

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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

c/o Atty. Abner C. Gener, Jr.

Contact Person

7270431 / 7256328

Company Telephone Number

3	07
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Month
Fiscal Year

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Day

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FORM TYPE

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Month
Annual Meeting

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Day

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Secondary License Type; If Applicable

C	F	D
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Dept. Requiring this Doc.

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Amended Articles Number / Section

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Total No. of Stockholders

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

Cashier

PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements

Please refer to the attached financial statements marked Annexes A to D.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation for the Three-Month Period Ended March 31, 2007 and 2006

2.1 Developments:

In February 2007, the residential wing of the Company, Filinvest Land Inc. (FLI), achieved record-breaking success with its follow-on offering where it listed up to 3.7 billion new common shares at the Philippine Stock Exchange. The follow-on offering was more than five times oversubscribed, raising around \$204 million for both the primary and secondary offerings. The offering raised additional funds for FLI's P5 billion capital expenditure budget for 2007.

In the same month, the Company's commercial arm Filinvest Alabang, Inc (FAI) sold 2,509,852,590 of its 7,660,149,078 FLI shares at P1.60 per share to outside investors. Net income consideration received from this transaction amounted to P3.8 billion.

2.2 Results of Operations

The Company generated during the quarter a consolidated net income of P1.6B or 952% increase from last years' P150 million.

Real Estate Operations

Real estate operations contributed P2.8B in net revenue. This was higher by 268% compared to same period last year, mainly as a result of recognized extraordinary gain amounting to P1.7 billion arising from the sale of FLI shares by FAI as discussed above (2.1 *Developments*). The gain is included in Other Income under Revenues in the consolidated statements of income.

Gross profit improved by 42% driven by increase in sales of lots, condominium and residential units, which expanded by 62%. Mall and rental revenues grew by 8% attributed mainly to the escalation in rental rates in PBCOM Tower. Despite the increase in rate, occupancy remained at 100%.

Operating expenses were higher by P667 million or 125% as a result by and large of the expenses incurred for the sale of FLI shares by FLI, such as underwriting fees and the related taxes. Significant expenditures were also incurred for selling and marketing, EDP charges, taxes and licenses as a result of improved sales, and transportation as a result of FLI's additional regional projects.

Financial and Banking Operations

Financial and banking services recorded a positive growth of 12% in net revenues, contributing P372M to the total consolidated net revenue mainly supported by Interest Income, which grew by 32%. Higher interest income was mainly sourced from loans, credit card loans, and securities. Other Income slowed down by 54% as a result of losses incurred from trading government securities.

With the growth in the volume of business, operating expenses increased by 28% due to higher salary and employee benefits, and credit card service charges.

On the financials, total assets were at P95 billion, stockholders' equity at P46 billion while total liabilities at P49 billion, posting a conservative debt-to-equity ratio of 0.12:1 which was a remarkable improvement from 2006' year-end of 0.32:1

Total assets expanded by P9 billion largely due to increases in Cash and Cash Equivalents, Loans and Receivables, and Other Assets. Cash and Cash Equivalents ballooned to P15 billion or 71% higher than December 2006 level due to increase in overnight lendings of East West Bank (EWB), proceeds from rediscounting of receivables, and partial availment of credit loan facility. Loans and Receivables went up by P1.7 billion or 13% mainly credited to successful auto loan and credit card campaigns. The growth in Other Assets of P750 million was a temporary difference resulting from net inward/outward reconciliation in clearing accounts between bank branches which regularizes over 1 or 2 days depending on the volume of transactions.

Total liabilities remained steady at P49 billion. Serious efforts were made to retire higher-cost long-term debts with funds mainly sourced from FLI primary and secondary follow on offerings. Long-term debt went down significantly by P6 billion or 54%. Deposit liabilities meanwhile expanded to P27 billion or 9% increase due to successful deposit campaigns of EWB. Accounts and Accrued Expenses went up by P2.7 billion with the increased BSP Bills Purchase Payable used to support the higher reserve requirement by the Central Bank.

Interests of the Minority went up to P14 billion or by 183% caused by the issuance of new common shares by FLI and divestment of FLI shares by FAI resulting to a decline in consolidated effective ownership by the Company in FLI, from 65% to 47%.

The Company has no material commitments for capital expenditures, except for the ongoing development of its Seascope Project in Cebu, project developments of its real estate subsidiaries, and the initial expenses necessary for the new branches of its bank subsidiary which expenses can be adequately covered by the operating cash flow. There are no events or uncertainties that are reasonably expected to have a material impact on the Company's short term or long-term liquidity or on the Company's revenues from continuing operations.

(to follow)

Performance Indicators

	As of & for the Three-Month Period Ended March 31, 2007	As of December 31, 2006 & for the Three-Month Period Ended March 31, 2006
Earning per share (basic)	P 0.290 /share	P 0.023 /share
<hr/> Net Income (Annualized)		
Weighted average number of outstanding shares		
Price Earnings Ratio	17.25 times	124.96 times
<hr/> Closing Price		
Earnings Per Share		
Return on Gross Revenue	40.15%	9.24%
<hr/> Net Income		
Total Revenue		
Debt to equity ratio	0.12:1	0.32:1
<hr/> Notes Payable & Long-term Debt		
Total Stockholders' Equity		
EBITDA to Total Interest Paid	11.76 times	3.17 Times
<hr/> EBITDA		
Total Interest Payment		

Earnings per share was P0.29 while Price Earnings (PE) Ratio is 17.25 times. The growth in EPS is due to higher net income during the period. The decline in PE ratio was primarily due to the significant improvement in EPS, with the stock trading at a closing price of P5 per share in March 2007 versus P2.90 per share in the same period last year.

The higher net income pulled up Return on Gross Revenue by 31% and EBITDA to Total Interest Paid by 8.59 times.

Retirement of higher-cost long-term debts pulled down Debt-to-Equity ratio to 12:1.

Notes to Financial Statements

1. The attached interim consolidated financial statements are prepared in compliance with Philippine Financial Reporting Standards (PFRS). The accounting policies and methods of computation followed in the financial statements for the three-month period ended March 31, 2007 are the same as those followed in the annual financial statements of the Company for the year ended December 31, 2006.
2. The operating activities of the Company are carried out uniformly over the calendar year. There are no unusual operating cycles or seasons that will differentiate the operations for the period January to March 2007 from the operations for the rest of the year.
3. Except as disclosed in the Management's Discussion and Analysis of Financial Condition and Results of Operation, there are no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.

4. There are no changes in estimates of amounts reported in the previous period that have material effects in the current interim period.
5. Except for those discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no issuances, repurchases and repayments of debt and equity securities.
6. There were no dividends paid (aggregate or per share) separately for ordinary shares and other shares during the interim period.
7. The Company derives its revenues from the following reportable segments:

Real estate which involves acquisition of land, planning and development of large-scale fully integrated residential and commercial communities; development and sale of residential and commercial lots and the development and leasing of retail and office space and land in these communities; construction and sale of residential housing and condominiums and office buildings; development of farm estates, industrial and business parks; operation of cinema and mall; and property management.

Banking and financial services which involve commercial and banking operations, including generations of savings and time deposits in pesos and foreign currencies; commercial mortgage and agribusiness loans; payment services, provision of credit card facilities, fund transfer, international trade settlements and remittances from overseas workers; trust and investment services including portfolio management, unit funds, trust administration and estate planning; and safety deposit facilities.

Financial information on the operations of these business segments as of and for the three-month ended March 31, 2007 and 2006 are summarized in the attached Annex E.

8. Except as discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no material events subsequent to March 31, 2007 up to the date of this report that have not been reflected in the financial statements for the interim period.
9. There have been no changes in the composition of the Company during the interim period, such as business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.
10. There are no changes in contingent liabilities or contingent assets since December 31, 2006.
11. There are no material contingencies and any other events or transactions affecting the current interim period.

(to follow)

PART II -- OTHER INFORMATION


There are no other information required to be reported that have not been previously reported in SEC Form 17-C.

SIGNATURES

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 **FILINVEST DEVELOPMENT CORPORATION**

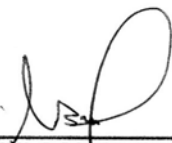
Signature



JOSEPHINE G. YAP
Chief Operating Officer & President

Date: **May 11, 2007**

Signature




NELSON M. BONA
Treasurer

Title

Date **May 11, 2007**

Signature



DESYREE D. TOBIAS
Accounting Manager

Title

Date: **May 11, 2007**

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in Thousands of Pesos)

ANNEX A

	March 31, 2007	DECEMBER 31, 2006
	UNAUDITED	AUDITED
ASSETS		
Cash and cash equivalents	14,813,119	8,671,394
Receivables	7,059,411	7,343,605
Loans and receivables	14,734,097	13,053,884
Subdivision lots, condominium and residential units for sale	8,063,064	7,882,048
Investments	5,732,004	5,596,371
Land and land development	18,558,325	18,824,671
Investment properties	22,343,050	22,070,224
Property and equipment - net	865,195	1,054,215
Other assets	2,450,683	1,700,182
TOTAL ASSETS	94,618,948	86,196,594
LIABILITIES AND EQUITY		
Liabilities		
Deposit liabilities	27,064,814	24,784,603
Accounts payable and accrued expenses	9,026,445	6,344,395
Income tax payable	-	11,027
Deferred tax liabilities	6,212,861	6,092,876
Long-term debt	5,433,000	11,709,180
Unrealized gross profit on installment sales	444,201	401,579
Estimated liability for land and property development	715,495	661,860
Total Liabilities	48,896,816	50,005,520
Equity		
Capital stock issued and outstanding	5,958,124	5,958,124
Additional paid-in capital	2,099,874	2,099,874
Revaluation increment	9,428,443	9,428,442
Retained earnings	14,174,419	13,791,364
Revaluation reserve of AFS financial assets	150,489	19,320
Treasury stock	(24,220)	(24,220)
Minority interest	13,935,003	4,918,169
Total Equity	45,722,132	36,191,073
TOTAL LIABILITIES AND EQUITY	94,618,948	86,196,594

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In Thousands of Pesos except EPS)

ANNEX B

	YEAR-TO-DATE	
	March 31, 2007 (Unaudited)	March 31, 2006 (Unaudited)
REVENUES		
Real Estate		
Sale of lots, condominiums, residential units, and club shares	961,689	595,633
Cost of sale	(468,838)	(249,223)
Gross Profit	492,851	346,411
Realized (Deferred) gross profit on prior (current) years ' sales	(43,389)	(40,051)
Mall and rental revenues	285,269	263,472
Other income	2,067,695	192,364
	2,802,426	762,195
Financial and Banking		
Interest income	581,301	441,033
Other income	79,203	171,861
Cost of services	(288,030)	(280,900)
	372,474	331,994
NET REVENUES	3,174,900	1,094,189
Operating expenses		
Real estate	1,201,344	534,566
Financial and banking	357,412	279,690
	1,558,756	814,256
INCOME BEFORE PROVISION FOR INCOME TAX	1,616,144	279,933
Provision for income tax	(37,551)	(129,873)
NET INCOME	1,578,593	150,060
Attributable to:		
Equity holders of the parent company	1,383,647	34,555
Minority interest	194,946	115,505
Earnings Per Share (EPS) - Annualized		
a. Net Income after net extraordinary gain	49,364	34,555
b. Net Income Annualized	1,726,686	138,219
c. Weighted average number of outstanding common shares	5,955,725	5,955,725
d. EPS	0.2899	0.0232

FILINVEST DEVELOPMENT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of Pesos)

ANNEX D

	Three months ended March 31	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	1,616,144	279,933
Adjustments to reconcile net income to net cash provided by operating activities:		
Interest expense	160,041	175,430
Interest income	(70,241)	(128,322)
Depreciation and amortization	105,709	101,417
Operating income before changes in operating assets and liabilities	1,811,653	428,458
Changes in operating assets and liabilities		
Decrease (increase) in assets:		
Receivables	(1,396,018)	(220,821)
Subdivision lots, condominiums, and residential units for sale	(181,016)	(139,609)
Land and land development	266,345	(317,361)
Other assets	(750,501)	(78,898)
Increase (decrease) in liabilities:		
Deposit liabilities	2,280,211	520,345
Accounts payable and accruals	2,682,050	401,582
Estimated liability for land and land development	53,635	189,100
Unrealized gross profit on installment sales	42,622	50,818
Net cash provided from operations	4,808,980	833,615
Interest received	70,241	128,322
Interest paid	(160,041)	(175,430)
Income tax paid	-	-
Net cash provided by operating activities	4,719,180	786,507
CASH FLOWS FROM INVESTING ACTIVITIES		
Net (increase) decrease in investments	(198,406)	(1,600,603)
Net (increase) decrease in investment property	(272,826)	66,958
Net (increase) decrease in property and equipment	189,021	(36,181)
Net cash used in investing activities	(282,211)	(1,569,826)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from availing (payment) of loans	(6,276,180)	363,819
Issuance of additional shares	7,980,936	
Net cash provided by (used in) financing activities	1,704,756	363,819
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	6,141,725	(419,500)
CASH AND CASH EQUIVALENTS, January 1	8,671,394	4,862,199
CASH AND CASH EQUIVALENTS, March 31	14,813,119	4,442,699

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES
 FINANCIAL INFORMATION ON OPERATIONS OF BUSINESS SEGMENTS
 For the Three-Months Period Ended March 31, 2007 and 2006 and as of December 31, 2006
 (In Thousands of Pesos)

ANNEX E

	Real Estate Operations		Banking and Financial Services		Combined		Eliminating		Consolidated	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Net Revenues	2,813,205	787,496	377,622	371,418	3,190,827	1,158,914	(15,928)	(64,725)	3,174,900	1,094,189
Net Income	1,847,223	91,746	17,468	73,445	1,864,691	165,191	(481,043)	(130,637)	1,383,647	34,555
Segment assets	99,879,796	92,216,035	35,872,585	25,719,260	135,752,381	117,935,295	(41,133,434)	(36,727,830)	94,618,948	81,207,465
Less deferred tax asset	194,871	8,035	437,595	524,820	632,466	532,855	-	-	632,466	532,855
Net segment assets	99,684,925	92,207,999	35,434,990	25,194,440	135,119,915	117,402,439	(41,133,434)	(36,727,830)	93,986,482	80,674,610
Segment liabilities	32,586,590	41,466,939	32,477,984	22,701,072	65,064,574	64,168,011	(16,167,758)	(18,447,669)	48,896,816	45,720,342
Less:										
Income tax payable	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	6,212,861	5,662,605	-	-	6,212,861	5,662,605	-	-	6,212,861	5,662,605
Net segment liabilities	26,373,729	35,804,334	32,477,984	22,701,072	58,851,714	58,505,406	(16,167,758)	(18,447,669)	42,683,955	40,057,737
Cash flows arising from										
Operating activities	(460,654)	(1,189,358)	4,703,805	402,080	4,243,151	(787,278)	476,029	1,573,785	4,719,180	786,507
Investing activities	3,655,887	895,283	(28,194)	(1,289,423)	3,627,693	(394,140)	(3,909,905)	(1,175,687)	(282,211)	(1,569,826)
Financing activities	(2,279,406)	363,819	500,000	-	(1,779,406)	363,819	3,484,162	0	1,704,756	363,819

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES
FINANCIAL INFORMATION ON OPERATIONS OF BUSINESS SEGMENTS

ANNEX F

As of March 31, 2007

(In Thousands of Pesos)

Type of receivable	Total	Current	2-3 Mos.	4-6 Mos.	7 Mos - 1 year	1 year over
a) Trade Receivables						
Mortgage, Notes and Installment Contracts Receivable	18,934,879	16,195,516	1,155,133	231,924	660,047	692,259
Receivable from Financing Institutions	526,672	526,672	-	-	-	-
Receivable from Customer	925	421	16	24	48	416
Rentals and others	1,152,034	947,254	39,781	27,135	32,254	105,611
Subtotal	20,614,509	17,669,862	1,194,930	259,083	692,349	798,286
Less: Allowance for Doubtful Accounts	(677,228)	(608,520)	(4,316)	(3,406)	(18,548)	(42,438)
	19,937,281	17,061,342	1,190,614	255,677	673,801	755,848
b) Non-trade Receivables						
Other Receivables	1,856,226	1,815,921	563	7,873	4,411	27,459
Net Receivables	21,793,508	18,877,263	1,191,177	263,550	678,213	783,306