

**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 **June 30, 2015**
2. SEC Identification Number **ASO93-005277**
3. BIR Taxpayer Identification Number **002-648-099-000**
4. **FEDERAL RESOURCES INVESTMENT GROUP, INC.**
Exact name of issuer as specified in its charter
5. **PHILIPPINES**
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code:
(SEC Use Only)
7. **No. 35 San Antonio Street, San Francisco del Monte, Quezon City 1105**
Address of issuer's principal office Postal Code
8. **(632) 637 6923**
Issuer's telephone number, including area code
9. **N/A**
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON SHARES	100,000,000
11. Are any or all of the securities listed on a Stock Exchange?
Yes [] No []
If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
COMMON SHARES - **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

The Unaudited Interim Financial Statements of the Company for the period ending June 30, 2015 and Notes to Financial Statements are hereto attached as Annex "A".

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

RESULTS OF OPERATION

For the period ended June 30, 2015, the Company has no revenues except for interest income on bank deposit as the Company has no commercial operations since year 2007 up to present.

Expenses for the period ended June 30, 2015 amounted to Php929,048.00 as compared to last year's Php895,046.00 comprising mainly of PSE annual listing fee and professional fees for both three-month periods.

Net loss for the period ended June 30, 2015 amounted to Php928,025.00 as compared to a net loss of Php895,039.00 for the same period in 2014.

Relative to the Company's change in primary purpose to that of a holding company, Management is continually studying and evaluating other lines of business related to the Company's new primary activities which are to invest in, purchase, or otherwise dispose of real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, association and associations, domestic or foreign.

FINANCIAL CONDITION

The Company's total assets increased by 2123% from Php2.799 million as of December 31, 2014 to Php59.4 million as of June 30, 2015. Cash and Cash Equivalents decreased by 47% from Php23,000.00 as of December 30, 2014 to Php11,000.00 as of June 30, 2015 due mainly to minor operating expenses. The Company's outstanding Trade Receivables as of December 31, 2014 amounting to Php2.8 million was fully collected during the period.

Prepayment and Other Current Assets increased by 11% mainly due to the increase in Input Vat for the period. Total liabilities decreased by 20.7% from Php1.924 million to Php399,703.00 due mainly to the payment of cash advances provided by a Company officer resulting to the decrease in Due to Related Parties. Stockholders' Equity increased to Php59 million as of June 30, 2015 from Php875,000.00 as of June 30, 2014 due to the infusion of additional capital by LBC Development Corporation.

The top five (5) key performance ratios/indicators of the Company for the quarter ended June 30, 2015 and for the year ended December 31, 2014 are as follows:

Financial Ratios:

Ratios	Formula	06.30.15	12.31.14
Current Ratio		1.60:1	1.455:1
	Current Assets/ Current Liabilities	<u>643,172</u> 399,703	<u>2,700,659</u> 1,924,000
Debt to Equity Ratio		.00675:1	2.197:1
	Total Liabilities/ Stockholders' Equity	<u>399,703</u> 59,048,634	<u>1,924,000</u> 875,659
Debt to Total Assets Ratio		.0067:1	.687:1
	Total Liabilities/ Total Assets	<u>399,703</u> 59,448,337	<u>1,924,000</u> 2,799,659
Book Value Per Share		Php0.59	Php.021
	Stockholders' Equity/ Total No. Shares	<u>59,084,634</u> 100,000,000	<u>875,859</u> 40,899,000
Earnings/(Loss)Per Share		(Php0.0092)	(Php0.376)
	Net Income/(Loss) Total No. Shares	<u>(928,025)</u> 100,000,000	<u>(15,389,673)</u> 40,899.000

The Company's interim financial report is in compliance with the Philippine Financial Reporting Standards (PFRS), which are accounting principles generally accepted in the Philippines, and has followed the same accounting policies and methods as compared with the most recent annual financial statements.

Known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in a material way.

The company does not anticipate any cash flow or liquidity problems.

The company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring payments.

The Company does not expect any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

The Company has no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

As of date, there are no material commitments for capital expenditures for the next twelve months.

The Company does not expect any trends, events or uncertainties that may have material favorable or unfavorable impact on sales or revenues.

The Company has no significant seasonality or cyclicity of interim operations that would have a material effect on the financial condition or results of operations.

There were no significant elements of income or loss that did not arise from the Company's operations.

There are no seasonal aspects that will have material effect on the Company's financial condition or results of operations.

PART II -- OTHER INFORMATION

There is no other information not previously reported in SEC Form 17-C that needs to be reported in this section.

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 hereunto duly authorized.

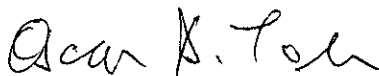
FEDERAL RESOURCES INVESTMENT GROUP, INC.



MIGUEL ANGEL A. CAMAHORT

President

August 14, 2015



OSCAR A. TORRES

Chief Financial Officer and Treasurer

August 14, 2015

FEDERAL RESOURCES INVESTMENT GROUP INC.
STATEMENTS OF FINANCIAL POSITION

	June 30		December 31
	2015		2014
	(Unaudited)		(Audited)
ASSETS			
CURRENT ASSETS			
Cash	P 11,840	P	23,120
Receivables - net allowance for probable losses	-		2,208,000
Prepayments and other current assets	631,332		568,539
Total Current Assets	643,172		2,799,659
NON-CURRENT ASSETS			
Advances to stockholder	58,805,165		-
TOTAL ASSETS	P 59,448,337	P	2,799,659
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Due to related parties	P -	P	1,924,000
Other liabilities	399,703		-
Total Current Liabilities	399,703		1,924,000
EQUITY			
Share capital	100,000,000		40,899,000
Share premium	71,081,190		71,081,190
Deficit	(112,032,556)		(111,104,531)
Total Equity	59,048,634		875,659
TOTAL LIABILITIES AND EQUITY	P 59,448,337	P	2,799,659

FEDERAL RESOURCES INVESTMENT GROUP INC.
STATEMENTS OF COMPREHENSIVE INCOME

	For the Six Months Ending June 30		For the Three Months Ending June 30	
	2015	2014	2015	2014
REVENUES				
Interest income	P 1,023	P 7	P 1,017	P 4
COSTS AND EXPENSES				
Taxes and licenses	573,305	256,050	295,505	5,050
Legal and other professional fees	325,000	215,000	150,000	170,000
Office supplies used	15,729	9,856	-	1,166
Depreciation and amortization	-	397,067	-	198,533
Meetings and conferences	-	8,522	-	8,522
Postage and mailing	-	406	-	406
Other operating expenses	15,014	8,145	4,513	8,106
	929,048	895,046	450,018	391,783
LOSS FOR THE PERIOD	(928,025)	(895,039)	(449,001)	(391,779)
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE LOSS	P (928,025)	P (895,039)	P (449,001)	P (391,779)
WEIGHTED AVERAGE NO. OF SHARES OUTSTANDING				
	50,749,167	40,899,000	50,749,167	40,899,000
BASIC/DILUTED LOSS PER SHARE	P (0.0183)	P (0.0219)	P (0.0088)	P (0.0096)

FEDERAL RESOURCES INVESTMENT GROUP INC.

STATEMENTS OF CHANGES IN EQUITY

	For the Six Months Ending June 30		For the Three Months Ending June 30	
	2015	2014	2015	2014
SHARE CAPITAL				
Balance, beginning of period	P 40,899,000	P 40,899,000	P 40,899,000	P 40,899,000
Issuance during the period	59,101,000	-	59,101,000	-
Balance, end of period	100,000,000	40,899,000	100,000,000	40,899,000
SHARE PREMIUM				
	71,081,190	71,081,190	71,081,190	71,081,190
DEFICIT				
Balance, beginning of period	(111,104,531)	(95,714,858)	(111,583,555)	(96,218,118)
Loss for the period	(928,025)	(895,039)	(449,001)	(391,779)
Balance, end of period	(112,032,556)	(96,609,897)	(112,032,556)	(96,609,897)
TOTAL EQUITY	P 59,048,634	P 15,370,293	P 59,048,634	P 15,370,293

FEDERAL RESOURCES INVESTMENT GROUP INC.

STATEMENTS OF CASH FLOWS

	For the Six Months Ending June 30			
	2015		2014	
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	P	(928,025)	P	(895,039)
Adjustments for:				
Depreciation and amortization		-		397,067
Operating income before working capital changes		(928,025)		(497,972)
Decrease (increase) in:				
Receivables		2,208,000		-
Prepayments and other current assets		(62,793)		(49,561)
Increase (decrease) in current liabilities:				
Due to related parties		(1,924,000)		535,200
Other liabilities		399,703		
Net Cash Used in Operating Activities		(307,115)		(12,333)
CASH FLOWS FROM INVESTING ACTIVITIES				
Advances to stockholder		(58,805,165)		-
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from equity subscription		59,101,000		-
NET DECREASE IN CASH		(11,280)		(12,333)
CASH AT BEGINNING OF YEAR		23,120		35,488
CASH AT END OF PERIOD	P	11,840	P	23,155

NOTES TO FINANCIAL STATEMENTS

Second Quarter 2015

1. Corporate Information

Federal Resources Investment Group Inc. (the “Company” or “FED”), formerly known as Federal Chemicals, Inc., is a corporation organized under Philippine Laws with business address at No. 35 San Antonio St., San Francisco Del Monte, Quezon City. It has been a publicly-listed company since December 21, 2001, and is traded under the ticker symbol FED on the Philippine Stock Exchange (“PSE”).

FED was incorporated on July 12, 1993 as Federal Chemicals, Inc. and started commercial operations in October 1993. Its primary purpose then was the manufacture of various adhesives and sealants and other chemicals for hardware, construction, do-it-yourself and industrial applications.

In early 1994, the Company introduced Fedseal Elastomeric Sealant which is mainly used for the repair of galvanized iron roofing. As the years passed, other applications for this type of sealant evolved making it as an all-around sealant known in the market. Since the introduction of Fedseal Sealant and subsequent success in the local hardware and construction market, the Company also launched other brands such as Surebond and Bondy contact adhesives for use in the construction and leather goods industries. In the succeeding years, FED also introduced other contact adhesives brands such as Zebra, Ultra and Eltibond which are used for different applications catering to different market and industries; various solvent-based and water-based adhesives; elastomeric coatings; adhesives, sealants, coatings and conventional paints for use specifically in the marine industry and other specialty products.

Through the years, FED also became the exclusive distributor in the Philippines of quality products from foreign companies such as Devcon USA, TOA Group of Companies, and Akzo Nobel.

On September 28, 2007, the change in corporate name of the Company from Federal Chemicals, Inc. to Federal Resources Investment Group, Inc. was approved by the Securities and Exchange Commission (“SEC”). Also on that date, the change in the primary purpose of the Company to that of a holding company was approved by the SEC. The Company’s new primary activities are to invest in, purchase, or otherwise dispose of real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, association and associations, domestic or foreign.

The Company’s management deemed it necessary to change its primary purpose in order to tap potential business opportunities and allow for greater flexibility in its investment options. FED’s PVC resins, sealants, coatings and adhesives operations were discontinued effective January 01, 2009. Since then and up to present, the Company has no commercial operations.

Effective on June 15, 2014, the principal office address of the company was changed to No. 35 San Antonio St., San Francisco Del Monte, Quezon City from No. 5 Eleven Road, Grace Village, Balintawak, Quezon City.

2. Status and Plan of Operations

A change of primary purpose alone will not suffice to meet the reason behind the shift to a holding company in view of the Company's relatively small authorized capital stock of One Hundred Million Pesos (PhP100,000,000.00). For the Company to effectively pursue potential investments in the future, it needs to have a greater capitalization. Hence, the Company's Board found it imperative as well to increase the present authorized capital stock to One Billion Pesos (PhP1,000,000,000.00) and approved said increase in authorized capital stock on July 06, 2007.

During the Annual Stockholders' Meeting held on August 13, 2007, the stockholders owning or representing at least two thirds (2/3) of the outstanding capital stock approved the increase in the Company's authorized capital stock from One Hundred Million Pesos (PhP100,000,000.00) divided into One Hundred Million (100,000,000) shares, with a par value of One Peso (PhP1.00) per share to One Billion Pesos (PhP1,000,000,000.00) divided into One Billion (1,000,000,000) shares, with a par value of One Peso (PhP1.00) per share.

With respect to the increase in the Company's authorized capital stock from One Hundred Million Pesos (PhP100,000,000.00) to One Billion Pesos (PhP1,000,000,000.00), the Company shall undertake a 6:1 stock rights offering at an offer price at a par value of One Peso (PhP1.00) per share, subject to the approval of the SEC and the PSE, for the implementation of the increase in its capitalization.

The increase in authorized capital and stock rights offer shall be submitted for approval by the SEC and the PSE. Since the Company's existing shares are presently listed in the PSE, the Company intends to apply with the PSE for the listing of the shares to be issued from the stock rights offering.

In line with the Company's shift to a holding company, the stock rights offering shall be undertaken as and when specific investment opportunities are available that would make the Company adapt to the changing business environment.

Management is continually studying and evaluating other lines of business related to the Company's new primary activities which are to invest in, purchase, or otherwise dispose of real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, association and associations, domestic or foreign.

3. Summary of Significant Accounting Policies

Basis of Financial Statement Preparation and Presentation

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Philippine Peso and all values represent absolute amount except as indicated.

Statement of Compliance

The financial statements have been prepared in accordance with generally accepted accounting principles as set forth in Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS) and interpretations thereof.

Summary of Significant Accounting Policies and Disclosures

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all year/period presented, unless otherwise stated.

Cash

Cash includes cash on hand and in banks.

Financial Assets

Financial assets consist mainly of Cash and Receivables which are initially recognized at fair value. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment losses. Any change in their value is recognized in profit or loss.

Loans and receivables are presented as Receivables in the statement of financial position.

Impairment loss is provided when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the assets' carrying amount and the present value of estimated cash flows.

De-recognition of financial assets occurs when the right to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. When the net realizable value of the inventories is lower than the cost, the Company provides for an allowance for the

price decline of the inventory and recognizes the write-down as an expense in the statement of comprehensive income.

Prepayments

Prepayments are measured at amounts paid and subsequently recognized as expense over which the prepayments apply.

Property and Equipment

Property and Equipment are stated at cost less accumulated depreciation, amortization and any impairment in value.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Machinery and factory equipment	10 – 30 years
Building improvements	10 years
Office equipment	5 years
Transportation equipment	5 years

The assets are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use, based on an internal discounted cash flow evaluation. Impairment loss is charged pro rata to the other assets in the cash-generating unit.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

The residual values and estimated useful life of property and equipment are reviewed, and adjusted if appropriate, at each reporting date.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss

arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statements of comprehensive income in the year the item is derecognized.

Financial Liabilities

Financial liabilities include Other Liabilities and Due to Related Parties which are initially recognized at fair value. After initial measurement, financial liabilities are subsequently measured at amortized cost using the effective interest method.

Financial liabilities are recognized when the Company becomes a party to the contractual agreements of the instrument.

Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration.

Provisions

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements.

Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

Equity

Share capital is determined using the par value of shares that have been issued.

Share premium includes any premiums received on the initial issuance of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Deficit includes all current and prior period results as disclosed in the statement of comprehensive income.

Revenue and Cost Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Cost and expenses are recognized in the statement of comprehensive income upon utilization of the service or at the date they are incurred.

Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in Philippine peso, which is the Company’s functional currency.

The accounting records of the company are maintained in Philippine pesos. Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of comprehensive income.

Related Party Transactions

Parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The related party transactions are recognized based on transfer of resources or obligations between related parties, regardless whether a price is charged or not.

Earnings (Loss) Per Share

Earnings (loss) per share is determined by dividing net income (loss) by the weighted average number of common shares subscribed and issued during the year, after retroactive adjustment for any dividend declared in the current year.

Subsequent Events

Events that provide evidence of conditions that existed after reporting date (adjusting events) are recognized in the financial statements, while those that are indicative of conditions that existed after reporting date (non-adjusting events) are disclosed in the notes to financial statements when material.

4. Summary of Significant Accounting Judgments and Estimates

The preparation of financial statements in conformity with PFRS requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of financial statements, and revenue and expenses during the period reported.

The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances of the Company's financial statements. Actual results could differ from those estimates.

5. Segment Information

Prior to the Company's change in primary purpose, operating segments are classified into manufacturing and sale of PVC resins and sealants, coatings and adhesives.

Relative to the Company's change of primary purpose to that of a holding company both its segment operations, PVC resins and sealants, coatings and adhesives, effective January 01, 2009, have been discontinued.

6. Financial Risk Management Objectives and Policies

The Company's financial assets consist of cash and receivables. The Company's financial risk management is coordinated with the Board of Directors and focuses on actively securing the Company's short-term to medium-term cash flows by minimizing the exposure to financial markets.

The Company does not actively engage in trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described below:

Liquidity Risk

The ability of the Company to finance increases in assets and meet obligations as they become due is extremely important to the Company's operations. Cash requirements for the Company's current operating needs are temporarily provided by Company officers.

Credit Risk

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the statement of financial position. Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The carrying value of receivables exposed to credit risk amounted to PhP2.2 million as of December 31, 2014. These receivables pertain to advances to certain officer and related party in prior years. Management believes that the amount is recoverable either thru cash, or other forms of dealings.

Foreign Currency Risk

The Company has no exposure to foreign currency risks as all transactions are denominated in Philippine peso, its functional currency.

Interest Rate Risk

The Company has no exposure to interest rate. Advances from certain officer are not subject to interest and have no fixed repayment period.

7. Other Significant Matters

Issuance of Shares

At the meeting of the Board of Directors of the Company held on April 23, 2015, the Board of Directors approved the issuance of fifty nine million one hundred one thousand (59,101,000) common shares, at One Peso (Php1.00) per share, out of the unissued portion of the Corporation's authorized capital stock to LBC Development Corporation, subject to acceptable documentation being arrived at, as well as the fulfillment of such conditions agreed upon by the parties, including a mandatory tender offer, where required under relevant laws and regulations.

The Company needed to raise additional capital through the issuance of new shares out of the unissued portion of the Company's authorized capital stock for general corporate purposes. Further, such infusion is preparatory to a potential additional investment of LBC Development Corporation/LBC Express, Inc. into the Company as a result of the ongoing due diligence on the Company. LBC Development Corporation is the parent of LBC Express, Inc.

8. Financial Soundness Indicators

The financial soundness indicators of the Company for the comparative periods ended June 30, 2015 and 2014 are as follows:

Ratios	Formula	06.30.15	06.30.14
Current Ratio		1.609:1	2.667:1
	Current Assets/ Current Liabilities	<u>643,172</u> 399,703	<u>5,237,942</u> 1,963,843
Debt to Equity Ratio		0.007:1	0.128:1
	Total Liabilities/ Stockholders' Equity	<u>399,703</u> 59,048,634	<u>1,963,843</u> 15,370,293
Debt to Total Assets Ratio		0.007:1	0.113:1
	Total Liabilities/ Total Assets	<u>399,703</u> 59,448,337	<u>1,963,843</u> 17,334,135
Asset to Equity Ratio		1.007:1	1.128:1
	Total Assets/ Stockholders' Equity	<u>59,448,337</u> 59,048,634	<u>17,334,135</u> 15,370,293
Interest Coverage Ratio	EBIT*/Interest Expense	Not Applicable	Not Applicable
Book Value Per Share		PhP0.590	PhP0.376
	Stockholders' Equity/ Total No. Shares	<u>59,048,634</u> 100,000,000	<u>15,370,293</u> 40,899,000
Basic Earnings/(Loss)Per Share		(PhP0.018)	(PhP0.022)
	Net Income/(Loss) Weighted Average No. Shares	<u>(928,025)</u> 50,749,167	<u>(895,039)</u> 40,899,000

**Earnings before interest and taxes (EBIT)*