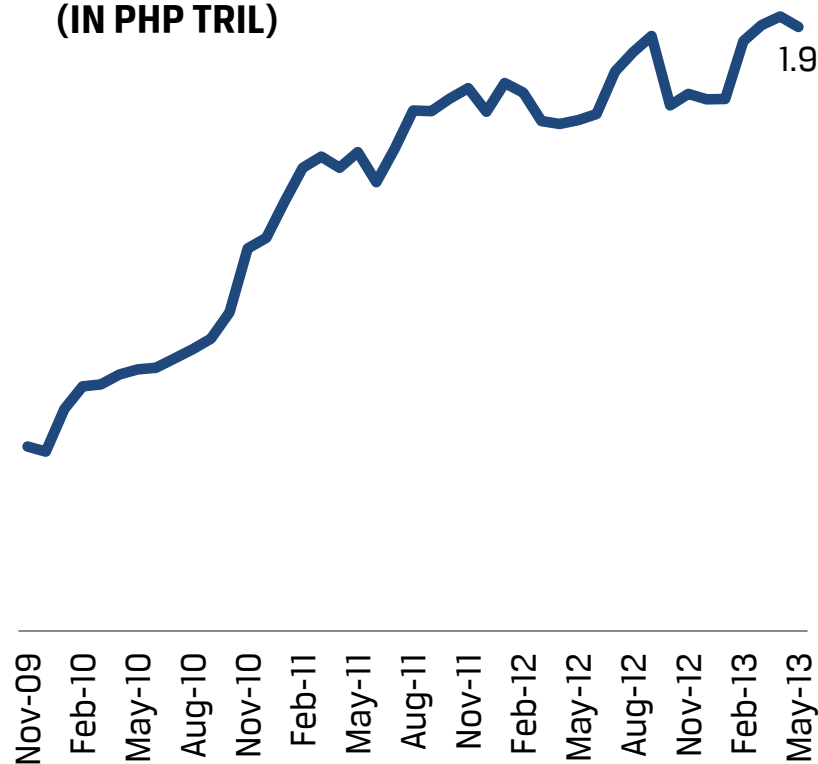


SOURCE: BLOOMBERG

CENTRAL BANK TO REMOVE ACCESS TO SDA

- Created in 1998 by the central bank to help control liquidity, the SDA or Special Deposit Account is a popular deposit substitute given its higher relative return
- The central bank recently issued a circular removing access to SDA among non-trust entities effective November 2013, beginning with a 30% reduction by end July
- As of end March, there was Php1.9 Tril (US\$45.3Bil) parked in the said facility, with non-trust entities accounting for an estimated Php1.4 Tril (US\$33.3Bil) of the total

**FUNDS PARKED IN SDA
(IN PHP TRIL)**



SOURCE: BSP

TO ACT AS A CATALYST FOR MORE EQUITY INVESTMENTS

- Fund flows into managed accounts grew as a result of falling SDA rates

SDA RATE VS. FUND FLOWS (IN PHP MIL)

Date	Ave. SDA Rate	Mutual Fund Net Sale	BDO Ave. Daily Acceptances
Jan-13	3.0%	7,253	68
Feb-13	3.0%	9,759	151
Mar-13	2.5%	8,437	152
Apr-13	2.0%	12,255	308
May-13	2.0%	NA	321

SOURCE: PIFA, BDO

GROWTH POTENTIAL REMAINS SIGNIFICANT

- Relative to bank deposits, only 5.9% of total deposits in the Philippines currently invested in CIS
- Meanwhile, based on the number of retail accounts as a percentage of the population only 0.55% of the population is currently invested in the stock market
- The two numbers are much less than those in other countries

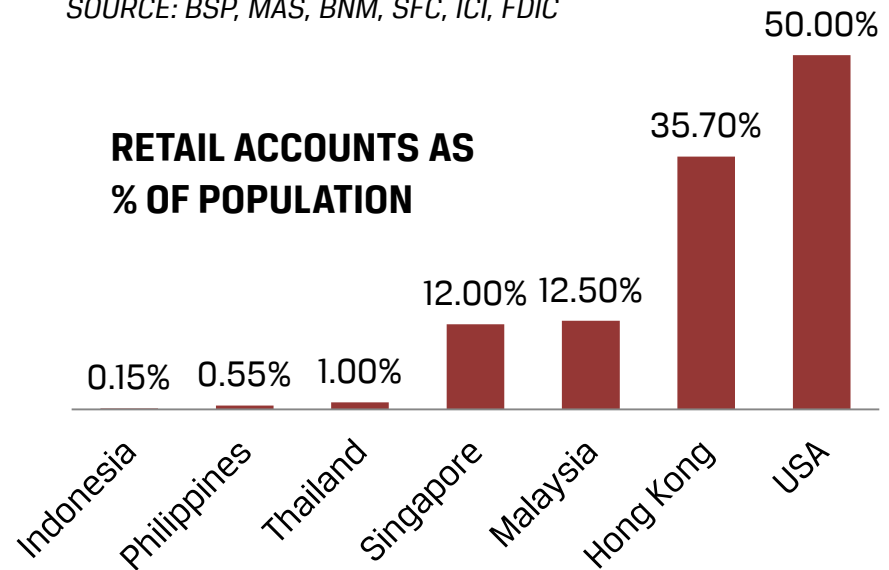
CIS AS PERCENTAGE OF DEPOSITS

Philippines	5.9%
Singapore*	6.6%
Malaysia	20.8%
Hong Kong*	104.0%
US*	123.7%

*AS OF END 2011, OTHERS AS OF END 2012

SOURCE: BSP, MAS, BNM, SFC, ICI, FDIC

RETAIL ACCOUNTS AS % OF POPULATION



SOURCE: PSE

ONLINE BROKERAGE BUSINESS IN A SECULAR UPTREND

- Market share of online brokers in terms of client base grew from 4.3% in 2008 to 14.9% in 2012
- Market share in terms of value turnover also grew from 2.0% in 2008 to 6.7% in 2012

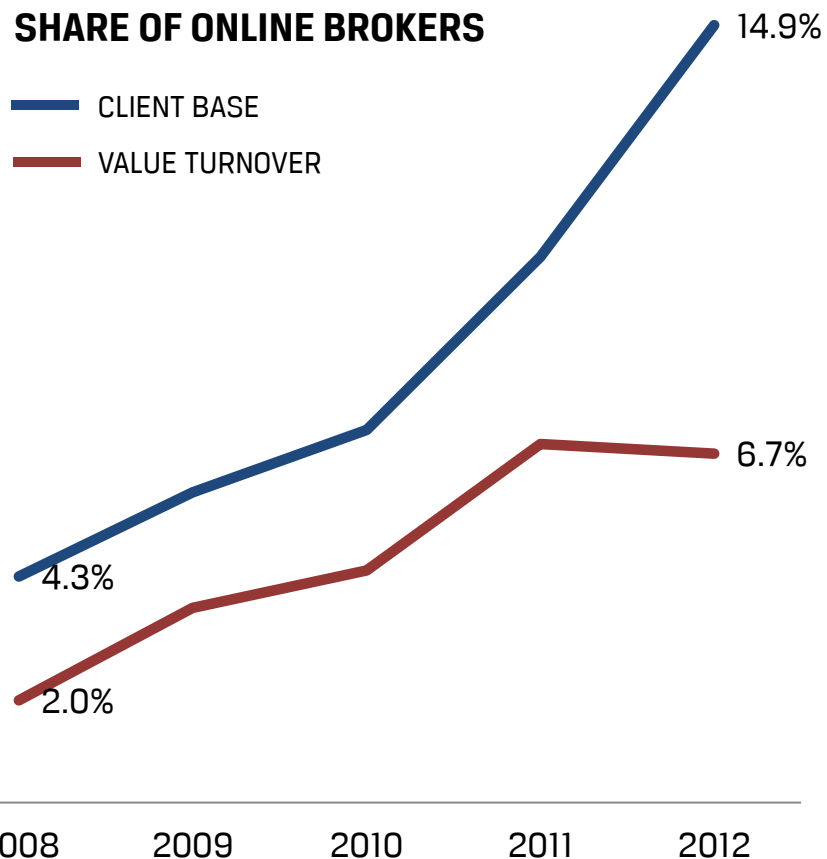
SHARE OF ONLINE/TOTAL

	2008	2009	2010	2011	2012
Client Base	4.3%	5.9%	7.1%	10.4%	14.9%
Value Turnover	2.0%	3.7%	4.4%	6.9%	6.7%

SHARE OF ONLINE BROKERS

— CLIENT BASE

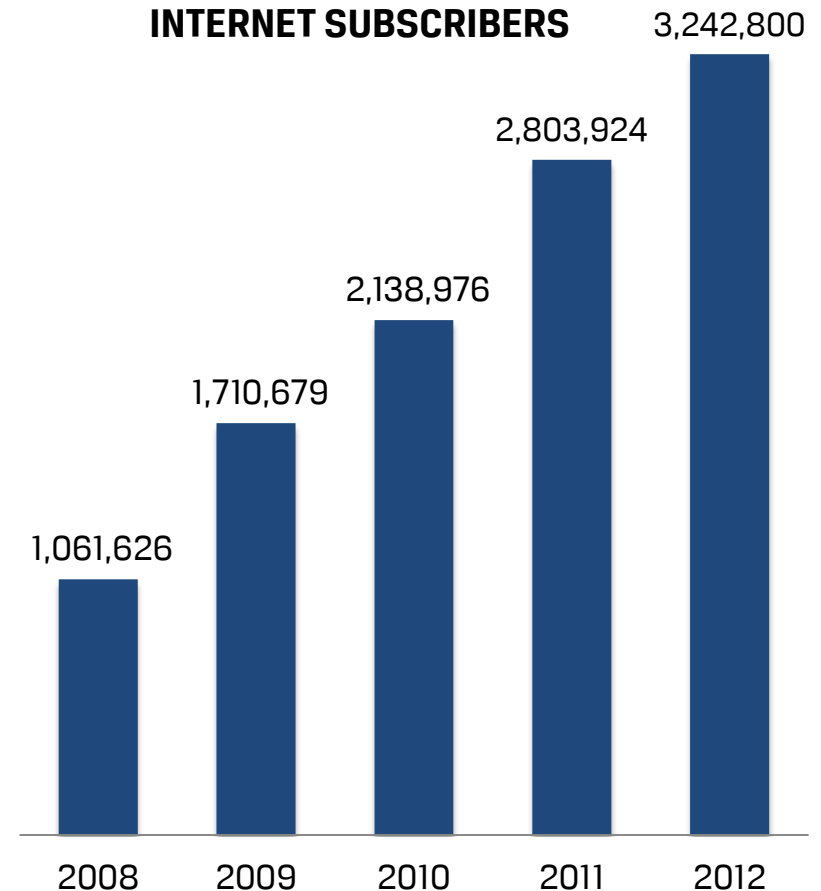
— VALUE TURNOVER



SOURCE: PSE

ONLINE BROKERAGE BUSINESS IN A SECULAR UPTREND

- Growth expected to continue, driven by growing number of internet subscribers in the country
- From 2008 to 2012, total number of internet subscribers increased by a CAGR of 32.2%



SOURCE: PHILIPPINE TELCOS

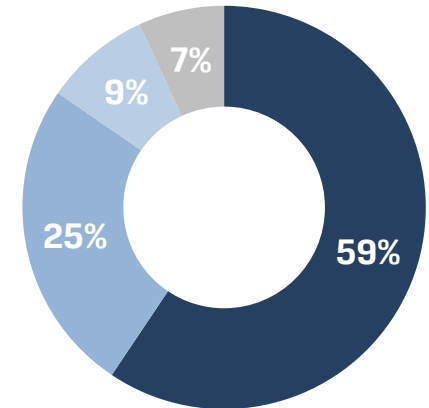
HIGHLY GEARED TOWARDS THE EXPANDING RETAIL INVESTORS BASE

- COL is currently the dominant market leader among online stockbrokers in the Philippines in terms of number of clients and value turnover
- Market share has consistently increased since 2008

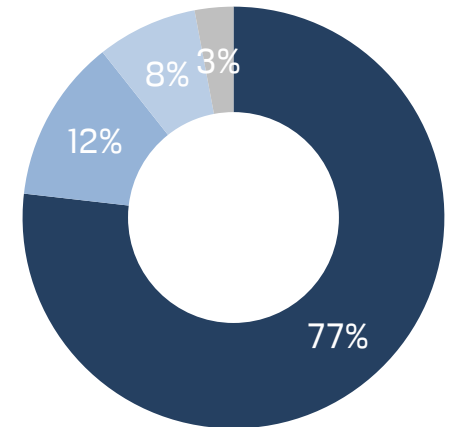
COL'S MARKET SHARE (AMONG ONLINE STOCKBROKERS)

	2008	2009	2010	2011	2012
Client Base	32.8%	30.8%	43.2%	53.2%	59.5%
Value Turnover	69.7%	62.8%	72.8%	74.0%	76.8%

CLIENT BASE



VALUE TURNOVER



SOURCE: PSE

HIGHLY GEARED TOWARDS THE EXPANDING RETAIL INVESTORS BASE

- COL's share in terms of volume and value of transactions in the PSE is also improving
- From 17.0% in 2010, COL's share in volume of transactions jumped to 24.3% in 1Q13, allowing us to consistently maintain our leadership position
- COL's market share in terms of value T/O improved to 4.4% in 1Q13 from 2.8% in 2010, allowing us to increase our rank from 9 to 8

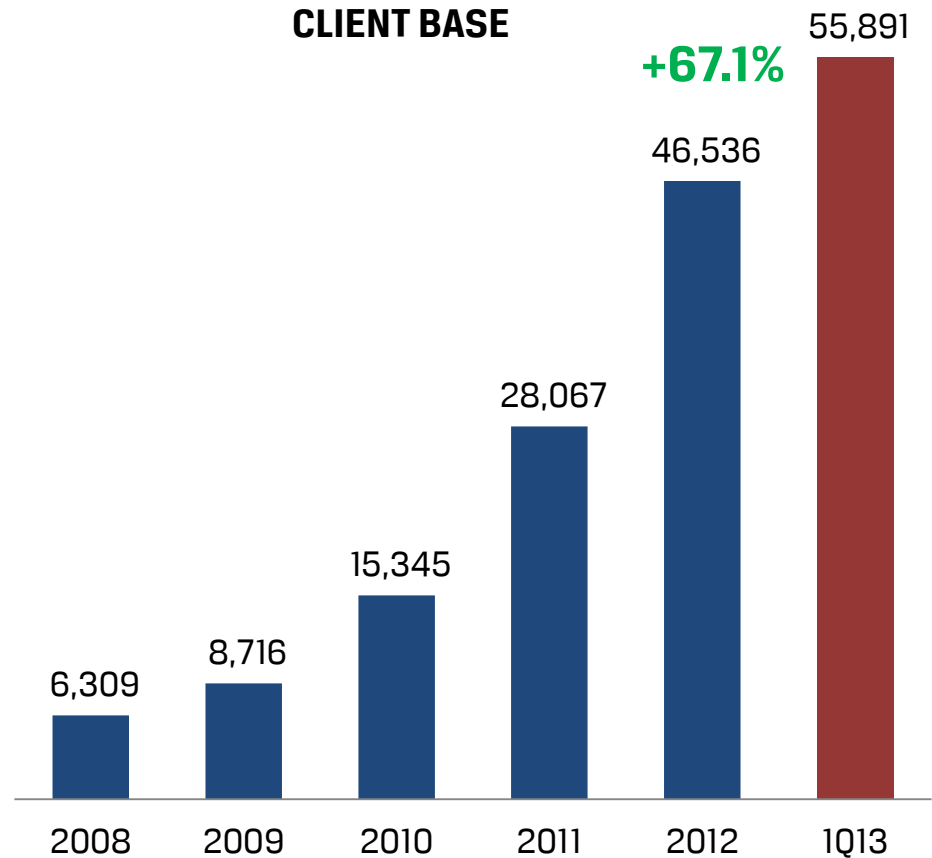
COMPARATIVE PERFORMANCE (COL VS. PSE)

	2010	2011	2012	1Q13
PSE Daily Value T/O (Php Mil)	4,948.3	5,713.2	7,261.1	10,219.4
COL Daily Value T/O (Php Mil)	273.6	491.5	616.0	901.6
COL Market Share	2.8%	4.3%	4.2%	4.4%
PSE Ranking	9	8	7	8
No. of Transactions - PSE ('000)	5,333.0	8,246.5	11,490.5	3,783.0
No. of Transactions - COL ('000)	906.5	1,726.6	2,664.5	921.0
COL Market Share	17.0%	20.9%	23.4%	24.3%
PSE Ranking	1	1	1	1

SOURCE: PSE

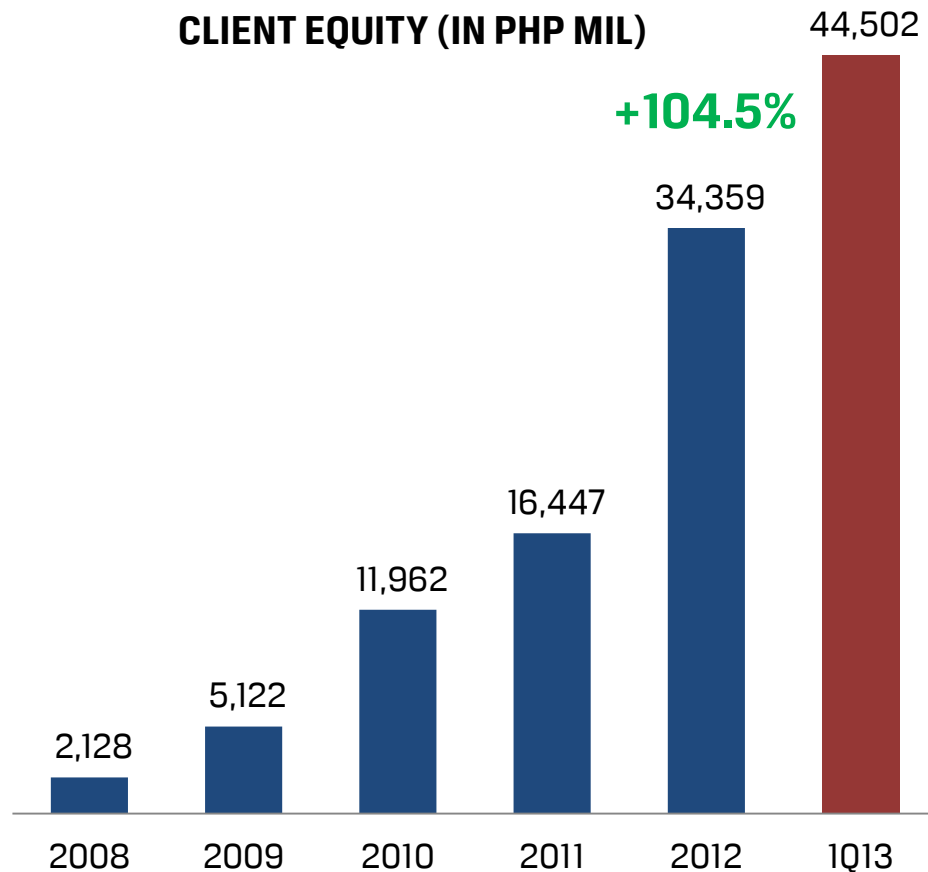
FAST GROWING CUSTOMER BASE

- COL's client base grew by a CAGR of 67.1% from 6,309 as of end 2008 to 55,891 as of end March 2013
- Average monthly additions accelerated to a record level of 3,118 clients in 1Q13 from 1,539 clients in 2012 and 109 clients in 2008



ACCOMPANIED BY A RAPIDLY GROWING CLIENT EQUITY

- Client equity increased by a CAGR of 104.5% from Php2.1 Bil as of end 2008 to Php44.5 Bil as of end March 2013
- In 2012, net new asset flows reached Php6.9 Bil and accounted for 38.5% of the total increase in client equity
- In 1Q13, net new asset flows reached a record amount of Php7.5 Bil and accounted for 74% of the total increase in client equity



TO LEVERAGE ON STRONG BRAND EQUITY

Offer more products

- Offer flexible margin rate scheme
- Distribute third party funds
- Acquire an investment trust license

Expand market reach

- Build investor centers in key business areas
- One investor center in 2013 and three in 2014

INVESTOR PRESENTATION HIGHLIGHTS



COMPANY OVERVIEW



KEY INVESTMENT HIGHLIGHTS



FINANCIAL HIGHLIGHTS

SUMMARY OF INCOME STATEMENT

- Revenues from Philippines grew significantly and accounted for a growing share of consolidated revenues in 2012 and 1Q13
- However, profits in 2012 fell due to the weak performance of HK, the absence of trading gains, and investments made to grow Philippine operations
- Profits in 1Q13 fell due to weakness in HK and normalization of taxes, although consolidated operating profits rose 3.4% Y/Y

(In Php Mil)	2011	2012	% Change	1Q12	1Q13	% Change
Revenues						
Php Com - Self-directed	232.8	265.4	14.0%	85.7	94.7	10.5%
Php Com - Agency & Advisory	94.5	141.1	49.3%	45.1	63.8	41.5%
HK Com	117.4	56.8	-51.6%	25.2	14.2	-43.7%
Interest income	187.3	184.1	-1.7%	47.2	49.6	5.1%
Others	26.7	3.5	-86.9%	1.0	0.9	-10.0%
Total	658.7	650.9	-1.2%	204.2	223.2	9.3%
Operating Profits						
Philippines	320.5	314.7	-1.8%	115.0	127.8	11.1%
HK	81.2	23.5	-71.1%	15.1	6.7	-55.6%
Total	401.7	339.2	-15.6%	130.1	134.5	3.4%
Net Income	334.8	305.9	-8.6%	129.5	110.0	-15.1%
EPS - Basic	0.74	0.66	-10.8%	0.28	0.24	-14.3%
EPS - Fully diluted	0.72	0.65	-9.7%	0.27	0.23	-14.8%

SUMMARY OF BALANCE SHEET

- COL has a strong balance sheet with high cash balance and no debts
- Trade payables grew by 34.0% Y/Y in 2012 and by 28.6% for the YTD period ending March 2013 due to higher cash balance of clients
- Total assets grew by 20.5% Y/Y in 2012 and 22.2% for the YTD period ending March 2013 due to COL's higher cash balance
- Stockholders' equity was flat in 2012 due to the payment cash dividends equivalent to 80% of past year's earnings

In Php Mil	2011	2012	% Change (Y/Y)	1Q13	% Change (YTD)
Cash	2,188.9	2,647.3	20.9%	3,055.5	15.4%
Trade Payables	2,133.5	2,859.9	34.0%	3,676.7	28.6%
Total Assets	3,509.8	4,229.0	20.5%	5,168.0	22.2%
Total Equity	1,295.0	1,282.0	-1.0%	1,094.8	-14.6%

SELECTED FINANCIAL RATIOS

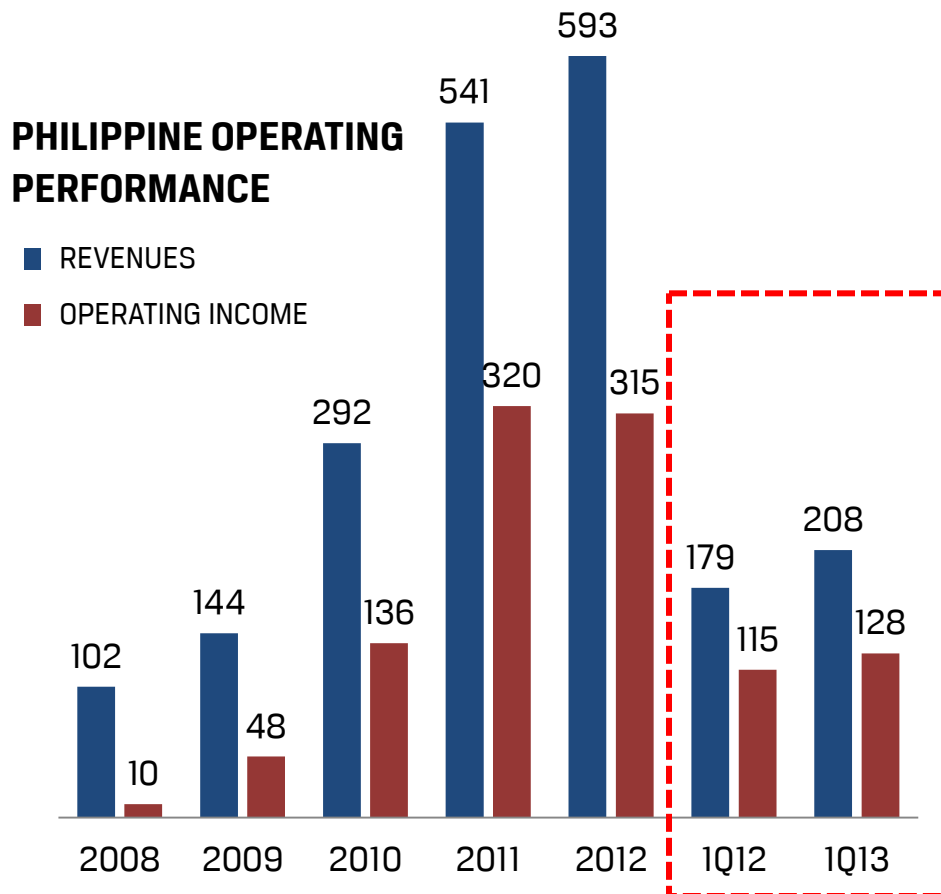
- Operating margin in 1Q13 improved relative to 2012 as fixed operating costs remained in check while HK accounted for a smaller share of revenues
- ROAE remained very strong at 23.7% in 2012 and 37.0% in 1Q13

	2011	2012	1Q12	1Q13
Operating Margins				
Philippines	59.2%	53.1%	64.2%	61.4%
Hong Kong	69.0%	42.4%	59.8%	44.8%
Total	61.0%	52.1%	63.7%	60.3%
EBITDA Margin	63.7%	54.6%	66.4%	62.0%
Net Margin	50.8%	47.0%	63.4%	49.3%
ROAE*	27.7%	23.7%	42.8%	37.0%

**1Q12 and 1Q13 numbers are annualized*

OPERATING PERFORMANCE OF THE PHILIPPINES CONTINUOUSLY IMPROVING

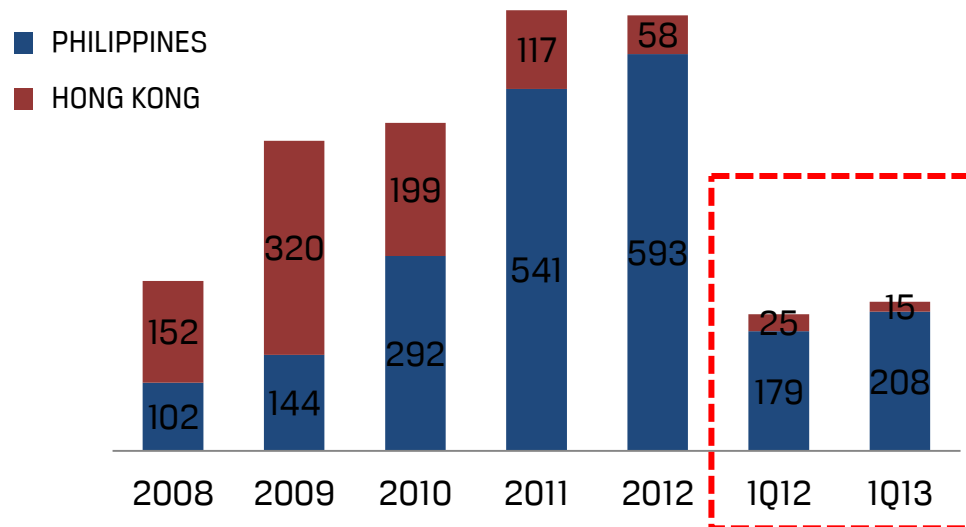
- From 2008 to 2012, revenues from Philippines increased by a CAGR of 55.3 %
- Operating income increased by a CAGR of 134.5 %
- Revenue during 1Q13 grew by 16.3% Y/Y to Php208 Mil
- Operating income increase by 11.1% Y/Y to Php128 Mil



CONSOLIDATED RESULTS IN AN UPTREND

- The strength of the Philippines was largely responsible for the significant improvement in consolidated results. Compared to 2008, consolidated revenues and operating profits increased by a CAGR of 26.5% and 26.1% respectively
- HK is also showing signs of bottoming out, with 1Q13 revenues recovering for the third straight quarter from a low of Php 8.5 Mil during 2Q12
- HK accounts for only 6.7 % of revenues in 1Q13, down from a peak of 69.0% in 2009

CONSOLIDATED REVENUES



CONSOLIDATED OPERATING PROFITS



THANK YOU!

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