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SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No. 0000190385
Company Name FILIPINO FUND, INC.
Industry Classification
Company Type Stock Corporation

Document Information

Document ID 111062014001245
Document Type 17-Q (FORM 11-Q: QUARTERLY REPORT/FS)
Document Code 17-Q
Period Covered September 30, 2014
No. of Days Late 0
Department CFD
Remarks

COVER SHEET

A S 0 9 1 1 9 0 3 8 5

SEC Registration Number

F I L I P I N O F U N D . I N C .

(Company's Full Name)

U n i t 1 0 0 9 - 1 0 1 1 , T o w e r O n e & E x c h a
n g e P l a z a , A y a l a T r i a n g l e , A y a l a
A v e n u e , M a k a t i C i t y

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

Natividad P. Chua

(Contact Person)

856-5801 to 03

(Company Telephone Number)

1 2 3 1

Month Day
(Fiscal Year)

SEC FORM 17-Q

(Form Type)

Month Day
(Annual Meeting)

(Secondary License Type, If Applicable)

CFD

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document ID

LCU

Cashier

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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 *September 30, 2014*

2. Commission identification number *AS091-190385*

3. BIR Tax Identification No. *002-284-545-000*

4. Exact name of issuer as specified in its charter
FILIPINO FUND, INC.

5. Province, country or other jurisdiction of incorporation or organization
METRO MANILA, PHILIPPINES

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office Postal Code
UNITS 1009-1011 TOWER ONE, AYALA TRIANGLE,
AYALA AVE., MAKATI CITY *1226*

8. Issuer's telephone number, including area code
(632) 856-5801

9. Former name, former address and former fiscal year, if changed since last report
N/A

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding
<i>Common Stock A</i>	<i>50,167,397</i>

11. Are any or all of the securities listed on a Stock Exchange?

Yes No *PHILIPPINE STOCK EXCHANGE*

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No

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

Yes No

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial Statements attached.

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

Total assets as of end of third quarter amounted to P237.70 million, an increase of 7.17% versus the P221.80 million for the year ended December 31, 2013. Deducting liabilities of P3.22 million, net assets totaled P234.48 million as of end of quarter, an increase of 17.02 million from P217.46 million as of the end of last year. This resulted to net asset value per share (NAVPS) of P4.674 against P9.119 as of the end of last year wherein total number of share outstanding is 23,846,850 before distribution of stock dividends to the shareholders on February 24, 2014 resulting to total outstanding shares of 50,167,397.

Operations as of end of quarter resulted to a net income of P17.02 million. This is attributed to net realized trading gains from sale of financial assets amounting to P12.60 million, interest income and dividend income of P1.98 million; total unrealized gain from equity of P7.73 million and operating expenses amounted to P5.29 million as of September 30, 2014.

In the interim, there were no known trends, demands, commitments, events or uncertainties that will have material impact in the company's liquidity, nor ones that have had or that are reasonably expected to have a favorable or unfavorable impact on revenue or income from continuing operations. There were no events that would trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of obligations. There were no off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the period. There were, likewise, no significant elements of income or loss that did not arise from the company's continuing operations.

Key Performance Indicators:

- NAV growth – NAV growth of FFI should be at least be in line with other similarly managed funds. Total net asset value of FFI increased by 7.83% from December 31, 2013 to September 30, 2014.
- Income (or Loss) per share – income (or loss) per share is computed as Net Investment Income (or Loss) divided by the weighted average number of shares outstanding. As of the end of the third quarter of 2014, income amounted to P0.34 per share versus earnings per share of (P0.39) in the same period of 2013.
- Portfolio Quality – The Funds' portfolio should, at all times, adhere to the investment parameters as indicated in the Funds' prospectus. The Fund invests in a mix of high grade fixed income investments and local equities.
- Expense Ratio – expense ratio is computed as Operating Expense divided by Net Asset Value. As of end of the third quarter of 2014, the Funds' expense ratio is 2.20%.
- Market Price (MP) to Net Asset Value (NAV) – Premium of MP to NAV as of the end of third quarter of 2014 is 47.63% vs end of 2013 of 64.67%.

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.

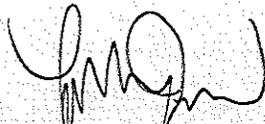
Issuer : *FILIPINO FUND, INC. ("FFI")*

Signature and Title : 

NATIVIDAD P. CHUA
For: Vicsal Investment, Inc.
As Fund Manager of FFI

Date : October 31, 2014

Principal Financial / Accounting Officer / Controller :


FRANK S. GAISANO
Treasurer


Date : October 31, 2014

FILIPINO FUND, INC.

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements Required Under SRC Rule 68.1

Notes to Interim Financial Statements:

As of September 30, 2014

1. The interim financial report is in conformity with Philippine Financial Reporting Standards (PFRS).
2. The accounting policies adopted by the Fund are consistent with those of the previous financial year except for the following new and amended PFRSs, PASs and Philippine Interpretations which were adopted as of January 1, 2013.

PFRS 13, Fair Value Measurement

PFRS 13 establishes a single source of guidance under PFRSs for all fair value measurements. PFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under PFRS. PFRS 13 defines fair value as an exit price. PFRS 13 also requires additional disclosures.

Additional disclosures, where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined. Fair value hierarchy is provided in Note 5.

The issuance of and amendments to the following standards did not have any impact on the accounting policies, financial position and performance, or the financial statement disclosures of the Fund:

New and amended standards and interpretations

- PFRS 1, *First-time Adoption of International Financial Reporting Standards – Government Loans (Amendments)*
 - PFRS 7, *Financial instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments)*
 - PFRS 10, *Consolidated Financial Statements*
 - PFRS 11, *Joint Arrangements*
 - PFRS 12, *Disclosure of Interests in Other Entities*
 - PAS 1, *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income or OCI (Amendments)*
 - PAS 19, *Employee Benefits (Revised)*
 - PAS 27, *Separate Financial Statements*
 - PAS 28, *Investments in Associates and Joint Ventures*
 - Philippine Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine*
3. There were no items of unusual nature, size or incident, which occurred in the interim period affecting assets, liabilities, equity, net income or cash flow.
 4. The preparation of financial statements in compliance with PFRS requires the Fund to make use of estimated, assumption and judgments that affect the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and liabilities, if any. Future events may occur which can cause the assumptions used in arriving at the estimates to change. The effects of any change in estimated are reflected in the financial statements as they become reasonably determinable.

5. There were no issuances, repurchases, and repayments of debt and equity securities that have a material effect on the interim financial report.
6. On March 19, 2013, the Fund declared a Php0.20 cash dividend per share for stockholders on record as of April 04, 2013 and was paid on April 30, 2013.

Also on March 19, 2013, subject to the approval of the SEC and the shareholders, the Board of Directors declared the issuance of stock dividends to shareholders of record on the fifteenth (15th) day counted from the approval by the SEC of the increase in the authorized capital stock, 26,320,547 shares of stock of FFI, with an aggregate par value of Php26,320,547.00, to be distributed to the stockholders as of said record date within eighteen (18) trading days after the record date, in proportion to their respective stockholdings as of said record date, provided that any fraction of a share shall be deemed to have not been issued. Any fractional share shall be rounded down to the nearest whole number. The record date was set on January 28, 2014 and the stock dividends were distributed to the shareholders on February 24, 2014.

The Company's declaration of cash/stock dividends in the future will depend on the Company's investment requirements, and unrestricted retained earnings, at the relevant time. This is the only restriction which may limit the Company's ability to pay/declare cash/stock dividends.

7. For management purposes, the Fund is organized into one main operating segment, which invests in equity securities and debt instruments. All of the Fund's activities are interrelated and interdependent. Accordingly, all significant reporting decisions are based upon the analysis of the Fund as one segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.
8. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are recognized in the financial statements but disclosed when an inflow of economic benefits is probable.
9. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
10. The attached interim financial reports were prepared in accordance with the accounting standards generally accepted in the Philippines. The Fund will adopt the Standards and Interpretations enumerated below when these become effective. Except as otherwise indicated, the Fund does not expect the adoption of these new and amended PFRSs and Philippine Interpretations to have significant impact on its financial statements.
 - PAS 36, *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets* (Amendments) – These amendments remove the unintended consequences of PFRS 13 on the disclosures required under PAS 36. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which impairment loss has been recognized or reversed during the period. These amendments are effective retrospectively for annual periods beginning on or after January 1, 2014 with earlier application permitted, provided PFRS 13 is also applied.
 - *Investment Entities* (Amendments to PFRS 10, PFRS 12 and PAS 27) - These amendments are effective for annual periods beginning on or after January 1, 2014. They provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under PFRS 10. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss.

- Philippine Interpretation 21, *Levies* (Philippine Interpretation 21) -Philippine
- Interpretation 21 clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. Philippine Interpretation 21 is effective for annual periods beginning on or after January 1, 2014.
- PAS 39, *Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting* (Amendments) – These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments are effective for annual periods beginning on or after January 1, 2014.
- PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities* (Amendments) –The amendments clarify the meaning of “currently has a legally enforceable right to set-off” and also clarify the application of the PAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments to PAS 32 are to be retrospectively applied for annual periods beginning on or after January 1, 2014.
- PAS 19, *Employee Benefits – Defined Benefit Plans: Employee Contributions* (Amendments) – The amendments apply to contributions from employees or third parties to defined benefit plans. Contributions that are set out in the formal terms of the plan shall be accounted for as reductions to current service costs if they are linked to service or as part of the remeasurements of the net defined benefit asset or liability if they are not linked to service. Contributions that are discretionary shall be accounted for as reductions of current service cost upon payment of these contributions to the plans. The amendments to PAS 19 are to be retrospectively applied for annual periods beginning on or after July 1, 2014.
- *Annual Improvements to PFRSs (2010-2012 cycle)*
- The *Annual Improvements to PFRSs (2010-2012 cycle)* contain non-urgent but necessary amendments to the following standards:
 - PFRS 2, *Share-based Payment – Definition of Vesting Condition* – The amendment revised the definitions of vesting condition and market condition and added the definitions of performance condition and service condition to clarify various issues. This amendment shall be prospectively applied to share-based payment transactions for which the grant date is on or after July 1, 2014.
 - PFRS 3, *Business Combinations – Accounting for Contingent Consideration in a Business Combination* – The amendment clarifies that a contingent consideration that meets the definition of a financial instrument should be classified as a financial liability or as equity in accordance with PAS 32. Contingent consideration that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of PFRS 9 (or PAS 39, if PFRS 9 is not yet adopted).The amendment shall be prospectively applied to business combinations for which the acquisition date is on or after July 1, 2014.

- PFRS 8, *Operating Segments – Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets*– The amendments require entities to disclose the judgment made by management in aggregating two or more operating segments. This disclosure should include a brief description of the operating segments that have been aggregated in this way and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics. The amendments also clarify that an entity shall provide reconciliations of the total of the reportable segments' assets to the entity's assets if such amounts are regularly provided to the chief operating decision maker. These amendments are effective for annual periods beginning on or after July 1, 2014 and are applied retrospectively.
- PFRS 13, *Fair Value Measurement – Short-term Receivables and Payables*– The amendment clarifies that short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial.
- PAS 16, *Property, Plant and Equipment – Revaluation Method – Proportionate Restatement of Accumulated Depreciation* – The amendment clarifies that, upon revaluation of an item of property, plant and equipment, the carrying amount of the asset shall be adjusted to the revalued amount, and the asset shall be treated in one of the following ways:
 - The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. The accumulated depreciation at the date of revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account any accumulated impairment losses.
 - The accumulated depreciation is eliminated against the gross carrying amount of the asset.
- The amendment is effective for annual periods beginning on or after July 1, 2014. The amendment shall apply to all revaluations recognized in annual periods beginning on or after the date of initial application of this amendment and in the immediately preceding annual period.
- PAS 24, *Related Party Disclosures – Key Management Personnel*– The amendments clarify that an entity is a related party of the reporting entity if the said entity, or any member of a group for which it is a part of, provides key management personnel services to the reporting entity or to the parent company of the reporting entity. The amendments also clarify that a reporting entity that obtains management personnel services from another entity (also referred to as management entity) is not required to disclose the compensation paid or payable by the management entity to its employees or directors. The reporting entity is required to disclose the amounts incurred for the key management personnel services provided by a separate management entity. The amendments are effective for annual periods beginning on or after July 1, 2014 and are applied retrospectively. The amendments affect disclosure only and have no impact to the Fund's financial statements.
- PAS 38, *Intangible Assets – Revaluation Method – Proportionate Restatement of Accumulated Amortization*–The amendments clarify that, upon revaluation of an intangible asset, the carrying amount of the asset shall be adjusted to the revalued amount, and the asset shall be treated in one of the following ways:

- The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. The accumulated amortization at the date of revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account any accumulated impairment losses.
- The accumulated amortization is eliminated against the gross carrying amount of the asset.
- The amendments also clarify that the amount of the adjustment of the accumulated amortization should form part of the increase or decrease in the carrying amount accounted for in accordance with the standard.
- The amendments are effective for annual periods beginning on or after July 1, 2014. The amendments shall apply to all revaluations recognized in annual periods beginning on or after the date of initial application of this amendment and in the immediately preceding annual period.
- *Annual Improvements to PFRSs (2011-2013 cycle)*
- The *Annual Improvements to PFRSs (2011-2013 cycle)* contain non-urgent but necessary amendments to the following standards:
 - PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards – Meaning of ‘Effective PFRSs’* – The amendment clarifies that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but that permits early application, provided either standard is applied consistently throughout the periods presented in the entity’s first PFRS financial statements.
 - PFRS 3, *Business Combinations – Scope Exceptions for Joint Arrangements* – The amendment clarifies that PFRS 3 does not apply to the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself. The amendment is effective for annual periods beginning on or after July 1, 2014 and is applied prospectively.
 - PFRS 13, *Fair Value Measurement – Portfolio Exception*– The amendment clarifies that the portfolio exception in PFRS 13 can be applied to financial assets, financial liabilities and other contracts. The amendment is effective for annual periods beginning on or after July 1, 2014 and is applied prospectively.
 - PAS 40, *Investment Property* – The amendment clarifies the interrelationship between PFRS 3 and PAS 40 when classifying property as investment property or owner-occupied property. The amendment stated that judgment is needed when determining whether the acquisition of investment property is the acquisition of an asset or a group of assets or a business combination within the scope of PFRS 3. This judgment is based on the guidance of PFRS 3. This amendment is effective for annual periods beginning on or after July 1, 2014 and is applied prospectively.
 - PFRS 9, *Financial Instruments*–PFRS9,as issued, reflects the first and third phases of the project to replace PAS 39 and applies to the classification and measurement of financial assets and liabilities and hedge accounting, respectively. Work on the second phase, which relate to impairment of financial instruments, and the limited amendments to the classification and measurement model is still ongoing, with a view to replace PAS 39 in its

entirety. PFRS 9 requires all financial assets to be measured at fair value at initial recognition. A debt financial asset may, if the fair value option (FVO) is not invoked, be subsequently measured at amortized cost if it is held within a business model that has the objective to hold the assets to collect the contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments are subsequently measured at fair value through profit or loss. All equity financial assets are measured at fair value either through other comprehensive income (OCI) or profit or loss. Equity financial assets held for trading must be measured at fair value through profit or loss. For liabilities designated as at FVPL using the fair value option, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change relating to the entity's own credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other PAS 39 classification and measurement requirements for financial liabilities have been carried forward to PFRS 9, including the embedded derivative bifurcation rules and the criteria for using the FVO. The adoption of the first phase of PFRS 9 will have an effect on the classification and measurement of the Fund's financial assets, but will potentially have no impact on the classification and measurement of financial liabilities.

- On hedge accounting, PFRS 9 replaces the rules-based hedge accounting model of PAS 39 with a more principles-based approach. Changes include replacing the rules-based hedge effectiveness test with an objectives-based test that focuses on the economic relationship between the hedged item and the hedging instrument, and the effect of credit risk on that economic relationship; allowing risk components to be designated as the hedged item, not only for financial items, but also for non-financial items, provided that the risk component is separately identifiable and reliably measurable; and allowing the time value of an option, the forward element of a forward contract and any foreign currency basis spread to be excluded from the designation of a financial instrument as the hedging instrument and accounted for as costs of hedging. PFRS 9 also requires more extensive disclosures for hedge accounting.
- PFRS 9 currently has no mandatory effective date. PFRS 9 may be applied before the completion of the limited amendments to the classification and measurement model and impairment methodology. The Fund will not adopt the standard before the completion of the limited amendments and the second phase of the project.
- Philippine Interpretation 15, *Agreements for the Construction of Real Estate*—This interpretation covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The SEC and the Financial Reporting Standards Council (FRSC) have deferred the effectivity of this interpretation until the final Revenue standard is issued by the International Accounting Standards Board (IASB) and an evaluation of the requirements of the final Revenue standard against the practices of the Philippine real estate industry is completed.

FILIPINO FUND, INC.
BALANCE SHEETS

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	As of 30-Sep-14	As of 31-Dec-13 (Audited)
ASSETS		
Cash in Bank	9,507,957	1,962,751
Financial Assets:		
Fixed Rate Treasury Note	-	33,722,319
Unit Investment Trust Funds	111,790,078	2,887,502
Equity Securities	115,820,457	140,408,372
Receivables	105,537	42,547,809
Other Assets	471,236	272,762
Total Assets	237,695,266	221,801,515
LIABILITIES		
Accounts Payable and Accrued Expenses	3,216,930	4,345,260
NET ASSETS BEFORE RESERVE FOR MARKET RISK	234,478,336	217,456,255
ADJUSTMENT FOR MARKET RISK	-	-
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	234,478,336	217,456,255
NET ASSET VALUE PER SHARE (Net Assets divided by Outstanding shares)	4.674	9.119
Capital Stock		
Authorized and Issued 105,272,397 shares (Outstanding 50,167,397)		
Reduction in capital stock as a result of financial restructuring		
78,951,850 shares at P1 par value per share (Outstanding 23,846,850 shares) in 2	105,272,397	105,272,397
	105,272,397	105,272,397
Paid in surplus	94,361,124	94,361,124
Accumulated (decrease) increase in net assets resulting from operations		
Beginning,	67,021,059	109,618,043
Common dividends		(31,089,916)
Contributions		
Withdrawal		
Net increase (decrease) in net assets resulting from operations	17,022,081	(11,507,068)
Ending	84,043,140	67,021,059
Treasury stock, at cost -55,105,000 shares	(49,198,325)	(49,198,325)
	234,478,336	217,456,255

FOR: VICSAL INVESTMENT, INC.

As Fund Manager of Filipino Fund, Inc. (FFI)

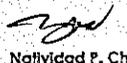


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
STATEMENT OF COMPREHENSIVE INCOME

	For the Nine Month Ending		For the Quarter Ending	
	30-Sep-14	30-Sep-13	30-Sep-14	30-Sep-13
INVESTMENT INCOME				
Net realized gain from sale of financial asset of FVPL	12,598,681	31,201,112	2,162,000	2,704,136
Gain on market-to-market valuation of financial assets of FVPL	7,731,985	(39,144,696)	3,145,430	(10,596,967)
Interest	731,676	2,251,619	7,792	851,821
Dividends and Other Income	1,248,851	2,646,765	390,673	304,456
	<u>22,311,193</u>	<u>(3,045,200)</u>	<u>5,695,894</u>	<u>(6,736,555)</u>
OPERATING EXPENSE				
Management fee	1,123,600	1,771,283	-	617,000
Meetings	87,933	106,760	-	-
Professional fees	1,136,847	1,257,246	298,386	490,960
Membership Fees and Dues	275,412	250,000	17,412	-
Directors' Fees	323,529	382,353	-	-
Commission and Other Transaction Fees	1,403,761	1,694,132	255,887	154,763
Miscellaneous	807,721	558,741	161,899	867
	<u>5,158,803</u>	<u>6,020,514</u>	<u>733,584</u>	<u>1,263,589</u>
NET INCOME/(LOSS) BEFORE TAX	<u>17,152,390</u>	<u>(9,065,714)</u>	<u>4,962,310</u>	<u>(8,000,144)</u>
PROVISION FOR INCOME TAX	(1,781)			
PROVISION FOR FINAL TAX	(128,529)	(215,600)	(1,558)	(101,770)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	<u>17,022,081</u>	<u>(9,281,313)</u>	<u>4,960,752</u>	<u>(8,101,914)</u>
EARNINGS PER SHARE	<u>0.34</u>	<u>(0.39)</u>	<u>0.10</u>	<u>(0.34)</u>

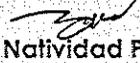
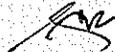
FOR: VICSAL INVESTMENT, INC.
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
STATEMENTS OF CHANGES IN NET ASSETS

	For the 9-month Period Ended	
	30-Sep-14	30-Sep-13
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	17,022,081	(9,281,313)
FROM FINANCIAL RESTRUCTURING		
Distribution of PIF and SPT Values to Stockholders		
Dividends Paid	-	(4,769,370)
NET INCREASE (DECREASE) IN NET ASSETS	17,022,081	(14,050,683)
NET ASSETS AT BEGINNING OF YEAR	217,456,255	233,732,692
NET ASSETS AT END OF YEAR	234,478,336	219,682,009

FOR: **VICSAL INVESTMENT, INC.**
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua 
Corporate Information Officer

FILIPINO FUND, INC.
STATEMENTS OF CHANGES IN EQUITY

	For the 9-month Period Ended	
	30-Sep-14	30-Sep-13
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	17,022,081	(9,281,313)
NET (DECREASE) INCREASE IN NET ASSETS RESULTING FROM CAPITAL STOCK TRANSACTIONS		
Distribution of PIF and SPT Values to Stockholders		
Expenses directly related to the initial public offering		
Contributions		(4,769,370)
Cash dividends paid		(4,769,370)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	17,022,081	(14,050,683)
Beginning of period	217,456,255	233,732,692
End of period	234,478,336	219,682,009

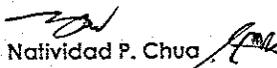
FOR: **VICSAL INVESTMENT, INC.**
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
STATEMENT OF CASH FLOWS

	For the period ended	
	September 30, 2014	September 30, 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Investment Income (loss) before Tax	17,152,390	(9,065,714)
Adjustments for:		
Gain on mark-to-market valuation of financial assets at FVPL		
Interest Income	(731,676)	(2,251,619)
Interest Received	601,367	2,036,019
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Financial assets at FVPL	(50,592,342)	539,920
Receivables	42,442,272	1,486,105
Other Assets	(198,474)	(195,768)
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,128,330)	(170,156)
Net cash provided by (used in) operating activities	7,545,206	(7,621,211)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of financial assets	-	-
Acquisition cost of investments at FVPL	-	(3,022,998)
Net cash provided by (used in) investing activities	-	(3,022,998)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of capital stock	-	-
Redemption of capital stock	-	(4,769,370)
Dividends Paid	-	(4,769,370)
Net cash provided by (used in) financing activities	-	(4,769,370)
NET INCREASE (DECREASE) IN CASH IN BANKS	7,545,206	(15,413,579)
CASH IN BANKS AT BEGINNING OF YEAR	1,962,751	59,067,162
CASH IN BANKS AT END OF YEAR	9,507,957	43,653,583

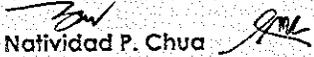
FOR: VICSAL INVESTMENT, INC.
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
SCHEDULE OF INVESTMENTS
September 30, 2014

	Cost	Market
INVESTMENT IN GOVERNMENT SECURITIES	-	-
DEPOSIT INSTRUMENTS	-	-
TOTAL INVESTMENTS	-	-

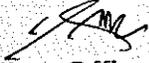
FOR: VICSAL INVESTMENT, INC.
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
AGING OF RECEIVABLES
September 30, 2014

<i>Number of Days Outstanding</i>	<i>As of Sep 30, 2014</i>
1-90 days	Php105,537.23 ✓
91-180 days	
181-360 days	
Over 360 days	
Total	Php105,537.23

FOR: VICSAL INVESTMENT, INC.
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua 
Corporate Information Officer

FILIPINO FUND INCORPORATED

Percentage of Investment in a Single Enterprise to Net Asset Value
September 30, 2014

COMPANY	2014	2013
Ayala Corporation	1.278975%	-
Alliance Global Group, Inc.	5.074059%	2.192546%
Ayala Land, Inc.	1.705379%	-
Aboitiz Power Corporation	2.436046%	3.237725%
Atlas Consolidated Mining and Dev't Corp.	0.603357%	1.049608%
Asia United Bank	-	0.968223%
Belle Corporation	2.232609%	3.157599%
Bank of the Philippine Islands	0.355464%	3.193265%
China Banking Corporation	0.000277%	0.000298%
Cosco Capital Inc	-	0.666418%
DMCI Holdings, Inc.	1.977749%	7.544869%
D & L Industries, Inc.	0.237977%	-
Energy Development Corporation	-	0.847709%
East West Banking Corporation	1.279078%	0.712166%
First Gen Corporation	1.110550%	1.498530%
First Philippine Holdings- A	-	1.746620%
GT Capital Holdings, Inc.	2.129813%	2.625795%
Lafarge Republic, Inc.	0.852598%	-
Lepanto Consolidated Mining Company "A"	-	0.786619%
Metropolitan Bank & Trust Company	3.218928%	5.767253%
Megaworld Corporation	-	0.109813%
Manila Electric Company	2.715628%	-
Metro Pacific Investment Corporation	1.201194%	3.153331%
Manila Water Corporation	0.283071%	2.051310%
Nickel Asia Corporation	0.597278%	0.758446%
Philippine Business Bank	0.426259%	0.495862%
Petron Corporation	5.647857%	4.169181%
Philex Mining Corporation	-	1.755874%
Philippine National Bank	0.424430%	8.363478%
Puregold Price Club, Inc.	0.895605%	-
Robinsons Retail Holdings, Inc	2.371567%	-
Resorts World Manila	1.393555%	-
Rockwell Land Corporation	-	0.003540%
Semirara Mining Corporation	2.119403%	3.121239%
Security Bank Corporation	-	0.859351%
SM Investments Corporation	1.276316%	1.107783%
San Miguel Corporation "A"	-	1.033394%
SM Prime Holdings, Inc.	2.486106%	0.391381%
STI Education Systems Holdings, Inc	-	0.262197%
Top Frontier Investment Holdings, Inc	0.229637%	-
Universal Robina Corporation	-	0.503910%

FILIPINO FUND INCORPORATED

**Total Investment of the Fund to the Outstanding Securities on an Investee Company
September 30, 2014**

INVESTEE COMPANY	2014	2013
Ayala Corporation	0.000728%	-
Alliance Global Group, Inc.	0.004403%	0.002000%
Ayala Land, Inc.	0.000889%	-
Aboitiz Power Corporation	0.002310%	0.003069%
Atlas Consolidated Mining and Dev't Corp.	0.004686%	0.009105%
Asia United Bank	-	0.009106%
Belle Corporation	0.010034%	0.013517%
Bank of the Philippine Islands	0.000254%	0.002046%
China Banking Corporation	0.000001%	0.000001%
Cosco Capital Inc	-	0.002026%
DMCI Holdings, Inc.	0.000520%	0.013569%
D & L Industries, Inc.	0.001450%	-
Energy Development Corporation	-	0.001822%
East West Banking Corporation	0.008570%	0.005282%
First Gen Corporation	0.005945%	0.005946%
First Philippine Holdings - A	-	0.009303%
GT Capital Holdings, Inc.	0.003328%	0.004355%
Lepanto Consolidated Mining Company "A"	-	0.009580%
Lafarge Republic, Inc.	0.003494%	-
Metropolitan Bank & Trust Company	0.003332%	0.005561%
Megaworld Corporation	-	0.000251%
Manila Electric Company	0.002218%	-
Metro Pacific Investment Corporation	0.002458%	0.005916%
Manila Water Corporation	0.001465%	0.007828%
Nickel Asia Corporation	0.001500%	0.005404%
Philippine Business Bank	0.010614%	0.013165%
Petron Corporation	0.010667%	0.007754%
Puregold Price Club, Inc.	0.002169%	-
Philex Mining Corporation	-	0.009835%
Philippine National Bank	0.000994%	0.019532%
Robinsons Retail Holdings Inc	0.006588%	-
Resorts World Manila	0.002025%	-
Rockwell Land Corporation	-	0.000069%
Semirara Mining Corporation	0.003509%	0.008020%
Security Bank Corporation	-	0.002866%
SM Investments Corporation	0.000473%	0.000396%
San Miguel Corporation "A"	-	0.001279%
SM Development Corporation	-	0.000000%
SM Prime Holdings, Inc.	0.001438%	0.000309%
STI Education Systems Holdings, Inc	-	0.008077%
Top Frontier Investment Holdings, Inc	0.000909%	-
Universal Robina Corporation	-	0.000413%

FILIPINO FUND INCORPORATED
Other Schedules
September 30, 2014

	September	
	2014	2013
Total investments in liquid assets to total assets	100.00%	100.00%
Total operating expenses to total net worth	2.20%	2.74%

FILIPINO FUND INCORPORATED
Financial Soundness Indicators
September 30, 2014

	September 2014	December 2013
Current Ratio ^(a)	7,388.88%	5,098.17%
Debt to Equity Ratio ^(b)	1.37%	2.00%
Asset to Equity Ratio ^(c)	101%	102.00%
Profit Margin ^(d)	76.29%	-382.70%
Return on Assets ^(e)	7.16%	-5.01%
Return on Equity ^(f)	7.53%	-5.10%

^(a) Current ratio is measured as current assets divided current liabilities.

^(b) Debt to equity ratio is measured as total liabilities to total equity.

^(c) Asset to equity ratio is measured as total assets divided by total equity.

^(d) Profit margin is derived by dividing net income with total revenues.

^(e) Return on assets is measured as net income with total assets.

^(f) Return on equity is derived by dividing net income over average equity.