UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2009

Commission File Number: 814-00710

REGAL ONE CORPORATION

(Exact name of registrant as specified in its charter)

Florida	95-4158065
(State of incorporation)	(I.R.S. Employer Identification No.)

11300 West Olympic Blvd, Suite 800, Los Angeles, CA	90064
(Address of principal executive offices)	(Zip Code)

(Issuer's telephone number) (310) 312-6888

- --

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of accelerated filer, large accelerated filer and smaller reporting company in rule 12b-2 of the exchange act. (Check one.)
Large accelerated filer [] Accelerated filer []
Non Accelerated filer [X] Smaller Reporting Company []

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes [] No [X]

Indicate the number of shares outstanding of each of the Issuer's classes of stock, as of the latest practical date.

As of August 5, 2009, there were 3,633,067 shares of common stock, $.001 par value and 100,000 shares of Series B convertible preferred stock, issued and outstanding. The outstanding Series B convertible preferred stock is convertible into an aggregate of 10,000,000 shares of common stock.

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PART I FINANCIAL INFORMATION

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REGAL ONE CORPORATION
BALANCE SHEETS

<c>	<c>	<c>
	June 30, 2009 (Unaudited)	December 31, 2008 (Audited)
ASSETS		
Assets:		
Cash and cash equivalents	$ 43,209	$ 122,478
Prepaid Insurance	16,460	41,150
Marketable securities at fair value	581,375	967,628
Total Current Assets:	641,044	1,131,256
Investments:		
Investments in non-affiliated portfolio companies	1,104,275	1,017,628
Less: marketable securities portion	(581,375)	(967,628)
Total investments, net	522,900	50,000
TOTAL ASSETS	$ 1,163,944	$ 1,181,256
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	24,034	60,528
Total Current Liabilities	24,034	60,528
Stockholders' Equity:		
Preferred stock, no par value		
Series A - Authorized 50,000 shares, 0 issued and outstanding at June 30, 2009 and December 31, 2008, respectively	--	--
Series B - Authorized 500,000 shares, 100,000		

issued and outstanding at June 30, 2009 and December 31, 2008, respectively	500	500
Common stock, no par value,: Authorized 50,000,000 shares; 3,633,067 shares issued and outstanding at June 30, 2009 and December 31, 2008, respectively	8,184,567	8,184,567
Additional paid-in capital	192,126	192,126
Accumulated deficit	(7,237,283)	(7,256,465)
Total Net Assets	1,139,910	1,120,728
TOTAL LIABILITIES AND NET ASSETS	$ 1,163,944	$ 1,181,256
Net asset value per outstanding share	$ 0.314	$ 0.308

See accompanying notes to the financial statements.

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REGAL ONE CORPORATION

SCHEDULE OF INVESTMENTS

June 30, 2009
(Unaudited)

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Equity Investments:

Company	Description of Business	Percent Ownership	Carrying Cost Investment	Discounted Fair Value	Affiliation
Neuralstem, Inc. (CUR)	Biomedical company	2%	$ 23,994 (1)	$581,360	No
Neuralstem, Inc. Warrant			50,000 (2)	522,900	No
LMP Money Market Fund			15	15	No
Total Investments			$ 74,009	$1,104,275	

(1) At June 30, 2009, there were 559,000 Neuralstem shares held reported on a fair value basis at the closing market price of $1.04 on the OTCBB with no additional reduction in Fair Market Value applied. 28,500 shares were sold in the quarter. All shares held have been recorded as a current asset.

(2) Regal also has one ten year Neuralstem warrant issued 09-15-2005 to purchase 1,000,000 common stock shares at an exercise price of $5.00 per share which is significantly above the present fair market value of Neuralstem shares. For the first half of 2009 using a Black-Scholes Pricing model, a $581,000 value has been assigned to these stock option warrants less a 10% discount reserved by management due to the factors of low trading volume of Neuralstem stock and also there is no active market for trading Neuralstem stock options on any exchange. For the period ended December 31, 2008 Regal valued the investment at $50,000. By changing the valuation method to using Black-Scholes, Regal recorded a $472,000 unrealized gain on the investment in the first half of 2009. It is very unlikely given the present price of Neuralstem stock that this option would be exercised in the near future.

See accompanying notes to the financial statements.

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REGAL ONE CORPORATION
STATEMENTS OF CHANGES IN NET ASSETS

	<c> For the Six Months Ended June 30, 2009 (Unaudited)	<c> For the Six Months Ended June 30, 2008 (Unaudited)
OPERATIONS:		
Net investment gain (loss) from operations	$ (97,485)	$ 80,145
Net realized gain on portfolio securities	29,345	1,064,768
Net change in unrealized appreciation (depreciation) of portfolio securities	(385,029)	(2,705,128)
Net change in valuation of stock options	472,900	--
Interest income	30	
Interest (expense)	(549)	(18,162)
	------------	------------
Net increase (decrease) in net assets resulting from operations	19,182	(1,578,347)
SHAREHOLDER ACTIVITY:		
Declared dividend	--	--
NET INCREASE (DECREASE) IN NET ASSETS	19,182	(1,578,347)
NET ASSETS:		
Beginning of period	1,120,728	2,424,900
End of period	1,139,910	846,553
Average net assets	1,130,319	1,635,727
Ratios to average net assets:		
Net operating expenses	97,485	99,428
Net investment gain (loss)	19,182	(1,578,347)
Per share ratio expenses	2.7%	2.7%
Per share ratio net investment gain (loss)	0.5%	(43.4%)

See accompanying notes to the financial statements

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REGAL ONE CORPORATION.
STATEMENTS OF OPERATIONS

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	(Unaudited) Quarter Ended June 30		(Unaudited) Six Months Ended June 30	
	2009	2008	2009	2008
Investment income:	$ --	$ --	$ --	$ --
Operating expenses:				
Professional services	43,776	26,647	70,518	82,412
Other selling, general and administrative expenses	13,122	10,879	26,967	17,016
Total Operating expenses	56,898	37,526	97,485	99,428
Net Operating loss	(56,898)	(37,526)	(97,485)	(99,428)
Other income (expense):				
Gain on payable settlements	-	23,250	--	180,373
Net income (loss) before provision for income taxes	(56,898)	(14,276)	(97,485)	80,945
Income tax expenses	--			(800)
Net investment gain (loss)	(56,898)	(14,276)	(97,485)	80,145
Net realized gain on portfolio	29,345	245,768	29,345	1,064,768
Net change in unrealized (depreciation) appreciation in portfolio companies	6,833	(976,913)	(385,029)	(2,705,128)
appreciation of stock options	6,300	--	472,900	--
Interest (expense)	(275)	(4,175)	(549)	(18,162)
Interest income	-	30	--	30
Net increase (decrease) in net assets resulting from operations	$ (14,695)	(749,566)	$ 19,182	$(1,578,347)
Weighted average number of common shares	3,633,067	3,633,067	3,633,067	3,964,574
Basic earnings per share	$ (0.004)	$ (0.206)	$ (0.005)	$ (0.434)
Weighted average number of fully diluted shares	13,633,067	13,633,067	13,633,067	13,964,574
Diluted earnings per share	$ (0.001)	$ (0.055)	$ (0.001)	$ (0.116)

See accompanying notes the financial statements.

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REGAL ONE CORPORATION
STATEMENTS OF CASH FLOWS
(UNAUDITED)

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	For the Six Months Ended June 30, 2009	For the Six Months Ended June 30, 2008
Cash flows from operating activities:		
Net decrease in net assets from operations	$ 19,182	$ (1,578,347)
Adjustments to reconcile net increase (decrease) in net assets resulting from operating activities:		
Realized gain on sale of marketable securities	(29,345)	(1,064,768)
Unrealized loss on short term investments	386,253	2,705,128
Unrealized gain on stock option investments	(472,900)	--
Gain on settlement of liabilities	--	(180,373)
Changes in operating assets and liabilities:		
Decrease in due to stockholders and officers	--	(113,500)
Decrease in prepaid expense	24,690	--
Increase (decrease) in accounts payable/accrued expenses	(36,494)	(357,344)
Net cash used in operating activities	(108,614)	(589,204)
Cash flows from investing activities:		
Proceeds from sale of marketable securities	29,345	1,085,481
Net cash provided by investing activities	29,345	1,085,481
Cash Flows from financing activities:		
Increase in margin loan	--	129
Increase (decrease) in note payable - officer	--	(512,797)
Net cash provided by (used in) financing activities	--	(512,668)
Net change in cash	(79,269)	(16,391)
Cash at beginning of period	122,478	64,262
Cash at end of period	$ 43,209	$ 47,871
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 549	$ 87,203
Non-Monetary Transactions:		
Unrealized loss in marketable securities	(386,253)	(2,705,128)
Unrealized gain in stock option valuation	472,900	--
Gain on settlement of liabilities	--	180,373
Total Non-Monetary Transactions	86,647	(2,524,755)

See accompanying notes to the financial statements

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REGAL ONE CORPORATION
STATEMENTS OF FINANCIAL HIGHLIGHTS

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	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008

	(Unaudited)	(Unaudited)
Per Share Unit Operating Performance		
INCOME FROM INVESTMENT OPERATIONS:		
Net investment income (loss) from operations	(0.027)	0.021
Net realized gain on portfolio securities	0.008	0.293
Net change in unrealized (depreciation) appreciation of portfolio companies	(0.106)	(0.745)
Net change in unrealized (deprecation) appreciation of stock option investment	0.130	--
Interest expense	0.000	(0.003)
Total from investment operations	0.005	(0.434)
SHAREHOLDER ACTIVITY		
Declared dividend	--	--
NET INCREASE (DECREASE) IN NET ASSETS	0.005	(0.434)
NET ASSETS		
Beginning of period	0.308	0.667
End of period	0.314	0.233
TOTAL NET ASSET VALUE RETURN	1.7%	(96.5)%
RATIOS AND SUPPLEMENTAL DATA:		
Net expenses to average net assets	8.7%	6.1%
Net investment gain (loss) to average net assets	1.7%	(96.5)%
Per share ratio net expenses	2.7%	2.7%
Per share ratio net investment	0.5%	(43.4)%

See accompanying notes to the financial statements

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REGAL ONE CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Business

Regal One Corporation (the "Company" or "Regal One") located in Los Angeles, California, is a Florida corporation initially incorporated in 1959 as Electro-Mechanical Services Inc. Since inception the Company has been involved in a number of industries. In 1998 we changed our name to Regal One Corporation. On March 7, 2005, our board of directors determined it was in our shareholder's best interest to change the focus of the Company's operation to that of providing financial services through our network of advisors and professionals, and to be treated as a business development company ("BDC") under the Investment Company Act of 1940. On September 16, 2005, we filed a Form N54A (Notification of Election by Business Development Companies), with the Securities and Exchange Commission, which transforms the Company into a Business Development Company (BDC) in accordance with sections 55 through 65 of the Investment Company Act of 1940. The Company began reporting as an operating BDC in the March 31, 2006 10-QSB.

Basis of Presentation

In 2006, the Company began reporting as a BDC and the attached financial

statements for the periods covered by this report have been formatted in conformity with the December 31, 2008 and 2007 financial statements, including the BDC required supplemental schedules, for comparative purposes. The nature of the Company's operations and its reported financial position, results of operations, and its cash flows are dissimilar for the periods prior to and subsequent to its becoming an investment company. The Company's financial position and its operating results, cash flows and changes in net assets for the periods covered by this report are presented in the accompanying financial statements pursuant to Article 6 of Regulation S-X. In addition, the accompanying footnotes, although different in nature as to the required disclosures and information reported therein, is also presented as they relate to each of the above referenced periods. These statements reflect all adjustments, consisting of normal recurring adjustments, which, in the opinion of management, are necessary for fair presentation of the information contained therein.
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It is suggested that these interim financial statements be read in conjunction with the financial statements of the Company for the year ended December 31, 2008 and notes thereto included in the Company's Form 10-K. The Company follows the same accounting policies in the preparation of interim reports. Results of operations for the interim periods are not indicative of annual results.

Accounting Policies

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Increase (Decrease) in Net Assets from Operations per Share

Basic net increase (decrease) in net assets from operations per share is computed by dividing the net earnings (loss) amount adjusted for any cumulative dividends on preferred stock (numerator) by the weighted average number of common shares outstanding during the period (denominator). Diluted net increase (decrease) in net assets from operations per share amounts reflect the maximum dilution that would have resulted from the assumed exercise of stock options and from the assumed conversion of the Series B Convertible Preferred Stock. Diluted net increase (decrease) in net assets from operations per share is computed by dividing the net earnings (loss) amount adjusted for any cumulative dividends on preferred stock by the weighted average number of common and potentially dilutive securities outstanding during the period. For all periods presented that indicate a net decrease in net assets from operations, the above potentially dilutive securities are excluded from the computation as their effect is anti-dilutive.

Income Taxes

The Company has not elected to be a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended. Accordingly, the Company will be subject to U.S. federal income taxes on sales of investments for which the fair values are in excess of their tax basis. Income taxes are accounted for using an asset and liability approach for financial reporting. The Company recognizes deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the financial statement carrying amount and the tax basis of assets and liabilities and net operating loss and tax credit carry forwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company considers all marketable securities to be cash equivalents (see Note 2: "Cash and Marketable Securities"). None of the Company's cash is restricted.

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Valuation of Investments (as an Investment Company)

Fair Value Accounting

As an investment company under the Investment Company Act of 1940, all of the Company's investments must be carried at market value or fair value. For Level 2 and Level 3 investments which do not have readily determinable market values the value is determined by management. In September 2006, the Financial Accounting Standards Board ("FASB") issued FASB Statement No. 157, "Fair Value Measurements" ("FAS 157"). FAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. The provisions of FAS 157 were adopted January 1, 2008. In February 2008, the FASB staff issued Staff Position No. 157-2 "Effective Date of FASB Statement No. 157" ("FSP FAS 157-2"). FSP FAS 157-2 delayed the effective date of FAS 157 for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). The provisions of FSP FAS 157-2 are effective for the Company's fiscal year beginning January 1, 2009.

FAS 157 established a fair value hierarchy prioritizing the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

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Equity Investments:	FAS 157 Level of Investment	Carrying Cost Investment	Fair Market Value as of June 30, 2009
Neuralstem, Inc.(CUR)	Level 1	$ 23,994	$ 581,360
Neuralstem Warrant	Level 2	50,000	522,900
LMP Money Market Trust Fund	Level 1	15	15
		---------	---------
Total Investments		$ 74,009	$1,104,275

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Comprehensive Income

SFAS No. 130, Reporting Comprehensive Income, establishes standards for reporting and the display of comprehensive income and its components (revenues, expenses, gains, and losses) in a full set of general purpose financial statements. It requires that all items that are required to be recognized under accounting standards as components of comprehensive income be reported in a financial statement that is displayed with the same prominence as other financial statements. SFAS No. 130 requires that an enterprise (a) classify items of other comprehensive income by their nature in financial statements and (b) display the accumulated balance of other comprehensive income separately in the equity section of the balance sheet for all periods presented.

The Company's comprehensive income (loss) does not differ from its reported net income (loss). As an investment company, the Company must report changes in the fair value of its investments outside of its operating income on its statement of operations and reflect the accumulated appreciation or depreciation in the fair value of its investments as a separate component of its stockholders' deficit. This treatment is similar to the treatment required by SFAS No. 130.

Stock Based Incentive Program

SFAS No. 123(R), "Share Based Payment", a revision to SFAS No. 123, "Accounting for Stock Based Compensation" and superseding APB Opinion No. 25, "Accounting for Stock Issued to Employees", establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services, including obtaining employee services in share based payment transactions. SFAS No. 123(R) applies to all awards granted after the required effective date and to awards modified, purchased, or canceled after that date. The Company adopted SFAS No. 123(R) effective January 1, 2006.

NOTE 2 - CASH AND MARKETABLE SECURITIES

Cash and Cash Equivalents

Cash and cash equivalents consist of cash balances and may include instruments with maturities of three months or less at the time of purchase.

Marketable Securities

In 2005 Regal acquired approximately 1,800,000 shares of Neuralstem's common stock and a warrant to purchase an additional 1,000,000 shares of common stock which contains certain anti-dilution provisions in exchange for a variety of considerations supporting Neuralstem's transition to a publicly traded operational entity, principally including fees and assistance in connection with the filing of a registration statement on Form SB-2 registration (see Note 7: "Investments"). During 2006, Neuralstem filed the registration statement and it was declared effective on August 30, 2006.

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In late December 2006, the shares began trading on the OTC: BB under the ticker symbol NRLS.OB. On February 5, 2007, the Company distributed 500,473 Neuralstem shares to its shareholder of which 35,038 of these shares were returned to the Company's ownership in connection with the settlement of the Eco Litigation. On August 27, 2007, Neuralstem shares began trading on the American Stock Exchange under the symbol CUR.

As of June 30, 2009, Regal held 559,000 Neuralstem shares valued at $581,360. Of the total shares held at June 30, 2009, all have been recorded as a current asset. These shares constitute working capital available to Regal. Regal also has one ten year warrant at an exercise price of $5.00 per share which is significantly above the present fair market value of Neuralstem shares. In the first quarter of 2009 the Company implemented FAS 157 fair market valuation using a Black-Scholes Option Pricing model for this Neuralstem warrant. This resulted in posting an unrealized gain of $472,000 in the first six months of 2009. This Neuralstem warrant is carried as a long term investment.

NOTE 3 - RECENT ACCOUNTING PRONOUNCEMENTS

There are several new accounting pronouncements issued by the Financial Accounting Standards Board ("FASB") which are not yet effective. Each of these pronouncements, as applicable, has been adopted by the Company.

In December 2007, the FASB issued SFAS 160, "Non-controlling Interests in Consolidated Financial Statements, an amendment of ARB No. 51" which applies to all entities that prepare consolidated financial statements, except not-for-profit organizations, but will affect only those entities that have an outstanding non-controlling interest in one or more subsidiaries or that deconsolidate a subsidiary. The statement is effective for annual periods beginning after December 15, 2008. The adoption of this statement did not have an effect on the Company's financial position or results of operations.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities - an amendment of FASB Statement No. 133," (SFAS 161) as amended and interpreted, which requires enhanced disclosures about an entity's derivative and hedging activities and thereby improves the transparency of financial reporting. Disclosing the fair values of derivative instruments and their gains and losses in a tabular format provides a more complete picture of the location in an entity's financial statements of both the derivative positions existing at period end and the effect of using derivatives during the reporting period. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. Early adoption is permitted. The adoption of this statement did not have an effect on the Company's financial position or results of operations.

In May 2008, the FASB issued SFAS No. 163, "Accounting for Financial Guarantee Insurance Contracts - an interpretation of FASB Statement No. 60" ("SFAS 163"). SFAS 163 requires that an insurance enterprise recognize a claim liability prior to an event of default (insured event) when there is evidence that credit deterioration has occurred in an insured financial obligation. This Statement also clarifies how Statement 60 applies to financial guarantee
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insurance contracts, including the recognition and measurement to be used to account for premium revenue and claim liabilities. Those clarifications will increase comparability in financial reporting of financial guarantee insurance contracts by insurance enterprises. This Statement requires expanded disclosures about financial guarantee insurance contracts. The accounting and disclosure requirements of the Statement will improve the quality of information provided to users of financial statements. SFAS 163 will be effective for financial statements issued for fiscal years beginning after December 15, 2008. The adoption of SFAS 163 did not have a material impact on our financial condition or results of operation.

In June 2009, the FASB issued Statement of Financial Accounting Standards No. 165, "Subsequent Events," ("SFAS No. 165"). SFAS 165 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. SFAS 165 applies to both interim financial statements and annual financial statements. SFAS 165 is effective for interim or annual financial periods ending after June 15, 2009. SFAS 165 does not have a material impact on our financial statements.

In June 2009, the FASB issued Statement of Financial Accounting Standards No. 166, "Accounting for Transfers of Financial Assets, an amendment to SFAS No. 140," ("SFAS 166"). SFAS 166 eliminates the concept of a "qualifying special-purpose entity," changes the requirements for derecognizing financial assets, and requires additional disclosures in order to enhance information reported to users of financial statements by providing greater transparency about transfers of financial assets, including securitization transactions, and an entity's continuing involvement in and exposure to the risks related to transferred financial assets. SFAS 166 is effective for fiscal years beginning after November 15, 2009. The Company will adopt SFAS 166 in fiscal 2010. The Company does not expect that the adoption of SFAS 166 will have a material impact on the financial statements.

In June 2009, the FASB issued Statement of Financial Accounting Standards No. 167, "Amendments to FASB Interpretation No. 46(R)," ("SFAS 167"). The amendments include: (1) the elimination of the exemption for qualifying special purpose entities, (2) a new approach for determining who should consolidate a variable-interest entity, and (3) changes to when it is necessary to reassess who should consolidate a variable-interest entity. SFAS 167 is effective for the first annual reporting period beginning after November 15, 2009 and for interim periods within that first annual reporting period. The Company will adopt SFAS 167 in fiscal 2010. The Company does not expect that the adoption of SFAS 166 will have a material impact on the financial statements.

In June 2009, the FASB issued Statement of Financial Accounting Standards No. 168, "The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles," ("SFAS 168"). SFAS 168 replaces FASB Statement No. 162, "The Hierarchy of Generally Accepted Accounting Principles", and establishes the FASB Accounting Standards Codification ("Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with generally accepted accounting principles ("GAAP"). SFAS 168 is effective for interim and annual periods ending after September 15, 2009. The Company will begin to use the new Codification when referring to GAAP in its annual report on Form 10-K for the fiscal year ending January 3, 2010. This will not have an impact on the results of the Company.

NOTE 4 - EQUITY TRANSACTIONS

The Company's outstanding common share balances as of June 30, 2009 and at December 31, 2008 are 3,633,067.

The Company's Certificate of Incorporation allows for segregating preferred stock into separate series. As of June 30, 2009 and December 31, 2008, the Company had authorized 50,000 shares of Series A preferred stock and 500,000 shares of Series B convertible preferred stock. There were no outstanding shares of Series A preferred stock and 100,000 shares of Series B preferred stock were issued and outstanding.

Holders of Series A preferred stock shall be entitled to voting rights equivalent to 1,000 shares of common stock for each share of preferred. The Series A preferred stock has certain dividend and liquidation preferences over common stockholders.

Holders of Series B preferred stock shall be entitled to voting rights equivalent to 100 shares of common stock for each share of preferred. The Series B preferred stock had been entitled to a non-cumulative dividend of 8.75% of revenues which exceed $5,000,000. In 2004, the Series B class shareholders voted by a large majority to void the dividend preference. At the option of the holder of Series B preferred stock, each share is convertible into common stock at a rate of 100 shares of common for each share of preferred.

As of the six months ended June 30, 2009 and the year ended December 31, 2008, no dividends have been declared on the Series A or Series B convertible preferred stock.

NOTE 5 - STOCK OPTION PLAN

The Company's Stock Option Plan (Plan) provides a means to offer incentives to its employees, directors, officers, consultants and advisors. As of March 31, 2009, all outstanding options granted under our stock option plan had either been exercised or expired.

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NOTE 6 - INVESTMENTS

In the quarter ended June 30, 2005, the Company had entered into a Letter of Intent with Neuralstem, Inc., a private early stage company, to assist it in filing an SB-2 registration statement. Effective September 15, 2005, those understandings were formalized in an "Equity Investment and Share Purchase Agreement" between the parties. Regal One acquired approximately 1,800,000 shares of Neuralstem's common stock and a warrant, containing certain anti-dilution provisions, to purchase an additional 1,000,000 shares of common stock in exchange for a variety of considerations supporting Neuralstem's transition from a private, early stage, research and development company to a publicly traded operational entity. These considerations included the Company's assumption of the liability for certain legal fees, principally including fees for an SB-2 registration, and access to the Company's network of advisors and other related resources. Regal One reflected these shares in its balance sheet in 2005 based on its estimated $50,000 direct cost of the considerations it had provided to Neuralstem.

At March 31, 2009, 587,500 Neuralstem shares held were classified as Marketable Securities in the current assets section of the Balance Sheet. Regal One also has one ten year warrant at an exercise price of $5 per share which is significantly above the present fair market value of Neuralstem shares. In the first quarter of 2009 the Company implemented FAS 157 fair market valuation using a Black-Scholes Option Pricing model for this Neuralstem warrant. This resulted in posting an unrealized gain of $466,600 in this quarter. This Neuralstem warrant is carried as a long term investment

The Board of Directors is responsible for determining in good faith the fair value of the securities and assets held by the Company.

Since 2006, the Investment Committee of the Board of Directors adopted the provisions of FAS 157 for valuation of the portfolio and bases its determination on, among other things, applicable quantitative and qualitative factors. These factors may include, but are not limited to, the type of securities, the nature of the business of the portfolio company, the marketability of and the valuation of securities of publicly traded companies in the same or similar industries, current financial conditions and operating results of the portfolio company, sales and earnings growth of the portfolio company, operating revenues of the portfolio company, competitive conditions, and current and prospective conditions in the overall stock market. Without a readily recognized market value, the estimated value of some portfolio securities may differ significantly from the values that would be placed on the portfolio if there was a ready market for such equity securities.
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NOTE 7 - RELATED PARTY TRANSACTIONS

Through March 30, 2008, settlements were reached with four service providers and three stockholders whereby payments totaling $266,000 were concurrently paid in full settlement of all amounts owed, along with release of other claims and obligations between the parties. The Company realized a gain on these settlements in the amount of $117,123 in the quarter ended March 31, 2008, of which $6,214 was realized from the shareholder settlements. Additionally, as of March 31, 2008, Regal wrote off an old contingent debt of $40,000 carried in the due to officers and directors account and payable solely at the discretion of the Board of Directors, and Regal recognized a $40,000 gain on this write off. During the quarter ended June 30, 2008, a settlement was reached with a shareholder due $6,750 resulting in a $3,250 gain recorded. Additionally, a $60,000 reduction in accrued expense liability for Director fees was achieved by cash settlement payments totaling $40,000, resulting in a gain on settlement expense of $20,000. Richard Hull, a former officer, was compensated $15,000 in consulting fees for the first quarter of 2008.

NOTE 8 - CONTINGENCIES

The Company during prior years incurred substantial debts in connection with its operations. During 2008, the Company entered into negotiations and settled its outstanding debts. As of June 30, 2009, the Company had only $24,034 in current Accounts Payable liabilities.

On April 28, 2009, Regal One Corporation was named as a Defendant in a lawsuit filed by a major shareholder in United States District Court, Central District of California. The Company has made a motion with the U S District Court to dismiss the case to be heard on August 31, 2009 and further has filed an answer and a counterclaim interpleading action because certain other individuals have claimed ownership in the securities in question. The Company has no opinion at this time as to the outcome of or any potential liability since the case is still in the very early stages.

NOTE 9 - DISCLOSURES WITH REGARD TO CERTAIN OFFICERS AND DIRECTORS

On March 31, 2009, the Board of Directors of Regal One Corporation by unanimous written consent, agreed to accept the resignation of Lisa DuBoise from her position on the Company's Board of Directors. Ms. DuBoise submitted her resignation in order to pursue other business interests. Her resignation was not the result of any dispute with the Company. She will continue in her role as a Consultant to the Company. On April 1, 2009 the Registrant filed Form 8-K announcing the resignation of Ms. DuBoise from the Board of Directors.

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

FORWARD LOOKING STATEMENTS

In this report we make a number of statements, referred to as "forward-looking statements", which are intended to convey our expectations or predictions regarding the occurrence of possible future events or the existence of trends and factors that may impact our future plans and operating results. These forward-looking statements are derived, in part, from various assumptions and analyses we have made in the context of our current business plan and information currently available to us and in light of our experience and perceptions of historical trends, current conditions and expected future developments and other factors we believe are appropriate in the circumstances. You can generally identify forward looking statements through words and phrases such as "believe", "expect", "seek", "estimate", "anticipate", "intend", "plan", "budget", "project", "may likely result", "may be", "may continue" and other similar expressions. When reading any forward-looking statement you should remain mindful that actual results or developments may vary substantially from those expected as expressed in or implied by that statement for a number of reasons or factors, including but not limited to:

The type and character of our future investments

Future sources of revenue and or income

Increases in operating expenses

Future trends with regard to net investment losses

How long cash on hand can sustain our operations as well as other statements regarding our future operations, financial condition and prospects and business strategies.

These forward-looking statements are subject to certain risks and uncertainties that could cause our actual results to differ materially from those reflected in the forward-looking statements. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

DESCRIPTION OF BUSINESS

Overview

We are a financial services company which coaches and assists biomedical companies, through our network of professionals, in listing their securities on the over-the-counter market.

We were initially incorporated in 1959 as Electro-Mechanical Services Inc., in the state of Florida. Since inception we have been involved in a number of industries. In 1998 we changed our name to Regal One Corporation. On March 7, 2005, our Board of Directors determined it was in our shareholder's best interest to change the focus of the Company's operation to providing financial services through our network of advisors and professionals. Typically these services are provided to early stage biomedical companies who can benefit from our managerial skills, network of professionals and other partners.
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Our clients' are usually in the early stage of development, typically have limited resources and compensate us for our services in capital stock. Accordingly, although our primary business is to provide consulting services and not to be engaged, directly or through wholly-owned subsidiaries, in the business of investing, reinvesting, owning, holding or trading in securities, we may nonetheless be considered an investment company as defined in the Investment Company Act of 1940 (1940 Act). In order to lessen the regulatory

restrictions associated with the requirements of the 1940 Act, on September 16, 2005, we elected to be treated as a Business Development Company (BDC) in accordance with sections 55 through 65 of the 1940 Act.

Pursuant to the requirements of the Investment Company Act of 1940, as amended, the Board of Directors is responsible for determining in good faith the fair value of the securities and assets held by the Company. The Investment Committee of the Board of Directors bases its determination on, among other things, applicable quantitative and qualitative factors. These factors may include, but are not limited to, the type of securities, the nature of the business of the portfolio company, the marketability of the valuation of securities of publicly traded companies in the same or similar industries, current financial conditions and operating results of the portfolio company, sales and earnings growth of the portfolio company, operating revenues of the portfolio company, competitive conditions, and current and prospective conditions in the overall stock market. Without a readily recognized market value, the estimated value of some portfolio securities may differ significantly from the values that would be placed on the portfolio should there be a ready market for such equity securities currently in existence.

Strategy

We intend to focus our efforts on assisting private biomedical companies with distinctive IP and well-defined, near-term applications that address significant and quantifiable markets and that can benefit from our network of business professionals. Our Investment Committee has adopted a charter wherein these criteria will be weighed against other criteria including:

Strategic fit,

Management ability, and

Incremental value we can bring to the potential client.

The potential client must also be willing to comply with the Company's requirement as a BDC to offer significant managerial oversight and guidance, including the right of the Company to a seat on the client's board of directors.

To date we have secured our clients through word of mouth or industry referrals from lawyers, accountants and other professionals. In looking at prospective clients, we do not focus on any particular geographic region and would consider clients globally.

Portfolio Investments

During the six months ended June 30, 2009, we did not add any companies to our portfolio. Our portfolio valued at fair market value is as follows:
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Regal One Corporation Portfolio Investments

Name of Company	Investment	Value of Investments as of June 30, 2009
Neuralstem, Inc. (OTCBB: CUR)	Common Stock	$581,360
Neuralstem, Inc.	Warrants	522,900

Neuralstem, Inc. ("Neuralstem") is a biotechnology company focused on the development and commercialization of treatments based on transplanting human neural stem cells. At present, Neuralstem is pre-revenue and has not yet undertaken any clinical trials with regard to their technology.

Neuralstem has developed and maintains a portfolio of patents and patent applications that form the proprietary base for their research and development efforts in the area of neural stem cell research. Neuralstem, Inc. has ownership or exclusive licensing of four issued patents and 13 patent pending applications in the field of regenerative medicine and related technologies.

The field in which Neuralstem focuses on is young and emerging. There can be no assurances that their intellectual property portfolio will ultimately produce viable commercialized products and processes. Even if they are able to produce a commercially viable product, there are strong competitors in this field and their product may not be able to successfully compete against them.

As of June 30, 2009, the Company holds 559,000 shares of Neuralstem, Inc. common stock and warrants to purchase an additional 1,000,000 shares of common stock at a price of $5.00 per share.

Employees

We have one part-time employee. We expect to use independent consultants, attorneys, and accountants as necessary and do not anticipate a need to engage any additional full-time employees as long as business needs are being identified and evaluated. The need for employees and their availability will be addressed in connection with a decision concerning whether or not to acquire or participate in a specific business venture.

Compliance with BDC Reporting Requirements

The Board of Directors of the Company, comprising a majority of Independent Directors, adopted in March 2006 a number of resolutions, codes and charters to complete compliance with BDC operating requirements prior to reporting as a BDC. These include establishing Board committees for Audit, Nominating, Compensation, Investment, and Corporate Governance, and adopting a Code of Ethics, an Audit Committee Charter and an Investment Committee Charter.

Code of Ethics: The Code of Ethics in general prohibits any officer, director or advisory person (collectively, "Access Person") of the Company from acquiring any interest in any security which the Company (i) is considering a purchase or sale thereof, (ii) is being purchased or sold by the Company, or (iii) is being sold short by the Company. The Access Person is required to advise the Company in writing of his or her acquisition or sale of any such security. The Company's Code of Ethics is posted on our website at www.regal1.com.

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Audit Committee: The primary responsibility of the Audit Committee is to oversee the Company's financial reporting process on behalf of the Company's Board of Directors and report the result of its activities to the Board. Such responsibilities shall include but not be limited to the selection, and if necessary, the replacement of the Company's independent auditors; the review and discussion with such independent auditors and the Company's internal audit department of (i) the overall scope and plans for the audit, (ii) the adequacy and effectiveness of the accounting and financial controls, including the Company's system to monitor and manage business risks, and legal and ethical programs, and (iii) the results of the annual audit, including the financial statements to be included in the Company's annual report on Form 10-K.

The Company's Audit and Compensation Committee is comprised of one director. We anticipate additional board members will be admitted to augment the current audit committee. Mr. Bernard L. Brodkorb, Director, a qualified financial expert, currently reviews the Company's financial records and statements in conjunction with audits and reviews done by our independent auditors.

Investment Committee: The Investment Committee shall have oversight responsibility with respect to reviewing and overseeing the Company's contemplated investments and portfolio companies on behalf of the Board and shall report the results of their activities to the Board. Such Investment Committee shall (i) have the ultimate authority for and responsibility to evaluate and recommend investments, and (ii) review and discuss with management (a) the performance of portfolio companies, (b) the diversity and risk of the Company's investment portfolio, and, where appropriate, make recommendations respecting the role, divestiture or addition of portfolio investments and (c) all solicited and unsolicited offers to purchase portfolio company positions.

Compliance with the Sarbanes-Oxley Act of 2002

The Sarbanes-Oxley Act of 2002 imposes a wide variety of new regulatory requirements on publicly held companies and their insiders including for example:

Our chief executive officer and chief financial officer must now certify the accuracy of the financial statements contained in our periodic reports;

Periodic reports must disclose our conclusions about the effectiveness of our controls and procedures;

Our periodic reports must disclose whether there were significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses; and

The Company may not make any loan to any director or executive officer and we may not materially modify any existing loans.

The Sarbanes-Oxley Act required us to review our current policies and procedures to determine whether we comply with the Sarbanes-Oxley Act and the new regulations promulgated within the regulations stated in the SOX Act of 2002. We will continue to monitor our compliance with all future regulations that are adopted under the Sarbanes-Oxley Act and will take actions necessary to ensure that we are in compliance therewith.
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Financial Condition Overview

The Company's total assets were $1,163,944 and its net assets were $1,139,910 at June 30, 2009, compared to $1,181,256 and $1,120,728, respectively, for the period at December 31, 2008.

The changes in total assets during the six months ended June 31, 2009 were primarily attributable to a decrease of ($385,029) in unrealized appreciation in marketable securities, a gain of $472,900 in unrealized appreciation in stock option investments, and a loss of ($97,485) on investment operations. Regal had a realized gain of $29,345 on the sale of investment securites. The Company's unrealized appreciation (depreciation) varies significantly from period to period as a result of the wide fluctuations in value of the Company's portfolio securities and the number of shares owned. In the first quarter of 2009 the Company implemented FAS 157 fair market valuation using a Black-Scholes Option Pricing model for the Neuralstem warrant resulting in an unrealized gain of $472,900. Prior to 2009 the option investment was valued at $50,000.

Changes in net assets during the six months ended June 30, 2009 were attributable to the net operating loss from operations for the period of ($97,485), the changes in investment value from the $385,029 unrealized loss on the portfolio valuation, the unrealized gain in appreciated valuation of the Neuralstem warrant of $472,900 and interest expense of $549.

The Company's financial condition is dependent on a number of factors including the ability of each portfolio company to effectuate its respective strategies with the Company's help. These businesses are frequently thinly capitalized, unproven, small companies that may lack management depth, and may be dependent on new or commercially unproven technologies, and which may have little or no operating history.

Result of Operations for the six month period ending June 30, 2009 vs. 2008.

Operating Expenses

For the six months ended June 30, 2009, operating expenses were $97,485 compared to $99,428 for the comparable period of 2008. The decrease for the six month period ending June 30, 2009 compared to the comparable period of 2008 was primarily due to decreased Professional Services expenses ($11,894) offset by a $9,950 increase for General and Administrative expenses.

Net Investment Income/ (Loss)

For the six months ending June 30, 2009, our net investment loss after taxes was $97,485 compared to a gain of $80,945 for the comparable period in 2008. The net change loss of $177,630 in the six month period ending June 30, 2009 as compared to the comparable period ended June 30, 2008 was attributable to the factors discussed above and a $180,373 gain on settlements of various payables in 2008.

Other increases (decreases) in net assets from investments

For the six months ended June 30, 2009, net assets increased by $19,182 primarily from the net change in unrealized loss on the value of portfolio securities of $385,029 offset by the unrealized gain of $472,900 in the valuation of the investment warrant. This compares to an unrealized investment loss of $1,578,347 for the comparable period in 2008. Refer to the Statements of Operations page F-5. <page>

Liquidity and Capital Resources

At June 30, 2009, we had $641,044 in liquid and semi-liquid current assets consisting of $43,209 in cash, $16,460 in Prepaid Insurance expense, and $581,375 in saleable marketable securities at fair market value. For the six month period ended June 30, 2009, we primarily satisfied our working capital needs from cash on hand at the beginning of the period which decreased by $79,269. Working capital expenditures included: (i) a decrease in prepaid insurance in the amount of $24,690, and (ii) payment of accounts payable/accrued expenses of $36,494

The Company may receive loans from established collateralized loan accounts with securities broker/dealers that as of June 30, 2009 held 559,000 shares of Regal's Neuralstem stock. No loans were required during the first half of 2009 and no balance is due.

From inception, the Company has relied on the infusion of capital through capital share transactions and loans. The Company plans to either: (i) dispose of its current portfolio securities to meet operational needs; or (ii) borrow against such securities via a traditional margin account or other such credit facility. Any such dispositions may have to be made at inopportune times and there is no assurance that, in light of the lack of liquidity in such shares, they could be sold at all, or if sold, could bring values approximating the estimates of fair value set forth in the Company financial statements. Additionally, when the Company enters into a margin agreement loan using its portfolio securities as collateral, a decrease in their market value may result in a liquidation of such securities which could greatly depress the value of such securities in the market. The Company's average current monthly cash operating expense is approximately $16,250. Because our revenues, if generated, tend to be in the form of portfolio securities, such revenues are not normally of a type capable of being liquidated to satisfy the Company's ongoing monthly expenses. Consequently, for us to be able to avoid having to defer expenses or sell portfolio companies' securities to raise cash to pay operating expenses, we are constantly seeking to secure adequate funding under acceptable terms.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our business activities contain high elements of risk. The Company considers a principal type of market risk to be a valuation risk. All assets are valued at fair value as determined in good faith by or under the direction of the Board of Directors (which is based, in part, on quoted market prices of similar investments).

Market prices of common equity securities in general, are subject to fluctuations which could cause the amount to be realized upon sale to differ significantly from the current reported value. The fluctuations may result from perceived changes in the underlying economic characteristics of the Company's portfolio companies, the relative prices of alternative investments, general market conditions and supply and demand imbalances for a particular security.

Neither the Company's investments nor an investment in the Company is intended to constitute a balanced investment program. The Company will be subject to exposure in the public-market pricing and the risks inherent therein.

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Item 4. Controls and Procedures

Evaluation of Controls and Procedures

The Company's management, under the supervision and with the participation of various members of management, including our CEO and our CFO, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) as of the end of the period covered by this quarterly report. Based upon that evaluation, our CEO and CFO have concluded that our current disclosure controls and procedures are effective as of the end of the period covered by this quarterly report.

Changes in Internal Controls

There have been no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Securities Exchange Act of 1934) that occurred during the three months ended June 30, 2009 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

On April 28, 2009, Regal One Corporation was named as a Defendant in a lawsuit filed by a major shareholder in United States District Court, Central District of California. The Company has made a motion with the U S District Court to dismiss the case to be heard on August 31, 2009 and further has filed an answer and a counterclaim interpleading action, because certain other individuals have claimed ownership in the securities in question. The Company has no opinion at this time as to the outcome of or any potential liability since the case is still in the very early stages.

Item 1A. Risk Factors

The purchase of shares of capital stock of the Company involves many risks. A prospective investor should carefully consider the following factors before making a decision to purchase any such shares:

We Have Historically Lost Money and Losses May Continue in the Future:

Our net operating loss for the 2008 fiscal year was $314,152 and future losses are likely to occur. Accordingly, we may experience significant liquidity and cash flow problems if we are not able to raise additional capital as needed and on acceptable terms. No assurances can be given we will be successful in reaching or maintaining profitable operations in which case, the Company could deplete its cash and liquid resources.

The Company's cash expenses are very large relative to its cash flow which requires the Company continually to sell its investment inventory shares. This could result in substantial dilution to our shareholders net equity and our ability to continue in operations should additional capital not be raised:

For the year ended December 31, 2008 the Company had no operating revenues and operating expenses of $335,748. Consequently, the Company was required to sell shares of the Company's inventory of investment stock or issue promissory notes to raise the cash necessary to pay ongoing expenses. During the second quarter of 2009 the Company sold 28,500 shares of inventory stock. Further sales of inventory investment stock could lead to continuing dilution in net asset value for Company stockholders.

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Regulations governing operations of a business development company will affect the Company's ability to raise, and the way in which the Company raises additional capital. This could result in the Company not being able to raise additional capital and accordingly cease operations:

Under the provisions of the 1940 Act, the Company is permitted, as a business development company, to issue senior securities only in amounts such that asset coverage, as defined in the 1940 Act, equals at least 200% after each issuance of senior securities. If the value of portfolio assets declines, the Company may be unable to satisfy this test. If that happens, the Company may be required to sell a portion of its investments and, depending on the nature of the Company's leverage, repay a portion of its indebtedness at a time when such sales may be disadvantageous and result in unfavorable prices.

Applicable law requires that business development companies may invest 70% of its assets only in privately held U.S. companies, small, publicly traded U.S. companies, certain high-quality debt, and cash. The Company is not generally able to issue and sell common stock at a price below net asset value per share. The Company may, however, sell common stock, or warrants, options or rights to acquire common stock, at prices below the current net asset value of the common stock if the Board of Directors determines that such sale is in the best interests of the Company and its stockholders approve such sale. In any such case, the price at which the Company's securities are to be issued and sold may not be less than a price which, in the determination of the Board of Directors, closely approximates the market value of such securities (less any distributing commission or discount).

The success of the Company will depend in part on its size, and in part on management's ability to make successful investments:

If the Company is unable to select profitable investments, the Company will not achieve its objectives. Moreover, if the size of the Company remains small, operating expenses will be higher as a percentage of invested capital than would otherwise be the case, which increases the risk of loss (and reduces the chance for gain) for investors.

The Company's investment activities are inherently risky:

The Company's investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Company. Such factors include a wide range of economic, political, competitive and other conditions which may affect investments in general or specific industries or companies.

The Company's equity investments may lose all or part of their value, causing the Company to lose all or part of its investment in those companies:

The equity interests in which the Company invests may not appreciate in value and may decline in value. Accordingly, the Company may not be able to realize gains from its investments and any gains that are realized on the disposition of any equity interests may not be sufficient to offset any losses experienced. Moreover, the Company's primary objective is to invest in early stage companies, the products or services of which will frequently not have demonstrated market acceptance. Many portfolio companies lack depth of management and have limited financial resources. All of these factors make investments in the Company's portfolio companies particularly risky.
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The Company's common stock is trading at a substantial discount to net asset value:

The following table summarizes the Company's historical approximate net asset value per common share and corresponding stock price:

As of December 31,	2008	2007	2006	2005
Net Asset Value	$0.31	$ 0.67	$ 0.22	$ (0.07)
Stock Price*	$0.11	$ 0.06	$ 0.15	$ 0.30

*Stock Price is the closing price as of the last trading day in December of each corresponding year.

At present the Company is trading at a discount to Net Asset Value, however there can be no assurance this trend will continue. Moreover, as the Company utilizes and monetizes its assets for its continuing operating needs, the Net

Asset Value will decrease, potentially resulting in further decreases in the price of the Company's common stock.

Our common stock is traded on the "Over-the-Counter Bulletin Board," which may make it more difficult for investors to resell their shares due to suitability requirements:

Our common stock is currently traded on the Over the Counter Bulletin Board (OTCBB) under the symbol RONE where we expect it to remain in the foreseeable future. Broker-dealers often decline to trade in OTCBB stocks given the markets for such securities are often limited, the stocks are more volatile, and the risk to investors is greater. These factors may reduce the potential market for our common stock by reducing the number of potential investors. This may make it more difficult for investors in our common stock to sell shares to third parties or to otherwise dispose of their shares. This could cause our stock price to decline.

We could fail to retain or attract key personnel who are required in order for us to fully carry out our business plan:

The Company's operations and ability to implement its business plan are dependent upon the efforts of its key personnel, the loss of the services of which could have a material adverse effect on the Company. The Company will likely be required to hire additional personnel to implement its business plan. Qualified employees and consultants are in great demand and are likely to remain a limited resource for the foreseeable future. Competition for skilled, creative and technical talent is intense. There can be no assurance that the Company will be successful in attracting and retaining such personnel. Any failure by the Company to retain the services of existing employees and consultants or to hire new employees when necessary could have a material adverse effect upon the Company's business, financial condition and results of operations. Our future success depends in significant part on the continued services of our Chairman and Chief Executive officer. We have no employment agreement with or life insurance on Charles J. Newman.

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The Company operates in a highly competitive market:

The Company faces competition from a number of sources, many of which have longer operating histories, and significantly greater financial, management, marketing and other resources than the Company. The Company's ability to generate new portfolio clients depends to a significant degree on its reputation among potential clients and partners, and its ability to reach acceptable investment terms with potential clients relative to competitive alternatives. In the event that the reputation of the Company is adversely impacted, or that potential portfolio clients perceive competitive alternatives to be superior, the business, financial condition and operating results of the Company could be adversely affected.

Our officers and directors have the ability to exercise significant influence over matters submitted for stockholder approval and their interests may differ from other stockholders:

Our executive officers and directors have the ability to appoint a majority to the Board of Directors. Accordingly, our directors and executive officers, whether acting alone or together, may have significant influence in determining the outcome of any corporate transaction or other matter submitted to our Board for approval, including issuing common and preferred stock, appointing officers, which could have a material impact on mergers, acquisitions, consolidations and the sale of all or substantially all of our assets, and the power to prevent or cause a change in control. The interests of these board members may differ from the interests of the other stockholders.

Our share ownership is concentrated:

The Company's officers, directors and principal stockholders, together with their affiliates, beneficially own approximately 70% of the Company's voting shares. As a result, these stockholders, if they act together, will exert significant influence over all matters requiring stockholder approval, including the election and removal of directors, any merger, consolidation or sale of all or substantially all of assets, as well as any charter amendment and other matters requiring stockholder approval. In addition, these stockholders may dictate the day to day management of the business. This concentration of ownership may delay or prevent a change in control and may have a negative impact on the market price of the Company's common stock by discouraging third party investors. In addition, the interests of these stockholders may not always coincide with the interests of the Company's other stockholders.

We may change our investment policies without further shareholder approval:

Although we are limited by the Investment Company Act of 1940 with respect to the percentage of our assets that must be invested in qualified investment companies, we are not limited with respect to the minimum standard that any investment company must meet, neither are we limited to the industries in which those investment companies must operate. We may make investments without shareholder approval and such investments may deviate significantly from our historic operations. Any change in our investment policy or selection of investments could adversely affect our stock price, liquidity, and the ability of our shareholders to sell their stock.

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The Company's common stock may be subject to the penny stock rules which might make it harder for stockholders to sell:
As a result of our stock price, our shares are subject to the penny stock rules. Because a "penny stock" is, generally speaking, one selling for less than $5.00 per share, the Company's common stock may be subject to the foregoing rules. The application of the penny stock rules may affect stockholder's ability to sell their shares because some broker-dealers may not be willing to make a market in the Company's common stock because of the burdens imposed upon them by the penny stock rules which include but are not limited to:

Section 15(g) of the Securities Exchange Act of 1934 and SEC Rules 15g-1 through 15g-6, which impose additional sales practice requirements on broker-dealers who sell Company securities to persons other than established customers and accredited investors.

Rule 15g-2 declares unlawful any broker-dealer transactions in penny stocks unless the broker-dealer has first provided to the customer a standardized disclosure document.

Rule 15g-3 provides that it is unlawful for a broker-dealer to engage in a penny stock transaction unless the broker-dealer first discloses and subsequently confirms to the customer the current quotation prices or similar market information concerning the penny stock in question.

Rule 15g-4 prohibits broker-dealers from completing penny stock transactions for a customer unless the broker-dealer first discloses to the customer the amount of compensation or other remuneration received as a result of the penny stock transaction.

Rule 15g-5 requires that a broker-dealer executing a penny stock transaction, other than one exempt under Rule 15g-1, disclose to its customer, at the time of or prior to the transaction, information about the sales persons' compensation.

Potential shareholders of the Company should also be aware that, according to SEC Release No. 34-29093, the market for penny stocks has suffered in recent years from patterns of fraud and abuse. Such patterns include (i) control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer; (ii) manipulation of prices through pre-arranged matching of purchases and sales and false and misleading press releases; (iii) "boiler room" practices involving high-pressure sales tactics and unrealistic price projections by inexperienced sales persons; (iv) excessive and undisclosed bid-ask differential and markups by selling broker-dealers; and (v) the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the resulting inevitable collapse of those prices and with consequent investor losses.

Limited regulatory oversight may require potential investors to fend for themselves:

The Company has elected to be treated as a business development company under the 1940 Act which makes the Company exempt from some provisions of that statute. The Company is not registered as a broker-dealer or investment advisor because the nature of its proposed activities does not require it to do so; moreover it is not registered as a commodity pool operator under the
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Commodity Exchange Act, based on its intention not to trade commodities or financial futures. However, the Company is a reporting company under the Securities Exchange Act of 1934. As a result of this limited regulatory oversight, the Company is not subject to certain operating limitations, capital requirements, or reporting obligations that might otherwise apply and investors may be left to fend for themselves.

The Company's concentration of portfolio company securities:

The Company will attempt to hold the securities of several different portfolio companies. However, a significant amount of the Company's holdings could be concentrated in the securities of only a few companies. This risk is particularly acute during this time period of early Company's operations, which could result in significant concentration with respect to a particular issuer or industry. The concentration of the Company's portfolio in any one issuer or industry would subject the Company to a greater degree of risk with respect to the failure of one or a few issuers or with respect to economic downturns in such industry than would be the case with a more diversified portfolio. At June 30, 2009, 100% of the Company's investments asset value resulted from a single portfolio holding.

The unlikelihood of cash distributions:

Although the Company has the corporate power to make cash distributions, such distributions are not among the Company's objectives. Consequently, management does not expect to make any cash distributions in the immediate future. Moreover, even if cash distributions were made, they would depend on the size of the Company, its performance, and the expenses incurred by the Company.

Because many of the Company's portfolio securities will be recorded at values as determined in good faith by the Board of Directors, the prices at which the Company is able to dispose of these holdings may differ from their respective recorded values:

The Company values its portfolio securities at fair value as determined in good faith by the Board of Directors. However, the Company may be required on a more frequent basis to value the securities at fair value as determined in good faith by the Board of Directors to the extent necessary to reflect significant events affecting the value of such securities. For privately held securities, and to a lesser extent, for publicly-traded securities, this valuation is an art and not a science. The Board of Directors may retain an independent valuation firm to aid it on a selective basis in making fair value determinations. Factors that may be considered in fair value pricing of an investment include the markets in which the portfolio company does business, comparison of the portfolio company to (other) publicly traded companies, discounted cash flow of the portfolio company, and other relevant factors. Because such valuations are inherently uncertain, may fluctuate during short periods of time, and may be based on estimates, determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. As a result, the Company may not be able to dispose of its holdings at a price equal to or greater than the determined fair value. Net asset value could be adversely affected if the determination regarding the fair value of Company investments is materially higher than the values ultimately realized upon the disposal of such securities.

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The lack of liquidity in the Company's portfolio securities would probably prevent the Company from disposing of them at opportune times and prices, which may cause a loss and/or reduce a gain:

The Company will frequently hold securities in privately-held companies. Some of these securities will be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. The illiquidity of such investments may make it difficult to sell such investments at advantageous times and prices or in a timely manner. In addition, if the Company is required to liquidate all or a portion of its portfolio quickly, it may realize significantly less than the values recorded for such investments. The Company may also face other restrictions on its ability to liquidate an investment in a portfolio company to the extent that the Company has material non-public information regarding such portfolio company. If the Company is unable to sell its assets at opportune times, it might suffer a loss and/or reduce a gain. Restrictions on resale and limited liquidity are both factors the Board will consider in determining fair value of portfolio securities. Moreover, even holdings in publicly-traded securities are likely to be relatively illiquid because the market for companies of the type in which the Company invests tend to be thin and usually cannot accommodate large volume trades.

Holding securities of privately held companies may be riskier than holding securities of publicly traded companies due to the lack of available public information:

The Company will frequently hold securities in privately-held companies which may be subject to higher risk than holdings in publicly traded companies. Generally, little public information exists about privately-held companies, and the Company will be required to rely on the ability of management to obtain adequate information to evaluate the potential risks and returns involved in investing in these companies. If the Company is unable to uncover all material information about these companies, it may not make a fully informed investment decision, and it may lose some or all of the money it invests in these companies. These factors could subject the Company to greater risk than holding securities in publicly traded companies and negatively affect investment returns.

The market values of publicly traded portfolio companies are likely to be extremely volatile:

Our clients tend to be early stage biotech companies. As a result, their operations and futures are highly dependent on their ability to develop a product and on public perception. Unlike more seasoned companies with historical financial projections that can be used to evaluate performance, our clients typically do not possess such historical figures. Accordingly, shares of our portfolio companies that are quoted for public trading will generally be thinly traded and subject to wide and sometimes precipitous swings in value.

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Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

On February 4, 2009, a meeting of a majority of the shareholders of the Company was held to vote on the election of Directors and nominees for Director. The number of shares outstanding and eligible to vote or have voted in this matter are: 3,633,067 shares of common stock and 100,000 shares of Class B Preferred Stock. Each Preferred share has voting rights entitled to 100 shares of common stock. Therefore, of a total of 13,633,067 votes entitled to be cast as of February 4, 2009, 7,170,783 (52.6%) voted in favor of the proposals. Shareholders also ratified retaining the services of DeJoya Griffith and Company, LLC, an accounting firm certified with the Public Company Accounting Oversight Board, for the upcoming fiscal year. This information was contained in a Form Schedule 14C filed on February 20, 2009 with the SEC included by reference to this report.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K filed during the quarter

Exhibits

The following exhibits are included as part of this Report on Form 10-Q. References to "the Company" in this Exhibit List mean Regal One Corporation, a Florida corporation.

Exhibit Number	Description	Filed Herewith
31.1	Certification of the Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	[X]
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C Section 1350.	[X]

Form 8-K Reports filed during the quarter

On April 1, 2009 the Company filed Form 8-K announcing the departure of a member of our Board of Directors effective as of March 31, 2009.

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SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Regal One Corporation

Dated: August 5, 2009
By:/S/ Charles J. Newman
Charles J. Newman
Chief Executive Officer, Chief Financial Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS that each person whose signature appears below constitutes and appoints Charles J. Newman, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Quarterly Report on Form 10-Q, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

OFFICERS AND DIRECTORS

Name	Title	Date
/s/ Charles J. Newman By: Charles J. Newman	Chief Executive Officer, Chief Financial Officer, and Director (Principal Executive Officer)	August 5, 2009
/s/ Malcolm Currie		August 5, 2009

By: Malcolm Currie Director

/s/ Bernard L. Brodkorb August 5, 2009
By: Bernard L. Brodkorb Director

EXHIBIT 31.1

CERTIFICATIONS

I, Charles J. Newman, certify that:

(1) I have reviewed this quarterly report on Form 10-Q (the "Report") of Regal One Corporation (the "Registrant");

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its unconsolidated investments, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions);
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(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Charles J. Newman
By: Charles J. Newman,
Chief Executive Officer and Chief Financial Officer

Date: August 5, 2009

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Regal One Corporation (the "Registrant") on Form 10-Q for the period ending June 30, 2009, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Charles J. Newman, Chief Executive Officer of the Registrant, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of the operation of the Registrant.

/s/ Charles J. Newman
By: Charles J. Newman
Chief Executive Officer and Chief Financial Officer

Date: August 5, 2009