

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17 - Q

QUARTERLY REPORT PURSUANT TO SECTION 17
OF THE SRC AND SRC RULE 17 (2) (B) THEREUNDER

1. For the quarterly period ended June 30, 2008
2. Commission identification number 35841
3. BIR Tax Identification No. 500-000-158-664
4. Exact name of registrant as specified in its charter FILSYN CORPORATION
5. Province, country or other jurisdiction of incorporation or organization Makati City, Philippines
6. Industry Classification Code (SEC Use Only)
7. Address of registrant's principal office 14th Floor, Lepanto Building
Paseo de Roxas, Makati City
8. Registrant's telephone number, including area code (02) 815-93-20
9. Securities registered pursuant to Sections 8 and 12 of the SRC
- | Title of each Class | Number of shares of common
stock outstanding |
|---------------------|---|
| Class A Common | <u>123,747,707 shares fully paid</u> |
| Class B Common | <u>82,498,474 shares fully paid</u> |
10. Securities listed in the PSE 206,246,181 shares

FINANCIAL INFORMATION

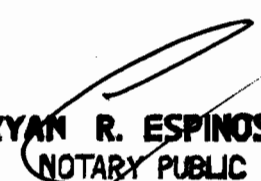
Please see attached Financial and Management Reports.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on AUG 11 2008.


APOLINARIO L. POSIO
Head of Internal Audit

SUBSCRIBED AND SWORN to before me this AUG 11 2008 day of _____ affiants exhibiting to me his Community Tax Certificates/Passport No. 19910026 issued on January 15, 2008 at Parañaque City.


RYAN R. ESPINOSA
NOTARY PUBLIC
UNTIL DEC. 31, 2008
TRIUM OF MAKATI/MAKATI AVE. MAKATI CITY
NOTARIAL COMMISSION NO. M-30
ROLL NO. 47548
IBP NO. 688752/11-22-2007/Q. C.
PTR NO. 0987178/01-4-2008/MAKATI CITY

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FILSYN CORPORATION
BALANCE SHEETS
(IN P000)

	Unaudited	Audited
	June 30	Dec. 31
	2008	2007
ASSETS		
Current Assets		
Cash and Cash Equivalents	32,078	12,996
Trade and other receivables-net	7,505	22,916
Other current assets	1,598	1,030
Total Current Assets	41,181	36,942
Investments and Advances - net	3,153	3,153
Prepaid retirement	28,557	28,557
Other Assets-net	930,322	930,322
	1,003,213	998,974
LIABILITIES AND CAPITAL DEFICIENCY		
Current Liabilities		
Trade and other payables	345,630	333,784
Restructured loans	930,132	930,132
Loans payable to a stockholder	123,840	123,840
	1,399,602	1,387,756
Deferred tax liability	78,325	78,325
Capital Deficiency		
Capital stock	1,031,231	1,031,231
Additional paid-in-capital	143,590	143,590
Deficit	(1,649,535)	(1,641,928)
	(474,714)	(467,107)
	1,003,213	998,974

FILSYN CORPORATION
STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007

	2008 (Unaudited)		2007 (Unaudited)	
	This Quarter	Year to Date	This Quarter	Year to Date
OPERATING EXPENSES	4,249	8,164	3,033	6,758
OTHER (INCOME) CHARGES - Net	(1,683)	(557)	1,539	2,864
NET LOSS	2,566	7,607	4,572	9,622

FILSYN CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007
(Amounts in Thousands)

		2008 (Unaudited)	2007 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	P	(7,607) P	(9,622)
Increase (Decrease) in:			
Other current assets		(14,843)	445
Trade and other payables		11,846	7,594
Net cash flows generated from operations		19,082	(2,473)
CASH AT BEGINNING OF PERIOD		12,996	14,804
CASH AT END OF PERIOD	P	32,078 P	12,331

FILSYN CORPORATION
STATEMENT OF CHANGES IN CAPITAL DEFICIENCY
For the Period ended June 30, 2008 and 2007
(In P000)

		<u>2008</u> (Unaudited)	<u>2007</u> (Unaudited)
CAPITAL STOCK - P5 par value			
Class A:			
Authorized -	144,000,000 shares		
Issued -	123,747,707 shares	P 618,739	P 618,739
Class B:			
Authorized -	96,000,000 shares		
Issued -	82,498,494 shares	<u>412,492</u>	<u>412,492</u>
		<u>1,031,231</u>	<u>1,031,231</u>
ADDITIONAL PAID-IN CAPITAL		<u>143,590</u>	<u>143,590</u>
DEFICIT			
Balance, beginning		1,641,928	1,647,259
Net loss for the period		<u>7,607</u>	<u>9,622</u>
		<u>1,649,535</u>	<u>1,656,881</u>
TOTAL CAPITAL DEFICIENCY		<u>P 474,714</u>	<u>482,060</u>

FILSYN CORPORATION
NOTES TO FINANCIAL STATEMENTS AND DISCLOSURES
June 30, 2008

BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

1. That the said interim financial statements as of June 30, 2008 have been prepared in accordance with accounting principles generally accepted in the Philippines as set forth in Philippine Standards Reporting Standards (PFRS)
2. a) That the accounting policies and methods adopted in said interim financial statements are the same as those used in the annual financial statements as of December 31, 2007.
b) The company is not in commercial operations.
c) The main sources of funds consist mainly of sale of old machinery and equipment and parts and warehouse rental income.
d) There was no major change in the financial interim statements reported.
e) There were no issuances, repurchases and repayments of debt and equity securities.
f) There were no dividends paid during the period.
g) There were no changes in the composition of the issuer during the interim period.
h) There were no changes in contingent liabilities and contingent assets since December 31, 2007.
i) There are no material contingencies and any other credits or transactions existing that will materially affect interim financial statements.

3. Aging Receivables:

<u>1-60 days</u>	<u>61-90 days</u>	<u>91-120 days</u>	<u>over 120 days</u>
-	-	-	7.5M

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

There has been no significant development on the status of negotiations with the creditors of the first and second Mortgage Trust Indenture. The Company has no formal communication with the creditors through the trustee.

The Company can satisfy its cash requirement for the next 12 months. The Company will not raise additional funds in the next 12 months.

The Company has no product research and developments for the term of the plan.

The Company cannot yet determine if its plant and significant equipment will be sold within the next 12 months. The Company will not purchase any plant or equipment within the next 12 months.

The Company does not expect any significant changes in the number of employees.

The Company's losses were due to non-commercial operations. The Company has no plan yet to resume commercial operations. In view of the non-commercial operation of the Company, there are no material key variable and other qualitative and quantitative factors nor performance indicators nor any major risks to consider.

There can be no comparable discussions to assess material changes during the interim period because of the non-commercial operation of the Company.

There are no events that will trigger direct or contingent financial obligation that is material to the Company. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) nor any other relationships with unconsolidated entities or other persons. There are no material commitments for capital expenditures.

There are no seasonal aspects that have material effect to the financial statements.