

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, 2013

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.)

P.O.Box 25610, Scottsdale, AZ 85255-0110
(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 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 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

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

As of August 14, 2013, there were 3,633,067 shares of common stock, par value \$0.001 and 100,000 shares of Series B convertible preferred stock no par, issued and outstanding. The outstanding Series B convertible preferred stock is convertible into an aggregate of 10,000,000 shares of common stock.

1

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION
PAGE

Item 1. Financial Statements	----
Balance Sheets	F-2
Schedule of Investments at June 30, 2013	F-3
Schedule of Investments at December 31, 2012	F-4
Statements of Changes in Net Assets	F-5
Statements of Operations	F-6
Statements of Cash Flows	F-7
Statements of Financial Highlights	F-8
Notes to Financial Statements	9-14

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	15-21
Item 3. Quantitative and Qualitative Disclosures about Market Risk	22
Item 4. Controls and Procedures	22
PART II OTHER INFORMATION	
Item 1. Legal Proceedings	23
Item 1A. Risk Factors	23-29
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	30
Item 3. Defaults upon Senior Securities	30
Item 4. Mine Safety Disclosures	30
Item 5. Other Information	30
Item 6. Exhibits and Reports on Form 8-K	30
Signatures	31

2
PART I FINANCIAL INFORMATION

**REGAL ONE CORPORATION
BALANCE SHEETS**

	June 30, 2013	December 31, 2012
<u>ASSETS</u>	(Unaudited)	
Investments:		
Investments in non-affiliated companies	\$ 421,347	\$ 357,447
Investments in non-affiliated companies pledged to secure note payable – officer	93,125	68,125
Total investments	514,472	425,572
Cash and cash equivalents	21,554	19,121
Prepaid insurance	9,083	22,708
Total assets	\$ 545,109	\$ 467,401
<u>LIABILITIES & NET ASSETS</u>		
Accounts payable and accrued liabilities	\$ 16,513	\$ 27,550
Accounts payable – related party	92,150	72,950
Note payable – officer	47,366	47,366
Accrued interest – notes payable – officer	2,842	1,433
Dividends payable	600	600
Total liabilities	159,471	149,899
Net assets	\$ 385,638	\$ 317,502

Net assets are comprised of:

Preferred stock, no par value			
Series A - Authorized 50,000 shares, none issued and outstanding at June 30, 2013 and December 31, 2012	\$ --	\$ --	
Series B - Authorized 500,000 shares, 100,000 issued and outstanding at June 30, 2013 and December 31, 2012	500	500	
Common stock, par value \$0.001, Authorized 50,000,000 shares; 3,633,067 shares issued and outstanding at June 30, 2013 and December 31, 2012	3,633	3,633	
Additional paid-in capital	8,373,060	8,373,060	
Losses and distributions in excess of earnings	(8,059,690)	(8,421,673)	
Net unrealized appreciation on investments	68,135	361,982	
Total net assets	385,638	317,502	
TOTAL LIABILITIES AND NET ASSETS		\$ 545,109	\$ 467,401
Net asset value per outstanding share of common stock	\$ 0.106	\$ 0.087	

F-2

The accompanying notes are an integral part of the financial statements.

**REGAL ONE CORPORATION
SCHEDULE OF INVESTMENTS**

June 30, 2013
(Unaudited)

Equity Investments:

<u>Company</u>	<u>Description of Business</u>	<u>Percent Ownership</u>	<u>Carrying Cost Investment</u>	<u>Market Value</u>	<u>Affiliation</u>	Fair
Neuralstem, Inc.(CUR)	Biomedical company	1%	\$ 10,731 (1)	\$ 372,500	No	
Neuralstem Warrant	Biomedical company	-	50,000 (2)	140,400	No	
Money Market Trust	Money Market Fund	-	372 (3)	372	No	
Smart Detection Systems	Manufacturing	-	1,200 (4)	1,200	No	
Total Investments				\$ 62,302	\$ 514,472	

(1) As of June 30, 2013 there were 250,000 Neuralstem shares held reported on a fair value basis at the closing market price of \$1.49 with no reduction in fair market value applied. 5,000 shares were sold in the first quarter of 2013, and an additional 25,000 shares were sold in the second quarter. 62,500 shares have been classified as Investments in non-affiliated companies – Pledged to secure note payable – officer.

(2) Regal also has one ten year Neuralstem warrant 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. As of June 30, 2013 using a Black-Scholes Option Pricing model, a \$140,400 value has been assigned to these warrants including a 10% discount assigned by management due to low trading volumes of Neuralstem stock. There is currently no market for Neuralstem options carried as an investment.

To calculate the June 30, 2013 value of the Neuralstem warrant Management used the following factors in a Black-Scholes Option Pricing Model:

- Number of shares in option: 1,000,000
- Date option was issued: 9/15/2005
- Remaining term of option in years: 2.210
- Neuralstem Common Stock closing price on 06/30/2013: 1.49
- Annual volatility: 69.2%
- Discount Rate based on Daily Treasury Bills long term rates on 06/30/13: 1.00%
- Management estimated discount applied to fair market value: 10.0%

(3) The company had \$372 in a money market fund as of 6/30/2013 with an investment brokerage.

(4) Regal purchased common stock valued at \$1,200 as an investment in Rampart Detection Systems Ltd.

F-3

The accompanying notes are an integral part of the financial statements.

REGAL ONE CORPORATION
SCHEDULE OF INVESTMENTS
 December 31, 2012

Equity Investments:

Company	Description of Business	Percent Ownership	Carrying Cost Investment	Market Value	Fair Affiliation
Neuralstem, Inc.(CUR)	Biomedical company	1%	\$ 12,018 (1)	\$ 305,200	No
Neuralstem Warrant	Biomedical company		50,000 (2)	118,800	No
Money Market Trust	Money Market Fund		372 (3)	372	No
Rampart Detection Systems	Manufacturing		1,200 (4)	1,200	No
				-----	-----
Total Investments				\$ 63,590	\$ 425,572

(1) As of December 31, 2012, there were 280,000 Neuralstem shares held reported on a fair value basis valued at the closing market price of \$ 1.09 with no reduction in fair market value applied. 70,500 shares were sold during 2012. 62,500 shares have been classified as Investments in non-affiliated companies – Pledged to secure note payable - officer.

(2) Regal also has a ten year Neuralstem warrant 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. As of December 31, 2012 using a Black-Scholes Option Pricing Model, a \$118,800 value was assigned to these warrants including a 10% discount assigned by management due to the low trading volumes of Neuralstem stock. There is currently no market for Neuralstem options carried as an investment.

To calculate the December 31, 2012 value of the Neuralstem warrant Management used the following factors in a Black-Scholes Option Pricing Model:

- Number of shares in option: 1,000,000
- Date option was issued: 9/15/2005
- Remaining term of option in years: 2.7
- Neuralstem Common Stock closing price on 12/31/2012: 1.09
- Annual volatility: 75.033%
- Discount Rate based on Daily Treasury Bills long term rates on 12/31/2012: 0.25%
- Management estimated discount applied to fair market value: 10.0%

(3) The Company had \$372 in a money market fund at 12/31/2012.

(4) Regal purchased common stock valued at \$1,200 as an investment in Rampart Detection Systems Ltd.

The accompanying notes are an integral part of the financial statements.

REGAL ONE CORPORATION
STATEMENTS OF CHANGES IN NET ASSETS
(UNAUDITED)

Six Months Ended Six Months Ended
June 30, 2013 June 30, 2012
----- -----

OPERATIONS:

Net investment loss	\$ (56,253)	\$ (70,778)
Net realized gain on investments	35,961	33,519
Unrealized appreciation of investments	68,588	(46,470)
Unrealized appreciation (depreciation) of warrant investment	21,600	(31,500)
Interest expense – related party	(1,409)	(1,346)
Interest expense	(352)	(455)
	-----	-----
Net increase (decrease) in net assets resulting from operations	68,135	(117,030)

SHAREHOLDER ACTIVITY:

Declared dividend	--	--
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NET INCREASE (DECREASE) IN NET ASSETS	68,135	(117,030)
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NET ASSETS:

Beginning of period	317,503	369,642
End of period	385,638	252,612
Average net assets	\$ 351,570	\$ 311,127
	=====	=====

Ratios to average net assets:

Net operating expenses	16.0%	22.7%
Net investment gain (loss)	19.4%	(37.6)%

Per share ratios:

Operating expense ratio	1.5%	1.9%
Net gain (loss) ratio	1.9%	(3.2)%

The accompanying notes are an integral part of the financial statements.

REGAL ONE CORPORATION
STATEMENTS OF OPERATIONS
(Unaudited)

Three Months Three Months Six Months Six Months
Ended Ended Ended Ended
June 30, 2013 June 30, 2012 June 30, 2013 June 30, 2012

Investment income:	\$ --	\$ --	\$ --	\$ --			
Operating expenses:							
Professional services	5,315	11,616	11,225	24,161			
Accounting fees – related party	14,100	14,100	28,200	30,450			
Interest expense			837		802	1,761	1,801
Other selling, general and administrative expenses	8,207	8,057	16,828	16,167			
Total operating expenses	28,459	34,575	58,014	72,579			
Net investment loss	(28,459)	(34,575)	(58,014)	(72,579)			

Realized and unrealized gain (loss) on investments

Net realized gain on investments	30,139	4,195	35,961	33,519			
Net unrealized appreciation (depreciation) on investments	65,573	(68,485)	68,588	(46,470)			
Net unrealized appreciation (depreciation) on warrant investment	48,600	(39,600)	21,600	(31,500)			
Net realized and unrealized gain (loss) on investments	144,312	(103,890)	126,149	(44,451)			
Net increase (decrease) in net assets resulting from operations	\$ 115,853	\$ (138,465)	\$ 68,135	\$ (117,030)			

Per share information:

Weighted average common shares

Outstanding:				
Basic	3,633,067	3,633,067	3,633,067	3,633,067
Diluted (1)	13,633,067	13,633,067	13,633,067	13,633,067

Net increase (decrease) in net assets resulting from operations per share:

Basic	\$ 0.032	\$ (0.038)	\$ 0.019	\$ (0.032)
Diluted	\$ 0.008	\$ (0.038)	\$ 0.005	\$ (0.032)

(1) Includes Series B Preferred Shares convertible at 100 for 1, not included in diluted calculation for the three and six month periods ended June 30, 2012 due to it being anti-dilutive.

The accompanying notes are an integral part of the financial statements.

REGAL ONE CORPORATION
STATEMENTS OF CASH FLOWS

Six Months Ended Six Months Ended
June 30, 2013 June 30, 2012
(Unaudited) (Unaudited)

Cash flows from operating activities:

Net increase (decrease) in net assets from operations	\$ 68,135	\$ (117,030)
Adjustments to reconcile net increase (decrease) in net assets from operating activities:		
Realized gain on sale of investments	(35,961)	(33,519)
Unrealized (increase) decrease in investments	(67,300)	47,973
Unrealized (increase) decrease in warrants	(21,600)	31,500
Proceeds from sale of investments	35,961	33,519
Changes in operating assets and liabilities:		
Prepaid expense	13,625	13,625
Accounts payable and accrued expenses	8,162	(9,852)
Accounts Payable – related party	-	30,450
Net cash provided by (used in) operating activities	1,022	(36,853)

Cash flows from financing activities:

Increase in related party loans and interest	1,409	1,346
Net cash provided by financing activities	1,409	1,346
Net change in cash	2,431	(1,988)
Cash at beginning of period	19,121	3,106
Cash at end of period	\$ 21,552	\$ 1,118

F-7

The accompanying notes are an integral part of the financial statements.

REGAL ONE CORPORATION
STATEMENTS OF FINANCIAL HIGHLIGHTS

Six Months Ended Six Months Ended
June 30, 2013 June 30, 2012
(Unaudited) (Unaudited)

Per Share Unit Operating Performance

INCOME FROM INVESTMENT OPERATIONS:

Net investment loss from operations	\$ (0.015)	\$ (0.019)	
Net realized gain on investments	0.010	0.009	
Net unrealized appreciation of investments	0.019	(0.013)	
Net unrealized (depreciation) appreciation of warrant investment	0.006	(0.009)	
	-----	-----	
Net increase (decrease) in net assets			
From operations	0.019	(0.032)	
SHAREHOLDER ACTIVITY			
Declared dividend	--	--	
	=====	=====	
NET INCREASE (DECREASE) IN NET ASSETS		0.038	(0.064)
	=====	=====	
NET ASSETS			
Beginning of period	0.087	0.102	
End of period	0.106	0.070	
	=====	=====	
TOTAL NET ASSET VALUE RETURN		19.38%	(37.61)%
RATIOS AND SUPPLEMENTAL DATA:			
Ratios to average net assets:			
Net expenses	16.00%	22.73%	

F-8

The accompanying notes are an integral part of the financial statements.

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 Scottsdale, Arizona, 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.

Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, ("U.S. GAAP").

Management Estimates

The preparation of financial statements in conformity with U.S. GAAP 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. The Company uses estimates and assumptions in accounting for the following significant matters, among others: the valuation of portfolio investments and the assumptions used as part the going concern analysis. It is at least reasonably possible that these estimates will change in the future. Actual amounts may differ from these estimates, and such differences may be material to the financial statements. The Company periodically reviews estimates and assumptions, and the effects of any such revisions are reflected in the period in which the revision is made.

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

9

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. For years before 2010, the Company is no longer subject to U.S. Federal income tax examinations.

Advertising

The Company expenses advertising costs when incurred. There were no advertising fees incurred during the period.

Net Realized Gains or Losses and Net Change in Unrealized Appreciation or Depreciation

Gains or losses on the sale of investments are calculated using the specific identification method. The Company measures realized gains or losses by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized, but considering unamortized upfront fees and prepayment penalties. Net change in unrealized appreciation or depreciation will reflect the change in portfolio investment values during the reporting period, including any reversal of previously recorded unrealized appreciation or depreciation, when gains or losses are realized.

NOTE 2 – GOING CONCERN

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the creation of assets and the liquidation of liabilities in the normal course of business. The Company does not currently generate operating revenue and must liquidate the Company's investment portfolio to provide cash flow for its operations. The Company is actively seeking sources of revenue for its consulting services but does not have contractual obligations now or in the near future to generate revenue. This fact and the declining market value of the portfolio investment stock it owns due to sales of inventory securities and volatile market conditions has raised substantial doubt regarding Regal's ability to continue as a going concern. In response, management will continue to liquidate assets as necessary while actively searching out new equity investors and continue to rely upon current shareholders to provide loans or additional investment to meet the Company's ongoing obligations. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

10

NOTE 3 - FAIR VALUE OF FINANCIAL INSTRUMENTS

ASC 820 establishes a fair value hierarchy that prioritizes 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 ASC 820 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).

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The carrying value of cash, and accounts payable, note payable officer, and accrued interest approximates fair value due to the short maturity nature of these instruments.

Assets measured at fair value on a recurring basis at June 30, 2013:

	Level of	Fair	Market	
<u>Equity Investments:</u>	<u>Investment</u>	<u>Carrying Cost</u>	<u>Investment</u>	<u>Value</u>
Neuralstem, Inc.(CUR)	Level 1	\$ 10,730		\$372,500
LMP Money Market Trust Fund	Level 1		372	372
Investment Deposit	Level 2	1,200		1,200
Neuralstem Warrant	Level 3	50,000		140,400
	-----	-----		
Total investments		\$ 62,302		\$514,472

Assets measured at fair value on a recurring basis at December 31, 2012:

Fair

	Level of	Fair	Market	
<u>Equity Investments:</u>	<u>Investment</u>	<u>Carrying Cost</u>	<u>Investment</u>	<u>Value</u>
Neuralstem, Inc.(CUR)	Level 1	\$ 12,018		\$305,200
LMP Money Market Trust Fund	Level 1		372	372
Investment Deposit	Level 2	1,200		1,200
Neuralstem Warrant	Level 3	50,000		118,800
	-----	-----		
Total investments		\$ 63,590		\$425,572

11

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) are:

Beginning balance as of December 31, 2012	\$ 118,800
Net change in unrealized appreciation of warrant investment	21,600

Ending balance as of June 30, 2013	\$ 140,400

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) are:

Beginning balance as of December 31, 2011	\$ 95,400
Net change in unrealized depreciation of warrant investment	(31,500)

Ending balance as of June 30, 2012	\$ 63,900

The table below presents the significant unobservable inputs used to value the Company's Level 3 financial instruments:

<u>Level 3 financial instruments</u>	<u>Significant unobservable inputs by valuation technique</u>	<u>Significant unobservable inputs as of June 30, 2013</u>
Warrants	Liquidity discount	outside Black-Scholes

All other assumptions used in Black-Scholes pricing model were observable.

NOTE 4 - EQUITY TRANSACTIONS

The Company's outstanding common share balances as of June 30, 2013 and at December 31, 2012 are 3,633,067 of \$0.001 par value common shares.

The Company's Certificate of Incorporation allows for segregating preferred stock into separate series. As of June 30, 2013 and December 31, 2012, the Company had authorized 50,000,000 total preferred shares with 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.

12

As of the six months ended June 30, 2013 and the year ended December 31, 2012, no dividends have been declared on the Series A or Series B convertible preferred stock

NOTE 5 - INVESTMENTS

Neuralstem, Inc.

At June 30, 2013, the Company owned 250,000 common shares of Neuralstem, Inc. held as an investment. These shares had a valuation of \$372,500 based on the closing market price of the stock. 5,000 and 25,000 shares were sold in the first and second quarter of 2013 to finance operations. 187,500 of these shares are not restricted and are freely tradable with 62,500 shares being restricted as they are held as collateral for a note payable to a related party.

Regal One also has one ten year warrant for 1,000,000 common shares of Neuralstem at an exercise price of \$5 per share which is significantly above the present fair market value of Neuralstem shares. There is currently no market for Neuralstem warrants. The price of the underlying publicly traded common stock is used as a significant input in the valuation process.

As of June 30, 2013, using a Black-Scholes Option Pricing model, a \$140,400 fair value has been assigned to this warrant including a 10% discount assigned by management due to low trading volume of Neuralstem common stock. Regal recorded a \$27,000 unrealized loss on the investment in the first quarter of 2013, and a \$48,600 gain in the second quarter due to changes in the fair value as determined by the Black-Scholes model. The gain in the current quarter is primarily due to the increase in the fair value of Neuralstem's common stock.

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 has adopted provisions for valuation of the portfolio as described in Note 3 under Fair Value Accounting through ASC 820. The Investment Committee 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.

NOTE 6 - RELATED PARTY TRANSACTIONS

Related party transactions in the second quarter of 2013 included accounting consulting fees of \$14,100 earned by Bernard L. Brodkorb who is a Director of Regal One. These fees have not been paid and are currently held as Accounts Payable – Related party. The total balance payable to Bernard L. Brodkorb for his services was \$92,150 and \$72,950 as of June 30, 2013 and December 31, 2012, respectively.

13

Interest was also accrued against notes payable to officers in the amount of \$709. This accrued interest is associated

with one current single note payable to officers in the amount of \$47,366 and has 62,500 shares of Neuralstem stock pledged as collateral against this note as described above in Note 5 - Investments. This note bears interest at a rate of 6% per annum and was due with interest thereon as of December 31, 2012. As of June 30, 2013, the note holder and management have agreed to renew the note with identical terms payable in full with accrued interest thereon as of June 30, 2013. There is currently \$2,842 interest accrued on this note as of June 30, 2013.

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. 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.

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, 2013, we did not add any companies to our portfolio. Our portfolio valued at fair market value is as follows:

Regal One Corporation Portfolio Investments

Name of Company	Fair value of Investments	
	Investment	as of June 30, 2013
Neuralstem, Inc. (OTCBB: CUR)	Common Stock	\$372,500
Neuralstem, Inc.	Warrants	140,400
Rampart Detection Systems	Common Stock	1,200
LMP Money Market Trust Fund	Money Market Fund	372

Neuralstem, Inc. ("Neuralstem") is a life sciences 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, 2013, the Company holds 250,000 shares of Neuralstem, Inc. common stock and warrants to purchase an additional 1,000,000 shares of common stock at an option 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.regall.com.

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 registered public accounting firm; the review and discussion with such independent registered public accounting firm 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 that additional board members will be admitted and will augment the current audit committee.

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.

Financial Condition Overview

The Company's total assets were \$545,109 and its net assets were \$385,638 at June 30, 2013, compared to \$467,401 and \$317,502, respectively at December 31, 2012. The changes in total assets during the six months ended June 30, 2013 were primarily attributable to a gain of \$21,600 in unrealized appreciation in warrant investments and \$68,588 in unrealized appreciation on portfolio investments. 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.

The changes in net assets during the six months ended June 30, 2013 were attributable to the same factors attributable to total assets above as there was no shareholder activity.

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, 2013 vs. 2012.

Operating Expenses

For the six months ended June 30, 2013, operating expenses were \$58,014 compared to \$72,579 for the comparable period of 2012. The decrease for the six month period ending June 30, 2013 compared to the comparable period of 2012 was primarily due to decreased Professional Services expenses of \$12,936.

Net Increase (Decrease) in Net Assets resulting from Operations

For the six months ending June 30, 2013, our net increase in net assets resulting from operations was \$68,135 compared to a net decrease in net assets resulting from operations of \$117,030 for the comparable period in 2012. The net change of \$115,853 in the three month period ending June 30, 2013 as compared to the comparable period ended June 30, 2012 was attributable to the factors discussed above.

Other increases (decreases) in net assets from investments

For the six months ended June 30, 2013, net assets increased by \$68,135. This increase is primarily from the unrealized gain on portfolio securities and investment warrants of \$90,188. This compares to an unrealized investment loss of \$77,970 for the comparable period in 2012. A \$33,519 realized gain position on the sale of portfolio investments was reported for 2012 compared to a gain of \$35,961 for the same period in 2013. Refer to the Statements of Operations page F-6.

Liquidity and Capital Resources

At June 30, 2013, we had \$311,212 in liquid and semi-liquid assets mainly consisting of \$21,554 in cash, \$9,083 in Prepaid Insurance expense, a \$1,200 deposit, and \$279,375 in unrestricted investments at fair market value (which does not include the \$140,400 Neuralstem warrant investment). For the six month period ended June 30, 2013, we primarily satisfied our working capital needs through sales of marketable securities. Working capital expenditures included: (i) a decrease in prepaid insurance in the amount of \$12,995.

The Company may receive loans from an established collateralized loan account with a securities broker/dealer that as of June 30, 2013 held 250,000 shares of Regal's Neuralstem stock. No additional loans were required during the second quarter of 2013, leaving a balance of \$47,366 plus \$2,842 in accrued interest.

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 \$9,376. 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 that 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.

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 not 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 six months ended June 30, 2013 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

As of the date of this quarterly report and subsequent events, there are no additional material pending legal or governmental proceedings relating to our company or properties to which we are a party, and to our knowledge there are no other material proceedings to which any of our directors, executive officers or affiliates are a party adverse to us or which have a material interest adverse to us.

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 2012 fiscal year was \$52,140 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, 2012 the Company had no operating revenues and operating expenses of \$70,778. 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 first six months of 2013, the Company sold 30,000 shares of inventory stock. Further sales of inventory investment stock could lead to continuing dilution in net asset value for Company stockholders.

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.

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,	2012	2011	2010	2009	2008
Net Asset Value	\$.09	\$.10	\$.41	\$.45	\$.31
Stock Price*	\$.07	\$.06	\$.06	\$.03	\$.11

*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 Pink Sheets under the symbol RONE where we expect it to remain in the foreseeable future. Broker-dealers often decline to trade in OTC Pink Sheet 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.

25

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.

26

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

27

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, 2013, 99% 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.

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.

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

None

Item 3. Defaults upon Senior Securities

None

Item 4. Mine Safety Disclosures

None.

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	

Form 8-K Reports filed during the quarter

None

30

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 14, 2013

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 14, 2013
/s/ Malcolm Currie By: Malcolm Currie	Director	August 14, 2013
/s/ Bernard L. Brodkorb By: Bernard L. Brodkorb	Director	August 14, 2013

RULE 13A-14(a)/15D-14(a) CERTIFICATION OF CEO

I, Charles J. Newman, certify that:

- (1) I have reviewed this annual 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(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 14, 2013

**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 Annual Report on Form 10-Q of Regal One Corporation (the "Registrant") for the period ending June 30, 2013, (the "Report") as filed with the Securities and Exchange Commission on the date hereof, 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 14, 2013