

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 or 15(d) of the
SECURITIES EXCHANGE ACT OF 1934
For the Quarterly period ended September 30, 2001

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 0-17843

REGAL ONE CORPORATION
(name of small business issuer as specified in its charter)

Florida 95-4158065
(State or other jurisdiction of (IRS Employer
Incorporation or Organization) Identification No.)

C/O Christopher H. Dietrich, Attorney at Law
11300 W. Olympic Blvd., Suite 800
Los Angeles, California 90064
(Address of Principal Executive Offices)

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

Check whether the issuer (1) filed all reports required to be
filed by Section 13 or 15(d) of the Exchange Act during the past
12 months (or 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

As of September 30, 2001, the Company had 1,269,716 shares of
common stock issued and outstanding and 208,965 shares of
convertible preferred stock issued and outstanding, each of which
is convertible into 100 shares of the Company's common stock.

Part 1

ITEM 1: Financial Statements

REGAL ONE CORPORATION
BALANCE SHEETS
September 30, 2001 and December 31, 2000

	September 30, 2001	December 31, 2000
	(Unaudited)	(Audited)

ASSETS

Current Assets

Cash	\$ 5,192	\$ 2,336
Prepaid expenses	243	-
	-----	-----
Total Assets	\$ 5,435	\$ 2,336

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

Current Liabilities

Due to stockholders

and officers	\$ 157,184	\$ 148,003
Accounts payable and accrued liabilities	136,594	124,122
	-----	-----
Total Current Liabilities	293,778	272,125
	-----	-----

Stockholders' Equity (Deficit)

Preferred stock, no par value. Authorized 50,000,000 shares; issued and outstanding 208,965 shares	500	500
Common stock, no par value. Authorized 50,000,000 shares; issued and outstanding 1,269,716 shares at September 30, 2001 and December 31, 2000	6,036,604	6,036,604
Accumulated deficit	(6,325,447)	(6,306,893)
	-----	-----

Net Stockholders' Equity (Deficit)	(288,343)	(269,789)
	-----	-----

Total Liabilities and Stockholders' Equity (Deficit)	\$ 5,435	\$ 2,336
	=====	=====

See the accompanying notes to the Financial Statements.

(format change)

<TABLE>

REGAL ONE CORPORATION
STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
For the Three Months and Nine Months Ended September 30, 2001 and 2000
(Unaudited)

<S>	<C>	<C>	<C>	<C>
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000

Expenses:				
Consulting and outside services	\$ -	\$ -	\$ -	\$21,000
Professional services	2,675	5,572	15,433	25,178
Other, selling, general and administrative expenses	585	645	1,572	1,691
	-----	-----	-----	-----
	3,260	6,217	17,005	47,869
	-----	-----	-----	-----
Loss from Operations	(3,260)	(6,217)	(17,005)	(47,869)
	-----	-----	-----	-----
Other Income (Expense):				
Interest Expense	(801)	-	(1,549)	-
	-----	-----	-----	-----
Loss Before Provision for Income Taxes	(4,061)	(6,217)	(18,554)	(47,869)
	-----	-----	-----	-----
Income Tax Expenses	-	-	-	-
	-----	-----	-----	-----
Net Income (Loss)	(4,061)	(6,217)	(18,554)	(47,869)
	-----	-----	-----	-----
Other Comprehensive Income	-	-	-	-
	-----	-----	-----	-----
Comprehensive (Loss)	\$(4,061)	\$(6,217)	\$(18,554)	\$(47,869)
	=====	=====	=====	=====

Basic and Diluted Net Loss per Common Share	\$ (.00)	\$ (.01)	\$ (.01)	\$ (.04)
Shares Used in Computing Basic and Diluted per Share Data	1,269,716	1,269,716	1,269,716	1,244,243

See the accompanying notes to the Financial Statements.

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<TABLE>

REGAL ONE CORPORATION
STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2001 and 2000
(Unaudited)

<S>	<C> 2001	<C> 2000
	-----	-----
Cash flows from operating activities:		
Net income (loss)	\$(18,554)	\$(47,869)
Adjustments to reconcile net loss to net cash used by operating activities:		
Noncash consulting fees	-	36,000
(Increase) Decrease in prepaid expenses	(243)	-
Expenses paid by stockholders and officers	9,181	-
Increase (Decrease) in accounts payable and accrued liabilities	12,472	(12,288)
Total Adjustments	21,410	23,712
Net cash used by operating activities	2,856	(24,157)
Cash Flows from Investing Activities:		
Net cash provided by investing activities	-	-
Cash flows from financing activities:		
Proceeds from sales of stock	-	26,530
Net cash used by financing activities	-	26,530
Net increase (decrease) in cash	2,856	2,373
Cash at beginning of period	2,336	8
Cash at end of period	\$ 5,192	\$ 2,381

See the accompanying notes to the Financial Statements.

REGAL ONE CORPORATION
STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2001 and 2000
(See Accountants' Report)
(Unaudited)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

	2001	2000
	-----	-----
Cash paid during the year for interest	\$ -	\$ -

	=====	=====
Cash paid during the year		
for income taxes	\$ -	\$ -
	=====	=====

See the accompanying notes to the Financial Statements.

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NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Business

Regal One Corporation (the "Company") located in Las Vegas, Nevada, is a Florida corporation originally incorporated as Electro-Mechanical Services, Inc., in 1959 in Florida. The Company has been involved in a variety of industries including automobile mufflers, real estate, and the pharmaceutical and health fields. The Company is currently not in formal business operations, but is actively seeking a merger candidate.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and the instructions for Form 10-QSB and Regulation S-B. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. All adjustments that, in the opinion of management, are necessary for a fair presentation of the results of operations for the interim periods have been made and are of a recurring nature unless otherwise disclosed herein. The results of operations for the quarter ended September 30, 2001, are not necessarily indicative of the results that will be realized for a full year. For further information, refer to the financial statements and notes thereto contained in the Company's Annual Report on Form 10-KSB for the year ending December 31, 2000.

NOTE 2 - GOING CONCERN

For the fiscal year ended December 31, 2000, the independent auditors report included an explanatory paragraph calling attention to a going concern issue. The Company has suffered recurring losses from operations and at September 30, 2001, continues to have an accumulated deficit. The accompanying financial statements have also been prepared contemplating continuation of the Company as a going concern, which is dependent upon the Company obtaining additional financing to satisfy the operating needs of the Company and/or completing a successful merger.

NOTE 3 - PRIOR PERIOD ADJUSTMENT

The accompanying financial statements for the quarter ended September 30, 2000, have been restated to correct an error made in 1994 when 30,000 shares of common stock that had been issued in 1993 were incorrectly canceled. The effect of the restatement had no impact on net income. However, the number of shares of common stock outstanding have been adjusted to reflect the additional 30,000 shares.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

The Company is currently not in formal business operations, but is actively seeking a merger candidate. The Company has not generated significant revenue during the last several years, and has funded its operation primarily through the issuance of additional debt and equity financing. Accordingly, the Company's ability to accomplish its business strategy and to ultimately achieve profitable operations is dependent upon its ability to obtain additional debt or equity financing, or to merge with a going concern company. The Company is currently exploring a merger option.

Results of Operations

The Company reported no revenues for the quarters ending September 30, 2001 and 2000.

Operating expenditures decreased from \$6,217 in the quarter ended September 30, 2000, to \$3,260 in the quarter ended September 30, 2001. The decrease of \$2,957 is primarily attributable to professional service expenses incurred in the third quarter of 2000.

Liquidity and Capital Resources

During the prior year and current quarter, the Company had continuing losses from operations. There can be no assurances that the Company will be able to secure long-term borrowings with which to finance its future operations. The Company does not currently have any established bank lines of credit. The Company's lack of liquidity is reflected in the table below, which shows comparative working capital (current assets less current liabilities) which is an important measure of the Company's ability to meet its short-term obligations.

September 30, 2001 December 31, 2000

Working Capital (deficit)	\$(288,343)	\$(269,789)
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The Company's financial condition at September 30, 2001, reflects an immediate inability to meet its short-term obligations. At September 30, 2001, the Company had \$5,192 in cash on hand. The liabilities of the Company at September 30, 2001, aggregated \$293,778. Certain accounts payable are past due, and it is possible that the persons to whom these obligations are due may seek to collect the amounts due them.

Stock Option Plan

The Company's Stock Option Plan (Plan) is for its employees, directors, officers and consultants or advisors of the Company. In May 1995, the Company filed a registration statement on Form S-8 covering 3,000,000 shares of common stock for this Plan. Since May 1995, holders have exercised options to purchase 597,009 shares of common stock. No options were exercised during the quarter ended September 30, 2001, leaving 2,402,991 yet available, with an amended expiration date of March 31, 2002 (See the Company's 14c, filed March 23, 2001).

Cautionary Statements Regarding Forward-Looking Statements

Certain statements contained in this Form 10-QSB regarding matters that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve risks and uncertainties, and actual results may differ materially from those expressed or implied by such forward-looking statements. All statements that address operating performance, liquidity issues, or events or developments that management expects or anticipates to occur in the future are forward-looking statements. The forward-looking statements are based on management's current views and

assumptions regarding future events and operating performance. Many factors could cause actual results to differ materially from estimates contained in management's forward-looking statements. Some of these factors are adverse economic conditions, inadequate capital, availability of alternative financing resources, unexpected costs, and the Company's ability to manage its recurring losses and shareholders' deficit.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 2. Changes in Securities

None

Item 3. Default Upon Senior Securities

None

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

None

Item 5. Other Information

None

Item 6. Exhibits and Reports

None

REGAL ONE CORPORATION
(Registrant)

Date: November 13, 2001 /s/ Richard Babbitt
Richard Babbitt, President