

COVER SHEET

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S.E.C. Registration Number

[illegible]

(Company's Full Name)

[illegible]

(Business Address: No. Street City / Town / Province)

MANUEL A. GANA

Contact Person

(632) 662-8888

Company Telephone Number

1	2
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Month

3	1
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Day

1	7	-	Q	
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FORM TYPE

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Month

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Day

Annual Meeting

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

583

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

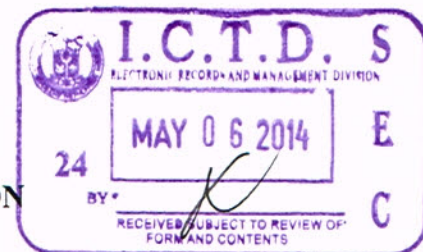
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**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17 -Q**



**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE**

1. For quarterly period ended March 31, 2014
2. SEC Identification Number AS093-009289
3. BIR Tax Identification No. 003-457-827
4. Exact name of registrant as specified in its charter: **SINOPHIL CORPORATION**
5. Province, Country or other jurisdiction of incorporation/organization: Philippines
6. (SEC Use Only)
7. Address of Principal Office: 5th Floor, Tower A, Two E-Com Center, Palm Coast Avenue,
Mall of Asia Complex, CBP-1A, Pasay City
8. Registrant's telephone number, including area code: (632) 662-8888
9. Former name, former address, and former fiscal year, if changed since last report.
Not applicable
10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Stock, P1.00 ¹ par value	7,927,310,000

On June 3, 1997, the Securities and Exchange Commission (SEC) approved the Company's application for an increase in authorized capital stock from P2 billion, divided into 200 billion shares at P0.01 par value a share, to P20 billion, divided into 14 billion common shares and 6 billion preferred shares both with par value of P1.

Subscriptions receivable on the 7,927,310,000 outstanding shares amounted to P4,962,580,586.

11. Are any or all of these securities listed on the Philippine Stock Exchange (PSE).
Yes [x] No []

Out of a total of 7,927,310,000 outstanding shares, only 3,410,416,085 shares are listed on the PSE. With the exception of shares initially offered to the public in August 1995, only fully paid shares were allowed to be listed in the PSE under PSE Circular No. 562 dated November 27, 1995.

¹New par value of P1.00 was implemented in the Philippine Stock Exchange on December 8, 1997.

12. Check whether the issuer:

- a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and under Section 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

Yes ☒ No ☐

- b) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

PART 1- FINANCIAL INFORMATION

Item 1. Financial Statements

The following unaudited financial statements are submitted as part of this report:

- Consolidated Statements of Financial Position as of March 31, 2014 and December 31, 2013;
- Consolidated Statements of Comprehensive Income for the Three Months ended March 31, 2014 and March 31, 2013;
- Consolidated Statements of Changes in Equity for the Three Months Ended March 31, 2014 and March 31, 2013;
- Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2014 and March 31, 2013.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation

percentages)	Three Months Ended March 31		Horizontal Analysis		Vertical Analysis	
	2014	2013	Increase (Decrease)		2014	2013
			Amount	%		
INTEREST INCOME	192	408	(216)	-53%	100%	100%
GENERAL AND ADMINISTRATIVE EXPENSES	(1,740,370)	(1,489,947)	250,423	17%	100%	100%
NET LOSS	(1,740,178)	(1,489,539)	250,639	17%	100%	100%
OTHER COMPREHENSIVE INCOME (LOSS)						
Unrealized gains (loss) arising from changes in market value of available-for-sale investments during the quarter	68,832,631	78,379,684	(9,547,053)	-12%	35863404%	19210707%
TOTAL COMPREHENSIVE LOSS FOR THE QUARTER	67,092,453	76,890,145	(9,797,692)	-13%	34956731%	18845624%

The consolidated net loss of Sinophil Corporation ("Sinophil" or the "Company,") amounted to ₱1.74 million for the three months ended March 31, 2014, which is higher by ₱251 thousand (17%) compared to a consolidated net loss of ₱1.49 million for the three months ended March 31, 2013. The higher net loss in 2014 was accounted for by an increase in general and administrative expenses of ₱250 thousand (17%), which arose mainly due to higher real property tax payments and association dues incurred during the period for its real properties. Sinophil's total comprehensive income for the three months ended March 31, 2014 of ₱67.1 million was lower than the total comprehensive income for the three months ended March 31, 2013 by ₱9.8 million, due to lower unrealized mark-to-market gain in available-for-sale investments during the 2014 period. Aside from what has been mentioned in the foregoing, there were no significant elements that arose from continuing operations, nor were there any seasonal events that had a material effect on the results of operations of Sinophil during the three months ended March 31, 2014.

	March	December	Horizontal Analysis		Vertical Analysis	
			Increase (Decrease)			
	2014	2013	Amount	%	2014	2013
ASSETS						
Cash	1,108,108	925,039	183,069	20%	0%	0%
Receivables and others	24,365,355	26,201,799	(1,836,444)	-7%	1%	1%
Other asset	65,501,280	65,501,280	-	0%	3%	3%
Available-for-sale						
Investments	1,649,653,431	1,580,820,800	68,832,631	4%	77%	76%
Investment Property	394,210,452	394,210,452	-	0%	18%	19%
Total Assets	2,134,838,626	2,067,659,370	67,179,256	3%	100%	100%
LIABILITIES AND EQUITY						
Liabilities						
Accrued expenses and						
other current liabilities	53,408,306	53,321,503	86,803	0%	3%	3%
Due to Belle	179,011,579	179,011,579	-	0%	8%	9%
Total Liabilities	232,419,885	232,333,082	86,803	0%	11%	11%
Equity						
Capital stock	7,927,310,000	7,927,310,000	-	100%	371%	383%
Additional paid-in capital	2,039,727,799	2,039,727,799	-	100%	96%	99%
Subscription receivable	(4,962,580,586)	(4,962,580,586)	-	0%	-232%	-240%
Parent Company shares						
held by a subsidiary	(512,594,197)	(512,594,197)	-	100%	-24%	-25%
Other reserves	384,784,395	315,951,765	68,832,630	22%	18%	15%
Deficit	(2,974,228,670)	(2,972,488,493)	(1,740,177)	0%	-139%	-144%
Net Equity	1,902,418,741	1,835,326,288	67,092,453	4%	89%	89%
Total Liabilities and Equity	2,134,838,626	2,067,659,370	67,179,256	3%	100%	100%

Sinophil's total assets amounted to P2.135 billion as of March 31, 2014, which is higher by P0.67 billion (3%) compared to P2.068 billion as of December 31, 2013. The Company's total liabilities of P232.4 million as of March 31, 2014 were almost unchanged from total liabilities of P232.3 million as of December 31, 2013. Stockholders' equity increased by P67.1 million (4%), to P1.9 billion as of March 31, 2014 from P1.84 billion as of December 31, 2013. The increase in total assets and stockholders' equity were primarily due to P68.8 million in unrealized mark-to-market gains on available-for-sale investments during the three months ended March 31, 2014. There were no issuances of additional shares of stock, nor payment or declaration of dividends made, during the first quarter of 2014.

Below are the comparative key performance indicators of the Company and its subsidiaries:

	Manner by which the Company calculates the key performance indicators	March 31, 2014 (unaudited)	March 31, 2013 (unaudited)	December 31, 2013 (audited)
Current ratio	Current assets over current liabilities	1.70:1.00	1.82:1.00	1.74:1.00
Return on assets	Annualized net loss over average total assets during the period	(0.33%)	(0.28%)	(0.43%)
Return on equity	Annualized net loss over average stockholders' equity during the period	(0.37%)	(0.31%)	(0.47%)
Asset-to-equity ratio	Total assets over total equity	1.12:1.00	1.12:1.00	1.13:1.00
Debt to equity ratio	Total debt over total equity	Not applicable	Not applicable	Not applicable
Interest rate coverage ratio	Earnings before interest and taxes over interest expense	Not applicable	Not applicable	Not applicable

The Company does not foresee any liquidity problem over the next 12 months. The key performance indicators of the Company have not changed materially as compared to the same period last year.

As of March 31, 2014, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Company;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Company's continuing operations;
- Seasonal aspects that had a material impact on the Company's results of operations; and
- Material changes in the financial statements of the Company for the periods ended December 31, 2013 and March 31, 2014, except those mentioned above.

PART II - OTHER INFORMATION

Financial Risk Management

The Company's principal financial instruments comprise cash and AFS investments. The main purpose of these financial instruments is to help finance the Company's operations. The Company has other financial assets and liabilities such as receivables and accrued expenses and other current liabilities, which arise directly from its operations.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and equity price risk. The Company is not exposed to any other type of market risk as the Company has no outstanding foreign currency-denominated accounts and interest-bearing loans and borrowings as of March 31, 2014 and December 31, 2013.

The Board of Directors reviews and approves the policies for managing credit, liquidity and equity price risks and they are summarized below:

Credit Risk. Credit risk arises from the Company's financial assets which are composed of cash, receivables and AFS investments. It is the Company's policy that all credit terms are subject to credit verification and/or approval procedures. The Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company's credit risk is primarily with Belle, a major stockholder, of which outstanding balance covers at least 63% and 65% of the Company's total receivables as of March 31, 2014 and December 31, 2013, respectively.

Liquidity Risk. Liquidity risk arises from the possibility that the Company may encounter difficulties in meeting obligations associated with its accrued expenses and other current liabilities.

The Company seeks to manage its liquidity profile to be able to finance its investments and pay its outstanding liabilities. To cover its financing requirements, the Company uses internally generated funds.

The Company's accrued expenses and other current liabilities are payable on demand.

Fair Value of Financial Instruments

Set out below is a comparison by category of carrying values and fair values of all the Company's financial instruments.

	March 31, 2014		December 31, 2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Loans and Receivables				
Cash	₱1,108,108	₱1,108,108	₱925,039	₱925,039
Receivables and others:				
Advances to related parties	16,004,702	16,004,702	17,692,279	17,692,279
Nontrade and others	23,255	23,255	23,255	23,255
	₱17,136,065	₱17,136,065	₱18,640,574	₱18,640,574
AFS Investments				
Unquoted shares	₱1,000,011,100	₱1,000,011,100	₱1,000,011,100	₱1,000,011,100
Quoted shares	649,642,331	649,642,331	580,809,700	580,809,700
	1,649,653,431	1,649,653,431	1,580,820,800	1,580,820,800
	₱1,666,789,495	₱1,666,789,495	₱1,599,461,374	₱1,599,461,374

	March 31, 2014		December 31, 2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Loans and Borrowings				
Accrued expenses and other current liabilities*	₱53,357,252	₱53,357,252	₱53,249,280	₱53,249,280

*Excluding statutory payables amounting to ₱51,054 and ₱72,223 as at March 31, 2014 and December 31, 2013, respectively.

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's-length transaction, other than in a forced liquidation or sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models, as appropriate.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts of cash, receivables and others and accrued expenses and other current liabilities approximate their fair values due to the short-term nature of the transactions.

The fair values of AFS investments in quoted equity shares are based on quoted prices in the Philippine Stock Exchange as of reporting date. There are no quoted market prices for the unlisted shares of stock and there are no other reliable sources of their fair values, therefore, these are carried at cost, net of any impairment loss.

Other Required Disclosures

- A.) The attached interim financial reports were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computation followed

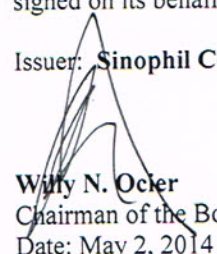
in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2013. The adoption of PFRS 9, Financial Instruments: *Classification and Measurement*, will have an effect on the classification and measurement of financial assets and liabilities. The Company will quantify the effect in conjunction with the other phases when issued, to present a comprehensive picture. As of March 31, 2014, the Company has decided not to early adopt PFRS 9 on its consolidated financial statements.

- B.) Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.
- C.) There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.
- D.) Except as disclosed in the MD&A, there were no other issuance, repurchases and repayments of debt and equity securities.
- E.) There were no material events that occurred subsequent to March 31, 2014 and up to the date of this report that need disclosure herein.
- F.) There were no changes in the composition of the Company during the interim period such as business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring, and discontinued operations.
- G.) There were no changes in contingent liabilities or contingent assets since December 31, 2013.
- H.) There exist no material contingencies and other material events or transactions affecting the current interim period.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

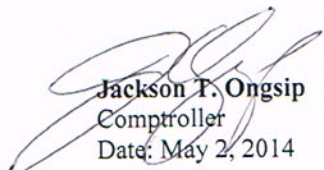
Issuer: **Sinophil Corporation**



Willy N. Ocler
Chairman of the Board
Date: May 2, 2014



Manuel A. Gana
President and Chief Operating Officer
Date: May 2, 2014



Jackson T. Ongsip
Comptroller
Date: May 2, 2014

SINOPHIL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Financial Position

	March 31, 2014	December 31, 2013
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash	P 1,108,108	P 925,039
Receivables and others	24,365,355	26,201,799
Other asset	65,501,280	65,501,280
Total Current Assets	90,974,743	92,628,118
Noncurrent Assets		
Available-for-Sale investments	1,649,653,431	1,580,820,800
Investment property	394,210,452	394,210,452
Total Noncurrent Assets	2,043,863,883	1,975,031,252
	P 2,134,838,626	P 2,067,659,370
LIABILITIES AND EQUITY		
Current Liabilities		
Accrued expenses and other current liabilities	P 53,408,306	P 53,321,503
Noncurrent Liability		
Due to Belle	179,011,579	179,011,579
Total Liabilities	P 232,419,885	P 232,333,082
Equity		
Capital Stock	7,927,310,000	7,927,310,000
Additional paid-in capital	2,039,727,799	2,039,727,799
Subscription receivable	(4,962,580,586)	(4,962,580,586)
Cost of Parent company shares held by a subsidiary	(512,594,197)	(512,594,197)
Other reserves	384,784,395	315,951,765
Deficit	(2,974,228,670)	(2,972,488,493)
Net Equity	1,902,418,741	1,835,326,288
	P 2,134,838,626	P 2,067,659,370

SINOPHIL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Three Months Ended March 31	
		2014	2013
		(Unaudited)	(Unaudited)
INCOME			
Interest income from cash in bank	P	192	P 408
GENERAL AND ADMINISTRATIVE EXPENSES		(1,740,370)	(1,489,947)
NET LOSS		(1,740,178)	(1,489,539)
OTHER COMPREHENSIVE INCOME (LOSS)			
Unrealized gains (loss) arising from changes in market value of available for sale investments during the quarter		68,832,631	78,379,684
TOTAL COMPREHENSIVE LOSS FOR THE QUARTER	P	67,092,453	P 76,890,145
Basic/Diluted Loss Per Common Share	P	(0.00022)	P (0.00019)

SINOPHIL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Three Months Ended March 31	
		2014	2013
		(Unaudited)	(Unaudited)
CAPITAL STOCK - P1 par value			
Authorized:			
Preferred - 6,000,000,000 shares			
Common - 10,130,000,000 shares			
Issued:			
Balance at beginning of year	P	3,096,990,785	P 3,096,440,785
Issuances		-	100,000
Balance at end of period		3,096,990,785	3,096,540,785
Subscribed:			
Balance at beginning of year		4,830,319,215	4,830,869,215
Issuances		-	(100,000)
Balance at end of period		4,830,319,215	4,830,769,215
Subscription receivable:			
Balance at beginning of year		(4,962,580,586)	(4,962,655,586)
Collections		-	75,000
Balance at end of period		(4,962,580,586)	(4,962,580,586)
		2,964,729,414	2,964,729,414
ADDITIONAL PAID-IN CAPITAL		2,039,727,799	2,039,727,799
Other Reserves			
Balance at beginning of year		374,270,753	395,071,490
Net Unrealized Mark-to-Market Gain on Available-for-Sale Investments		68,832,631	78,379,684
Balance at the end of period		443,103,384	473,451,174
SHARE IN CUMULATIVE TRANSLATION ADJUSTMENTS OF AN ASSOCIATE		(58,318,988)	(58,318,988)
PARENT COMPANY SHARES HELD BY A SUBSIDIARY		(512,594,197)	(512,594,197)
DEFICIT			
Balance at beginning of year		(2,972,488,493)	(2,963,753,826)
Net loss		(1,740,178)	(1,489,539)
Balance at end of period		(2,974,228,671)	(2,965,243,365)
	P	1,902,418,741	P 1,941,751,837

SINOPHIL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31	
	2014 (Unaudited)	2013 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	P (1,740,178)	P (1,489,539)
Adjustments for:		
Provisions for impairment of:		
Receivables and others	118,514	67,657
Interest income from cash in bank	(192)	(408)
Loss before working capital changes	(1,621,857)	(1,422,290)
Decrease in receivables and others	1,717,930	1,548,082
Increase (decrease) in accrued expenses and other current liabilities	86,803	245,257
Interest received	192	408
Net cash provided by operating activities	183,069	371,457
CASH FLOW FROM A FINANCING ACTIVITY		
Collection of subscription receivable	-	75,000
NET INCREASE IN CASH	183,069	446,457
CASH AT BEGINNING OF PERIOD	925,039	789,884
CASH AT END OF PERIOD	P 1,108,108	P 1,236,341

SINOPHIL CORPORATION
SCHEDULE OF RECEIVABLES, ADVANCES AND OTHER ASSETS
March 31, 2014

NAME	AMOUNT
Advances to Affiliates	16,004,701
Belle Corporation	15,237,817
Parallax Resources, Inc.	766,884
Total	<u>16,004,701</u>
Others	<u>18,255</u>
Total Receivables*	<u>16,022,956</u>
Other Current Assets	<u>8,342,398</u>
Total Receivables and Other Assets	<u>24,365,355</u>

**Total receivables consists of Advances to Affiliates and others which are collectible after more than 1 year.*