Filinvest Development Corporation

15 May 2009

Philippine Stock Exchange
4/F Philippine Stock Exchange
Exchange Road, Ortigas Center
Pasig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Dear Ms. Encarnacion,

Please find attached Quarterly Report of Filinvest Development Corporation for the period ended March 31, 2009.

Very truly yours,

APOLLO M. ESCAREZ
Corporate Information Officer

COVER SHEET

					5	1	0	4	8

S.E.C. Registration Number

F I L I N V E S T D E V E L O P M E N T

C O R P O R A T I O N

(Company's Full Name)

1 7 3 P . G O M E Z S T .

S A N J U A N , M E T R O M A N I L A

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

c/o Atty. Pablito A. Perez	7270431 / 7256328
Contact Person	Company Telephone Number

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Month Fiscal Year | Day | FORM TYPE | Month Annual Meeting | Day

Secondary License Type; If Applicable

C	F	D

Dept. Requiring this Doc.

Amended Articles Number / Section

Total No. of Stockholders | Domestic | Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **March 31, 2009.**

2. Commission identification **Number 51048.** 3. BIR Tax Identification **No. 042-000-053-167.**

4. Exact name of registrant as specified in its charter: **FILINVEST DEVELOPMENT CORPORATION**

5. **Philippines**
Province, Country or other jurisdiction of incorporation of organization

6. **(SEC Use Only)**
Industry Classification Code:

7. **173 P. Gomez St., San Juan City**
Address of principal office

8. **727-04-31, 1500**
Registrant's telephone number, including area code

9. **Not applicable**
Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common stock, P1.00 par value	**7,505,725,452**
	P20,537 million long-term debt

11. Are any or all of these securities listed in the Philippines Stock Exchange?

Yes [**X**] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange **Common Stock**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Revised Securities Act (RSA) and SRC Rule 17 thereunder and Sections 11 of the RSA and RSA 11(a)-1 thereunder, and Sections 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 [**X**] No [ ]

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

Yes [**X**] No [ ]

PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements

Please refer to the attached financial statements consisting of Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statements of Changes in Equity and Consolidated Statements of Cash Flows.

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operation for the Three-Month Periods Ended March 31, 2009 and 2008

2.1 Results of Operations

Net income during the current interim period was P571 million which is 3% higher than the net income during the first quarter of last year of P554 million.

Real Estate Operations

Real estate operations contributed P1.2 billion in net revenues. Sale of lots, condominium and residential units and club shares during the current period amounted to P1.0 billion. Most of the journalized sales came from the middle income projects of FLI which include the Medium Rise Buildings (MRB). Mall revenues (from Festival Supermall and South Station), office space rental revenues (from PBCom Tower and Northgate Cyberzone) and other revenues (from Westgate, Fastbyte and lots for lease) went up by a total of 5% from P313 million to P329 million in 2009. Other income likewise increased by 52% because of higher parking fees, amusement revenues and interest income on installment contracts receivable and short term investments.

Operating expenses went up by 10% from P582 million to P640 million attributed to: (i) higher selling and marketing expenses caused primarily by additional sellers and other persons recruited to sell and promote the Group's real estate products, intensive selling and marketing campaigns and additional sales offices set up by FLI throughout the country as a consequence of its geographic diversification; (ii) increased general and administrative expenses because of higher maintenance costs of various properties, expenses of the mall operations, higher transportation and traveling expenses because of additional regional and provincial projects; and (iii) higher interest expense and other finance charges as the Group availed of additional loans during the last quarter of 2008 and current interim period to raise funds for the development of ongoing and upcoming projects such as the MRB projects, condominium and condotel buildings and the Seascapes Resort Town project in Cebu.

Financial and Banking Operations

Financial and banking services' net revenue went up by 43%, from P605 million in 2008 to P863 million in 2009. Net interest income amounted to P541 million for the first quarter of 2009, P134 million higher than last year. The increase in interest income came from higher loans, receivables and investments in fixed income securities. Other income also increased with the increase in service charges on loans, fees, commissions and trading and miscellaneous income.

With the growth in the volume of business, operating expenses increased by 38% principally from the increase in manpower and expanded operations costs.

Sugar Operations

Sugar operations contributed P80 million in net revenues during the current interim period. This is lower than last year's net revenues as the Company is waiting for the right time to dispose of its sugar inventories. Milling for the CY 2008-2009 started last November 2008 and is ongoing.

Net income during the period applicable to minority interests amounted to P245 million and to Parent, P326 million.

Financial Condition

As of March 31, 2009, total consolidated assets stood at P141.0 billion, total equity at P60.7 billion (including minority interest of P14.3 billion) and total liabilities at P80.3 billion. Debt-to-equity ratio was 0.44:1, higher than end of last year's 0.38:1 due to additional loans obtained in 2009 to partly finance the ongoing and upcoming development projects.

Total assets increased by 7% from P131.5 billion as of December 31, 2008. The following accounted for the significant movements in resources:

- Cash and cash equivalents decreased by P4.2 billion or (31%) mainly because of EWBC's lendings and purchases of additional investments in securities during the current interim period.

- Loans and receivables of the Bank increased by 18% or P3.9 billion to P25.4 billion as of March 31, 2009 because of higher term and auto loans, credit card receivables, bills purchased and unquoted debt securities.

- Loans and receivables of the Sugar manufacturing operations were higher by 77% due to advances made to planters, suppliers and employees in the ordinary course of business.

- The increase in sugar and molasses inventories of 54% represents raw sugar milled during the current interim period which remained unsold as of March 31, 2009 and materials and supplies purchased for the ongoing milling operations.

- Investments went up by P8 billion or 66% due to additional purchases by EWBC of available-for-sale and trading securities and acquisition of AIG Philam Savings Bank..

- Other assets went up by P2 billion or 80% due to EWBC's various sundry debits (SD-Resident-CM).

Total liabilities amounted to P80.3 billion as of March 31, 2009, up by 12% from P71.8 billion as of December 31, 2008. Volume of bank deposits went up by P3.4 billion or 10% due to increases in time and savings deposits generated. Long term debt totaled to P20.5 billion as of March 31, 2009 or 18% higher than the balance as of end 2008 as a result of the issuance by the Parent Company of P1.8 billion, fixed rate, five-year term commercial notes in February 2009. Accounts payable and accrued expenses also increased. The increase of 14% represents increase in bills and acceptance, accrued interest, taxes and other expenses, manager's checks and other deferred credits.

The Company has no material commitments for capital expenditures, except for the ongoing development of its Seascapes Resort Town project in Cebu and Beaufort project in Fort Bonifacio, Taguig City, project developments of its real estate subsidiaries, the initial expenses necessary for the new branches of its bank subsidiary and the ongoing expansion programs of the sugar subsidiaries which expenditures can be adequately covered by the operating cash flow and availments of medium and long term development loans out of existing available credit lines. 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.

Performance Indicators

	As of and for the Three-Month Period Ended March 31, 2009	**As of December 31, 2008 and for the Three-Month Period Ended March 31, 2008**

Earning per share	0.304	/share	0.295	/share
Net Income (Annualized)* / Weighted average number of outstanding shares				
Price Earnings Ratio	3.55	Times	11.85	Times
Closing Price / Earnings Per Share				
				a
Return on Net Revenue	27%		29%	
Net Income / Total Net Revenue				
Debt to equity ratio	0.44	: 1	0.38	: 1
Notes Payable & Long-term Debt / Total Stockholders' Equity				
EBITDA to Total Interest Paid	7.00	times	7.41	times
EBITDA / Total Interest Payment				

Earnings per share was P0.304 while Price Earnings (PE) Ratio was 3.55 times in 2009. Share price closed at P1.08 in 2009 and P3.50 in 2008.

Debt-to-equity ratio was 0.44:1 or slightly higher than 2008 because of additional loans obtained in 2009 while EBITDA to total interest paid slightly went down to 7.00 times from 7.41 times in 2008 mainly due to higher interest payments for the additional loans availed during the current period and first quarter of 2009.

Financial Assets and Liabilities

The following table sets forth the carrying values of financial assets and liabilities recognized as of March 31, 2009 and December 31, 2008. There were no material unrecognized financial assets and liabilities as of these dates.

Financial assets and liabilities

	March 31, 2009		December 31, 2008	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
	(In Thousands)			
Cash and cash equivalents	**9,385,646**	**9,385,646**	13,605,819	13,605,819
Loans and receivables				
Real estate operations				
Installment contracts receivables	**8,820,268**	**9,637,481**	6,531,726	6,869,830
Others receivables	**1,828,739**	**1,828,739**	4,470,428	4,470,428
	10,649,007	**11,466,220**	11,002,154	11,340,258
Financial and banking services				
Loans and discounts	**24,302,883**	**24,061,104**	20,829,213	20,673,728
Others	**1,111,349**	**1,111,349**	661,097	783,193
	25,414,232	**25,172,453**	21,490,310	21,456,921
Sugar operations	**545,309**	**545,309**	308,548	308,548
Total Loans and Receivables	**36,608,548**	**37,183,982**	32,801,012	33,105,727

Investments				
Available for sale	**8,736,433**	**8,736,433**	4,730,145	4,730,145
Held to maturity	**5,726,633**	**5,489,573**	5,628,247	5,158,283
Fiancial assets at FVPL	**2,048,146**	**2,048,146**	453,403	453,403
	16,511,212	**16,274,152**	10,811,795	10,341,831
	62,505,405	**62,843,780**	57,218,626	57,053,377
Deposit liabilities				
Demand	**10,825,730**	**10,825,730**	10,419,786	10,419,786
Savings	**6,080,711**	**6,080,711**	5,981,290	5,981,290
Time	**28,712,004**	**28,712,004**	16,931,151	16,910,447
	45,618,445	**45,618,445**	33,332,227	33,311,523
Accounts payable and accrued expenses	**14,157,584**	**14,157,584**	12,411,696	11,956,620
Long-term debt	**20,536,810**	**20,279,180**	17,425,610	17,257,489
	80,312,839	**80,055,209**	63,169,533	62,525,632

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are :

- Cash and cash equivalents: The carrying amounts approximate fair values considering that these accounts consist mostly of short-term deposits and floating rate placements.

- Loans and receivables: Fair value of loans and discounts is based on the discounted value of future cash flows using the applicable risk free rates and current incremental lending rates for similar types of receivables for real estate operations and financial and banking services, respectively while fair value of other receivables approximate the carrying value because of the short term nature of these receivables.

- HTM investments: Fair value equals the carrying value since these investments were marked to market as of March 31, 2009 and December 31, 2008. Fair values are generally based on quoted market prices. If the market prices are not readily available, fair values are estimated using either values obtained from independent parties offering pricing services or adjusted quoted market prices of comparable investments.

- AFS investments and trading securities: Carrying values approximate fair values since these securities were marked to market. Fair values were determined using quoted market prices at balance sheet dates; in the case of the investment in club project, the fair value could not be reliably determined and is presented at cost subject to impairment.

- Deposit liabilities: Fair values of liabilities approximate their carrying amounts due either to the demand nature or the relatively short-term maturities of these liabilities except for time deposit liabilities whose fair values are estimated using the discounted cashflow methodology.

- Accounts payable and accrued expenses: The fair value of accounts payable and accrued expenses approximates the carrying amounts because of the short-term nature of these accounts.

- Long-term debt: Estimated fair value of debts with fixed interest rates and not subjected to quarterly repricing is based on the discounted value of future cash flows using the applicable risk free rates for similar types of loans adjusted for credit risk. Long-term debt subjected to quarterly repricing is not discounted since it approximates fair value.

Financial Risk Management Objectives and Policies

The Group's principal financial instruments consist of cash and cash equivalents, loans and receivavles, AFS and HTM investments, loans from financial institutions, deposit liabilities and accounts payable. The main purpose of these financial instruments is to raise financing for the Group's operations.

The main objectives of the Group's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis;
- To minimize and mitigate such risks; and
- To provide a degree of certainty about costs.

Financial and Banking Operations

Risk Management

The risk management process is performed at the strategic, transaction and portfolio levels. At the strategic level, EWBC sets revenue goals and define its risk philosophy to create a risk culture within EWBC. Revenue goals are incorporated in the business plans putting emphasis on the identification and qualification of risk attendant to its various revenue activities. This emphasis on risks allows for basic reward/risk trade-off analyses not only in the budget process but also in a risk approval process. the resulting business plan will relate the amount of risks to be taken to achieve the desired revenue goals.

EWBC's activities are principally related to the use of financial instruments and are exposed to credit risk, liquidity risk and market risk, the latter being subdivided into trading and non-trading risks. It is also subject to operating risks. Forming part of a coherent risk management system are the risk concepts, trading tools, analytical models, statistical methodologies, historical studies and market analysis, which are being employed by EWBC. These stages constitute the essence of risk process that involves establishing core competencies in recognizing, dimensioning, assessing, limiting, assuming, managing, controlling and monitoring risks. It starts with risk identification covering the entire spectrum of risk-sensitive positions and ends with assessing the risk taking activities through performance metrics, which serve as rational basis for future business plans.

EWBC accepts deposits from customers at fixed rates, and for various periods, and seeks to earn above-average interest margins by investing these funds in high-quality assets. It also seeks to increase these margins by consolidating short-term funds and lending for longer periods at higher rates, while maintaining sufficient liquidity to meet all claims that might fall due.

EWBC trades in financial instruments where it takes positions in traded and over-the-counter instruments to take advantage of short-term market movements in bonds and in currency and interest rate. EWBC places trading limits on the level of exposure that can be taken in relation to both overnight and intra-day market positions.

Credit Risk

Credit risk refers to earnings or capital arising from an obligor/s, customer/s or counterparty's failure to perform and/or to meet the terms of any contract with the EWBC, subjecting EWBC to a financial loss. Credit risk may lasts for the entire tenor and set at the full amount of a transaction and in some cases may exceed the original principal exposures. The risk may arise from lendin, treasury, investments and other activities undertaken by EWBC. EWBC's credit risk and loan portfolio is managed by the Risk Management Group at the transaction, borrower, product and portfolio levels. EWBC has a structured and standardized credit rating and approval process according to the business and/or product segment. For large corporate credit transactions, the EWBC has a comprehensive procedure for credit evaluation, risk assessment and a well-defined concentration limits, which are established for each type of borrower.

The Risk Management Group (RMG) undertakes several functions with respect to credit risk such as independent credit analysis, including the portfolio risks associated with particular industry sectors, regions, loan size and maturity, and development of a strategy to achieve its desired portfolio mix and risk profile. It also ensures that the EWBC's credit policies and procedures are adequate and constantly evolving to meet the changing demands of the business. The RMG is also responsible for developing procedures to streamline and expedite the processing of credit applications.

The RMG reviews the EWBC's loan portfolio in line with EWBC's policy of not having significant concentrations of exposure to specific industries or group of borrowers. it monitors compliance to the BSP's limit on exposure to any single person or group of connected persons to an amount not exceeding 25.0% of the EWBC's adjusted capital accounts.

As of March 31, 2009 and December 31, 2008 the Bank's loans and discounts amounted to P25.4 billion and P21.5 billion respectively, net of allowance for probable losses of P98 million and P2.0 billion respectively.

Liquidity Risk and Funding Management

Liquidity risk is the risk that there are insufficient funds available to adequately meet all maturing liabilities, including demand deposits and off-balance sheet commitments.

To ensure that EWBC has sufficient liquidity at all times, the ALCO and the Treasurer formulate a contingency plan upon consolidation and approval of business strategies of each business unit. The contingency plan sets out the amount and the sources of funds (such as unused credit facilities) that are available to EWBC and the circumstances under which such funds will be used. The Treasurer periodically performs simulated stress tests that evaluate EWBC's ability to withstand a prolonged liquidity problem. Under a stress test, the potential cash flows resulting from, among other things, a potential early termination of financial instruments and a potential increase in withdrawals of deposits. Such potential cash outflows are then compared to the amount of funds that are available to determine the liquidity status of EWBC and of each business unit during a liquidity crisis. In performing such stress test, the Treasurer assumes certain customer and market behavior under adverse market conditions and circumstances under which reputation is tarnished. The Treasurer also determines the amount of committed credit lines that should be available to EWBC during a liquidity crisis.

EWBC also manages its short-term liquidity risks through the use of a Maximum Cumulative outflow ("MCO") limit, which limits the outflow of cash on a cumulative basis and on a tenor basis. To maintain sufficient liquidity in foreign currencies, an MCO limit is set for certain designated foreign currencies. The MCO limits are endorsed by the Risk Management Committee and approved by the BOD. EWBC takes a multi-tiered approach to maintaining liquid assets. EWBC's principal source of liquidity is comprised of Cash, Due From Other Banks, Due from the BSP and Short-Term Inter-bank Loans Receivable with maturities of less than one year. In addition to regulatory reserves, EWBC maintains a sufficient level of secondary reserves in the form of liquid assets such as short-term trading and investment securities that can be easily liquefied.

Market Risk

Market risk is the risk of future loss from changes in the value of a financial instrument held by EWBC. The primary sources of market risk for EWBC are price risk and liquidity risk. Price risk is the risk of a decrease in EWBC's earnings due to changes in the level or volatility of market factors, such as foreign exchange rates, interest rates, commodity prices or equity prices. Price risk is measured primarily through the Value-at-Risk ("VAR") model.

Treasury, in coordination with the Risk Management Department (RMD), develops a risk measurement and management process that is appropriate for EWBC's business and the Risk Management Committee (RMC) and the BOD approve such process. A product program manual, which sets out, among other things, a standardized process of measuring and managing price and liquidity risks, market risk limits, operational procedures and controls and approval procedures, is then prepared for each product.

The market risk limits of EWBC are segregated into price risk limits and liquidity risk limits. Price risk limits are applied at the business unit level and are endorsed by the RMC and approved by the BOD based on, among other things, a business unit's capacity to manage price risks, the size and distribution of the aggregate exposure to price risks and the expected return relative to price risks.

The Bank's investments in various securities are subject to market risks. As of September 30, 2008 and June 30, 2008, details of these investments are as follows (amount in thousands):

	March 31, 2009	December 31, 2008
Face value:		
Available for sale	**8,760,227**	4,780,205
Held to maturity	**5,726,633**	5,628,247
Financial assets at FVPL	**2,048,146**	453,403
	16,535,006	10,861,855
Marked to market provision		
Available for sale	**23,794**	50,061
	23,794	50,061
Net amount	**16,511,212**	10,811,794

Foreign Currency Risk
Foreign currency liabilities generally consist of foreign currency deposits in EWBC's FCDU.

Foreign currency deposits are generally used to fund EWBC's foreign currency-denominated loan and investment portfolio in the FCDU. Banks are required by the BSP to match the foreign currency assets with the foreign currency liabilities held through FCDUs. In addition, the BSP required a 30% liquidity reserve on all foreign currency liabilities held through FCDUs.

EWBC's policy is to maintain foreign currency exposure within acceptable limits and within existing regulatory guidelines. EWBC believes that its profile of foreign currency exposure on its assets and liabilities is within limits for financial institutions engaged in the type of businesses in which EWBC is engaged.

Total foreign currency assets amounted to US$307 million as of March 31, 2009 and US$137.7 million as of December 31, 2008. total foreign currency liabilities, on the other hand amounted to US$304 million as of March 31, 2009 and US$117.1 million as of December 31, 2008.

Interest Rate Risk
A critical element of risk management program consists of measuring and monitoring the risks associated with fluctuations in market interest rates on EWBC's net interest income. The short-term nature of its business and of its assets and liabilities reduces the exposure of its net interest income to such risks.

EWBC employs "Gap Analysis" to measure the interest rate sensitivity of its assets and liabilities. The asset/liability gap analysis measured, for any given period. the repricing gap is calculated by first distributing the assets and liabilities contained in EWBC's statement of condition into tenor buckets according to the time remaining to the next repricing date (or the time remaining to maturity if there is no repricing), and then obtaining the difference between the total of the repricing (interest rate sensitive) assets and repricing (interest rate sensitive) liabilities. If there is a positive gap, there is asset sensitivity which generally means that an increase in interest rates would have a positive effect on EWBC's net interest income. If there is a negative gap, this generally means that an increase in interest rates would have a negative effect on interest income.

A gap is considered negative when the amount of interest rate sensitive liabilities exceeds the amount of interest rate sensitive assets. A gap is considered positive when the amount of interest rate sensitive assets exceeds the amount of interest rate sensitive liabilities.

Accordingly, during a period of rising interest rates, a bank with a positive gap would be in a position to invest in higher yielding assets earlier than it would need to refinance its interest rate sensitive liabilities. During a period of falling interest rates, a bank with a positive gap would tend to see its interest rate sensitive assets repricing earlier than its interest rate sensitive liabilities, which may restrain the growth of its net income or result in a decline in net interest income.

<u>Real Estate and Sugar Operations</u>

Interest Rate Risk
The exposure to the risk for changes in market interest rates relates primarily to the Group's long-term debt obligations with a floating interest rate. The Group's interest rate exposure management policy centers on reducing the Group's overall interest expense and exposure to changes in interest rates. The Group's policy is to manage its interest cost using a mix of fixed and floating interest-rate debts. the Group regularly monitors available credit facilities in the market which is of lower interest rate and where possible substitutes higher-rate debts of the Group. The Group's long-term debt with floating interest rate usually mature after 3-5 years from the date of availment, while fixed term-loans mature after 5-7 years.

Of the total P20.5 billion loans outstanding as of March 31, 2009, P16.0 billion are on floating rate basis. The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant of the Group's profit before tax.

Increase (decrease) in basis points	Effect on annual income before tax
+ 200	(P320 million)
- 200	P320 million

Liquidity Risk
The Group seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Group intends to use internally generated funds and draw on available long-term and short-term credit facilities.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in the event any foreseeable requirements arise. Fund raising activities may include straight bank loans and capital market issuances. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions.

Overall, the Group's funding arrangements are designed to keep an appropriate balance between equity and debt, to ensure financing flexibility while continuously enhancing the Group's businesses.

Credit Risk
It is the Group's policy that buyers who wish to avail of the in-house financing scheme are subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, other receivables and AFS investments, the Group's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

Foreign Currency Risk
Financial assets and financing facilities extended to the Group were mainly denominated in Philippine Peso. As such, the Group's exposure to this type of risk is not materially significant.

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, 2009 are the same as those followed in the annual financial statements of the Company for the year ended December 31, 2008.

2. The consolidated financial statements include the financial statements of the Company and its subsidiaries together with the Group's proportionate share in its joint ventures. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies except for PSHC whose reporting period starts from October 1 and ends on September 30.

3. Except for the sugar operations, 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 2009 from the operations for the rest of the year. The milling activities of the subsidiaries engaged in sugar operations usually start in October and end in June of the following year.

4. Except as disclosed in the Management 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. There are no known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

5. There are no changes in estimates of amounts reported in the previous period that have material effects in the current interim period.

6. Except for those discussed in the Management Discussion and Analysis of Financial Condition and Results of Operations, there are no issuances, repurchases and repayments of debt and equity securities.

7. There were no other dividends paid (aggregate or per share) separately for ordinary shares and other shares during the interim period, except as discussed in the preceding sections of this report.

8. 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, current and time deposits in pesos and foreign currencies; commercial mortgage and agribusiness loans; payment services, provision of credit card facilities, fund transfers, 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.

   Sugar operations which involve planting and harvesting of sugar cane, milling of canes into raw sugar, conversion of raw sugar into refined sugar and trading of the products as well as the molasses by-product.

   Financial information on the operations of these business segments as of and for the three-month period ended March 31, 2009 and 2008 are summarized in the attached Annex E.

9. Except as discussed in the Management Discussion and Analysis of Financial Condition and Results of Operations, there are no material events subsequent to March 31, 2009 up to the date of this report that have not been reflected in the financial statements for the interim period.

10. 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, except as discussed in the Developments of the Company and Management Discussion on its Results of Operations.

11. There are no changes in contingent liabilities or contingent assets since December 31, 2008.

12. There are no material contingencies and any other events or transactions affecting the current interim period.

13. There are no known events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

14. There are no known material off-balance sheet transactions, arrangements, obligations including contingent liabilities, and other relationships of the Company, with unconsolidated entities or other persons created during the reporting period.

15. There are no significant elements of income or loss, except as discussed in the Management Discussion on the Results of Operations, that did not arise from the issuer's continuing operations.

16. There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

17. On January 23, 2009, EWBC and American International Group, Inc. and certain AIG subsidiaries, including the Philippine American Life and General Insurance Company and AIG Consumer Finance Group, entered into a Share Sale Agreement for EWBC to acquire all of the shares in AIGPASB Group. The Monetary Board of the BSP, in its resolution no. 334 dated February 26, 2009, approved the share sale transaction. The transaction, being conditioned upon the receipt of the approval, was closed on March 12, 2009. EWBC intends to apply with the required regulatory bodies for its merger with the AIGPASB Group and intends to attain full merger state not later than end of 2009.

18. On February 3, 2009, FLI signed an agreement with the Cebu City government to develop 50.6 hectares of the South Road Properties (SRP), a 300-hectare reclaimed land project located in the heart of the City. Under the Agreement, FLI will develop forty (40) hectares under a revenue sharing agreement with the Government. The 40 hectares will be developed in four phases over a 20-year period with FLI contributing the development costs, as well as the marketing and management services. Another 10.6 hectares will be purchased outright by FLI. The first payment has been made to the Cebu City Government in March 2009, with the balance payable over the nest six years. FLI plans to develop the 40 hectares mainly into cluster of mid rise residential building while the 10.6 hectares, which has a kilometer-long sea frontage, will be developed into three or four mixed-use clusters. The clusters will include hotels, commercial or retail space, offices and residential condominiums. the master plan for the property is being finalized and FLI expects to launch its first project by the end of 2009 or early 2010.

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

ANDREW T. GOTIANUN, JR.

Title Director

Date May 15, 2009

FRANCIS A. CALUAG

Title Chief Finance Officer

Date May 15, 2009

Signature

EFREN M. REYES

Title Controller

Date May 15, 2009

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES **(ANNEX A)**

CONSOLIDATED BALANCE SHEETS

(Amounts in thousands of Pesos)

	March 31, 2009 (Unaudited)	December 31, 2008 (Audited)
ASSETS		
Cash and cash equivalents	**9,387,018**	13,605,819
Loans and receivables - net		
Real estate operations	**10,649,007**	11,002,154
Financial and banking services	**25,414,232**	21,490,310
Sugar manufacturing operations	**545,309**	308,548
Subdivision lots, condominiums and residential units for sale	**10,692,687**	10,190,863
Sugar and molasses inventories	**442,040**	287,817
Investments	**20,111,160**	12,144,400
Land and land development	**19,927,946**	19,974,882
Investment property - net	**25,891,336**	25,951,311
Property and equipment - net	**3,633,106**	3,820,578
Deferred income tax assets	**665,626**	606,003
Goodwill	**10,233,522**	10,233,522
Other assets	**3,409,521**	1,894,089
	141,002,512	131,510,296
LIABILITIES AND EQUITY		
LIABILITIES		
Deposit liabilities	**39,124,582**	35,717,944
Accounts payable and accrued expenses	**14,157,584**	12,411,696
Income tax payable	**379,463**	191,485
Deferred income tax liabilities	**6,067,735**	6,082,008
Long-term debt	**20,536,810**	17,425,610
Total liabilities	**80,266,174**	71,828,743
EQUITY		
Equity attributable to equity holders of the parent		
Capital stock - P1 par value		
Common		
Authorized - 10,000,000,000 shares		
Issued - 7,508,123,852 shares	**7,508,124**	7,508,124
Additional paid-in capital	**11,709,875**	11,709,874
Revaluation increment in land	**46,331**	46,331
Revaluation reserve on investment property at deemed cost	**9,382,112**	9,382,112
Revaluation reserve on available-for-sale investments	**(35,785)**	(260,026)
Retained earnings	**17,815,911**	17,227,121
Translation adjustment		8,064
Treasury stock	**(24,220)**	(24,220)
Total	**46,402,349**	45,597,380
Minority interest	**14,333,990**	14,084,173
Total Equity	**60,736,338**	59,681,553
TOTAL LIABILITIES AND EQUITY	**141,002,512**	131,510,296

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES (ANNEX B)
CONSOLIDATED STATEMENTS OF INCOME - Unaudited
(Amounts in thousands of Pesos except earnings per share)

	Three-Month Period ended March 31	
	2009	2008
REVENUES		
Real Estate Operations		
Sale of lots, condominium and residential units and club shares	**1,026,797**	1,089,480
Cost of sale of lots, condominium and residential units and club shares	**(492,797)**	(497,047)
Gross profit	**534,000**	592,433
Mall and rental revenues	**328,827**	313,304
Other income	**294,437**	193,244
	1,157,264	1,098,981
Financial and Banking Services		
Interest income	**907,953**	663,243
Cost of financial and banking services	**(367,405)**	(256,516)
Other income	**322,448**	198,746
	862,996	605,473
Sugar Operations		
Sale of sugar	**153,673**	429,283
Cost of sale of sugar	**(87,226)**	(255,873)
Other income	**13,271**	3,771
	79,719	177,181
NET REVENUES	**2,099,979**	1,881,635
Operating Expenses		
Real estate operations	**640,480**	581,649
Financial and banking services	**704,559**	510,205
Sugar operations	**69,603**	71,882
	1,414,642	1,163,736
INCOME BEFORE INCOME TAX	**685,337**	717,899
PROVISION FOR INCOME TAX	**114,710**	163,729
NET INCOME	**570,627**	554,170
Attributable to:		
Equity holders of the parent company	**326,074**	323,908
Minority interest	**244,553**	230,262
	570,627	554,170
Basic/Diluted Earnings Per Share (Annualized)	**0.304**	0.295

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES **ANNEX C**
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY - Unaudited
(Amounts in thousands of Pesos)

	For the Three Months ended March 31	
	2009	2008
CAPITAL STOCK - P1 par value		
Common		
Authorized - 10,000,000,000 shares		
Issued - 7,508,123,852 shares	**7,508,124**	7,508,124
ADDITIONAL PAID-IN CAPITAL	**11,709,875**	11,709,874
REVALUATION INCREMENT IN LAND	**46,331**	46,331
REVALUATION RESERVE ON INVESTMENT PROPERTY AT DEEMED COST	**9,382,112**	9,549,201
REVALUATION RESERVE ON AVAILABLE-FOR-SALE INVESTMENT	**(35,785)**	26,672
RETAINED EARNINGS	**17,815,911**	14,711,915
TREASURY STOCK - at cost	**(24,220)**	(24,220)
Minority Interest	**14,333,990**	15,475,821
TOTAL STOCKHOLDERS' EQUITY	**60,736,338**	59,003,718

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES **(ANNEX D)**
CONSOLIDATED STATEMENTS OF CASH FLOWS - Unaudited
(Amount in thousands of Pesos)

	Three-Month Period ended March 31	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**685,337**	717,899
Adjustments for:		-
Interest income	**(140,310)**	(98,460)
Interest expense	**240,456**	127,311
Depreciation and amortization	**255,844**	147,260
Gain on conversion innvestment	**(78,413)**	-
Gain on sale of property and equipment	**(7,336)**	
Gain on asset foreclosure and dacion transactions	**(362)**	
Dividend income		(10)
Provision for probable losses	**98,010**	-
Provision for retirement benefits	**14,900**	8,477
Provision for impairment loss	**-**	43,333
Operating income before changes in operating assets and liabilities	**1,068,126**	945,810
Decrease (increase) in:		
Loans and receivables	**(3,807,536)**	(1,555,721)
Subdivision lots, condominiums and residential units for sale	**(501,824)**	(566,084)
Sugar inventories	**(154,223)**	40,347
Land and land development	**46,936**	(871,965)
Increase in:		-
Deposit liabilities	**3,406,638**	1,416,201
Accounts payable and accrued expenses	**1,671,992**	1,105,514
Net cash generated from operations	**1,730,109**	514,102
Income taxes paid	**(248,211)**	(144,747)
Net cash provided by operating activities	**1,481,898**	369,355
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in:		
Investments	**(7,966,760)**	(1,340,563)
Other assets	**(1,083,291)**	(246,769)
Interest received	**140,310**	24,535
Dividends received		10
Acquisition of investment property and property and equipment	**247,446**	(39,777)
Net cash provided by (used in) investing activities	**(8,662,296)**	(1,602,564)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	**(149,603)**	(129,613)
Net proceeds (payments) of long-term debt	**3,111,200**	257,100
Net cash provided by financing activities	**2,961,597**	127,487
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(4,218,801)**	(1,105,722)
Cash and Cash Equivalents at Beginning of period	**13,605,819**	14,883,643
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**9,387,018**	13,777,921

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES
FINANCIAL INFORMATION ON OPERATIONS OF BUSINESS SEGMENTS – Unaudited
For the Three-Month Periods Ended March 31, 2009 and 2008
(Amounts in Thousands)

	Real Estate Operations		Banking and Financial Services		Sugar Manufacturing Operations	
	2009	2008	**2009**	2008	**2009**	2008
	(Unaudited)		(Unaudited)		(Unaudited)	
Net Revenues	**1,217,509**	1,137,467	**846,071**	601,521	**80,083**	177,182
Net income	**481,022**	401,536	**107,327**	94,455	**(2,842)**	65,215
Segment assets	**129,438,003**	116,056,080	**59,772,956**	41,597,330	**3,419,688**	3,167,750
Less deferred tax asset	**-**	-	**636,470**	677,277	**29,156**	15,822
Net segment assets	**129,438,003**	116,056,080	**59,136,486**	40,920,053	**3,390,532**	3,151,928
Segment liabilities	**44,185,982**	34,782,053	**53,991,609**	35,811,673	**1,962,319**	1,923,972
Less:						
Income tax payable	**294,196**	152,606	**-**		**85,267**	92,203
Deferred tax liabilities	**5,880,560**	6,247,726	**1,250,000**		**187,174**	236,638
Net segment liabilities	**38,011,226**	28,381,721	**52,741,609**	35,811,673	**1,689,878**	1,595,131
Cash flows arising from:						
Operating activities	**363,020**	(1,006,701)	**(4,108,207)**	1,128,703	**(205,256)**	246,031
Investing activities	**(1,126,187)**	205,653	**(187,382)**	(1,533,525)	**(49,883)**	(100,045)
Financing activities	**(954,286)**	(1,097)	**875,001**	-	**-**	(17,442)

	Combined		Eliminating		Consolidated	
	2009	2008	2009	**2008**	2009	**2008**
	(Unaudited)		(Unaudited)		(Unaudited)	
Net Revenues	**2,143,664**	1,916,170	**43,685**	34,535	**2,099,979**	1,881,635
Net income	**585,507**	561,206	**14,879**	7,036	**570,627**	554,170
Segment assets	**192,630,647**	160,821,160	**51,629,508**	42,599,914	**141,001,140**	118,221,246
Less deferred tax asset	**665,626**	693,099	**-**	-	**665,626**	693,099
Net segment assets	**191,965,021**	160,128,061	**51,629,508**	42,599,914	**140,335,514**	117,528,147
Segment liabilities	**100,139,910**	72,517,698	**19,875,109**	43,300,170	**80,264,801**	29,217,528
Less:						
Income tax payable	**379,463**	244,809	**-**	-	**379,463**	244,809
Deferred tax liabilities	**7,317,735**	6,484,364	**1,250,000**	-	**6,067,735**	6,484,364
Net segment liabilities	**92,442,712**	65,788,525	**18,625,109**	43,300,170	**73,817,603**	22,488,355
Cash flows arising from:						
Operating activities	**(3,950,443)**	368,033	**(5,430,968)**	(1,320)	**1,480,525**	369,353
Investing activities	**(1,363,452)**	(1,427,917)	**7,298,844**	174,647	**(8,662,296)**	(1,602,564)
Financing activities	**(79,285)**	(18,539)	**(3,040,882)**	(146,026)	**2,961,597**	127,487

FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES **ANNEX F**

AGING OF LOANS AND RECEIVABLES - Unaudited

As of March 31, 2009

(Amounts in thousands of Pesos)

Type of receivable	**Total**	**Current**	**2-3 Mos.**	**4-6 Mos.**	**7 Mos - 1 year**	**1 year over**	**Past due accts. Item in litigation**
a) Trade Receivables							
Mortgage, Notes and Installment Contracts	-	-	-	-	-	-	-
Receivable	7,250,848	7,169,833	20,544	4,845	55,626	-	-
Receivable from Financing Institutions	452,507	452,507	-	-	-	-	-
Receivable from Customer	25,414,232	22,801,586	529,842	297,837	288,743	1,004,841	491,383
Rentals and others	1,231,457	1,091,774	12,522	6,135	18,065	102,961	-
	34,349,044	31,515,700	562,908	308,817	362,434	1,107,802	491,383
Less: Allowance for Doubtful Accounts	100,330	12,363	2,139	818	1,676	83,334	-
	34,248,714	**31,503,337**	**560,769**	**307,999**	**360,758**	**1,024,468**	**491,383**
b) Non-trade Receivables							
Other Receivables	2,177,493	1,818,310	64,443	80,351	37,498	176,892	-
Net	**2,177,493**	**1,818,310**	**64,443**	**80,351**	**37,498**	**176,892**	**-**
Net Receivables	**36,426,207**	**33,321,647**	**625,212**	**388,350**	**398,256**	**1,201,360**	**491,383**