

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **30 September 2010**
2. Commission identification number **102415** 3. BIR Tax Identification No **000-056-514**

ZEUS HOLDINGS, INC.

4. Exact name of issuer as specified in its charter

Metro Manila, Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [REDACTED] (SEC Use Only)

7. Address of issuer's principal office **20/F, LKG Tower, 6801 Ayala Avenue, Makati City** **1226**
Postal Code

- (632) 884-1106**
8. Issuer's telephone number, including area code

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

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the
RSA (as of 30 September 2010)

| Title of each Class | Number of shares of common stock outstanding and amount of debt outstanding |
|----------------------------|--|
| Common | 2,733,463,907 |
| Outstanding Loans | nil |

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

Yes No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange **Common**

12. Indicate by check mark whether the registrant:

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

Yes No

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

Yes No

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

(Please see attached unaudited financial statements)

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

As of 30 September 2010, total assets stood at P588,676, which is 21.62% lower from 31 December 2009. The decrease is attributable to the 44.08% decrease in cash, primarily used for payment of operating expenses. The decrease in cash was, however, cushioned by a 14.69% increase in other current assets, which increase is due to input value added tax on audit and listing fees. Accrued expenses and other payables decreased by 16.86% due to payment for printing services in the last quarter of 2009 in connection with the Company's Annual Stockholders' Meeting ("ASM") held in November 2009.

During the quarter, the Company's total operating expenses decreased by 25% compared to the same period last year, as filing fees for the Company's 2010 Information Statement (SEC Form 20-IS) will be recorded only in the fourth quarter of this year.

For the nine months period, net loss decreased by 5.04% due to lower expenses incurred during the 2009 ASM.

The top 5 performance indicators of the Company are as follows:

| Ratios | Formula | 30-September-10 | 30-September-09 | 31-Dec-09 |
|------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Current Ratio | Current assets / Current liabilities | 1.01:1 588,676 / 584,167 | 0.93:1 542,408 / 584,928 | 1.08:1 751,012 / 696,129 |
| Debt to Equity Ratio | Total liabilities / Stockholders' equity | 129.55:1 584,167 / 4,509 | (13.75):1 584,928 / (42,520) | 12.68:1 696,129 / 54,883 |
| Capital Adequacy Ratio | Stockholders' equity / Total assets | 0.01:1 4,509 / 588,676 | (0.078):1 (42,520) / 542,408 | 0.07:1 54,883 / 751,012 |
| Book value per share | Stockholders' equity / Total # of shares | 0.0000016 4,509 / 2,733,463,907 | -0.000015 (42,520) / 2,733,463,907 | 0.00002 54,883 / 2,733,463,907 |
| Loss per Share | Net loss / Total # of shares | -0.00013 (350,373) / 2,733,463,907 | -0.00013 (368,953) / 2,733,463,907 | -0.00023 (621,550) / 2,733,463,907 |

Current Ratio shows the Company's ability to meet its short-term financial obligation. As of 30 September 2010, the Company has P1.01 worth of current assets for every one peso liability as compared to the current ratio as of 31 December 2009 of P1.08 for every peso of liability. The decrease is attributable to the payment of various operating expenses.

Debt to Equity Ratio indicates the extent of the Company's debt which is covered by shareholder's fund. It reflects the relative position of the equity holders. As of 30 September 2010, the Company's equity is not sufficient to cover its liabilities. However, its major shareholder is willing to support the Company as the need arises.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 30 September 2010, the Company's Capital Adequacy Ratio is down to 0.01 as compared to 0.07 on 31 December 2009, as a result of decrease in cash due to payment of operating expenses.

Book Value Per Share measures the recoverable amount in the event of liquidation if assets are realized at book value. The Company has book value per share of P0.0000016 as of 30 September 2010.

Loss Per Share is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 30 September 2010, the Company recorded P0.00013 loss per share, which is 43.48% lower compared to the loss per share of P0.00023 on 31 December 2009.

(B) Interim Periods

Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:

- (i) *Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.*

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

- (ii) *Events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation*

There are no known events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

- (iii) *Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.*

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

- (iv) *Material Commitment for Capital Expenditure*

The Company has not entered into any material commitment for capital expenditure.

- (v) *Others*

There are no known trends, events or uncertainties that have material impact on net sales/revenues/income from continuing operations.

The Company did not recognize income or loss during the quarter that did not arise from continuing operations.

The causes for any material change from period to period, including vertical and horizontal analysis of material items, are included in Item 2 (Management's Discussion and Analysis of Financial Condition and Results of Operations).

There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer:

ZEUS HOLDINGS, INC.

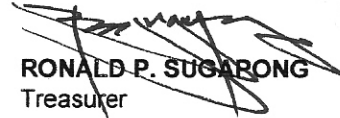
By:



DAISY L. PARKER

Corporate Secretary

Date: 11 November 2010



RONALD P. SUGARONG

Treasurer

Date: 11 November 2010

ZEUS HOLDINGS, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2010 AND DECEMBER 31, 2009

| | <u>UNAUDITED</u> <u>SEPTEMBER 2010</u> | <u>AUDITED</u> <u>DECEMBER 2009</u> |
|--|---|--|
| <u>A S S E T S</u> | | |
| CURRENT ASSETS | | |
| Cash (Note 2) | P259,458 | P463,958 |
| Other current assets (Note 3) | 329,218 | 287,054 |
| TOTAL ASSETS | P588,676 | P751,012 |
| <u>LIABILITIES AND EQUITY</u> | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued expenses (Note 4) | P568,538 | P683,840 |
| Due to a related party (Note 5) | 15,629 | 12,289 |
| Total Current Liabilities | P584,167 | P696,129 |
| EQUITY | | |
| Capital stock | 2,733,463,907 | 2,733,463,907 |
| Additional paid-in capital | 33,393,941 | 33,393,941 |
| Deposit for future stock subscriptions | 3,580,900 | 3,280,900 |
| Deficit | (2,770,434,239) | (2,770,083,865) |
| Total Equity | 4,509 | 54,883 |
| TOTAL LIABILITIES AND EQUITY | P588,676 | P751,012 |

ZEUS HOLDINGS, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2010 AND 2009

| | Three Months Period Ended | | Nine Months Period Ended | |
|--|----------------------------------|-----------------------|---------------------------------|-----------------------|
| | September 2010 | September 2009 | September 2010 | September 2009 |
| OPERATING EXPENSES | | | | |
| Taxes and licenses | ₱ - | ₱ - | ₱263,600 | ₱263,700 |
| Professional fees | 21,000 | 21,000 | 63,000 | 63,000 |
| Photocopying & Reproduction | 2,600 | 3,430 | 7,317 | 18,605 |
| Other operating expenses | 218 | 7,498 | 16,456 | 23,648 |
| NET LOSS FOR THE PERIOD | 23,818 | 31,928 | 350,373 | 368,953 |
| OTHER COMPREHENSIVE INCOME | - | - | - | - |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | ₱23,818 | ₱31,928 | ₱350,373 | ₱368,953 |
| Loss Per Share | 0.00001 | 0.00001 | 0.00013 | 0.00013 |

Loss per share is determined by dividing net loss by 2,733,463,907 shares issued and outstanding.

ZEUS HOLDINGS, INC.
STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)
FOR THE PERIOD ENDED SEPTEMBER 30, 2010 AND 2009

| | <u>September 2010</u> | <u>September 2009</u> |
|--|-------------------------------|--------------------------------|
| CAPITAL STOCK | | |
| Balance, beginning of year | ₱2,733,463,907 | ₱2,733,463,907 |
| Issuance of shares | - | - |
| Balance, end of the period | <u>2,733,463,907</u> | <u>2,733,463,907</u> |
| ADDITIONAL PAID-IN CAPITAL | | |
| Balance, beginning of year | 33,393,941 | 33,393,941 |
| Balance, end of the period | <u>33,393,941</u> | <u>33,393,941</u> |
| DEPOSIT FOR FUTURE STOCK SUBSCRIPTION | | |
| Balance, beginning of year | 3,580,900 | 2,930,900 |
| Additions for the year | - | - |
| Balance, end of the period | <u>3,580,900</u> | <u>2,930,900</u> |
| DEFICIT | | |
| Balance, beginning of year | (2,770,083,867) | (2,769,462,315) |
| Net loss for the period | <u>(350,373)</u> | <u>(368,953)</u> |
| Balance, end of the period | <u>(2,770,434,239)</u> | <u>(2,769,831,268)</u> |
| TOTAL EQUITY (CAPITAL DEFICIENCY) | <u><u>₱4,509</u></u> | <u><u>(₱42,520)</u></u> |

ZEUS HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2010 AND 2009

| | <u>SEPTEMBER 2010</u> | <u>SEPTEMBER 2009</u> |
|---|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net loss | (P350,373) | (P368,953) |
| Working capital changes | | |
| Increase in other current assets | (42,164) | (41,267) |
| Decrease in accounts payable and accrued expenses | (115,303) | (97,588) |
| | (507,840) | (507,808) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Advances from stockholders | 303,340 | - |
| | 303,340 | - |
| NET DECREASE IN CASH | (204,500) | (507,808) |
| CASH AT BEGINNING OF THE PERIOD | 463,958 | 776,753 |
| CASH AT END OF THE PERIOD | P259,458 | P268,945 |

ZEUS HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been consistently applied to all periods presented, unless otherwise stated.

1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

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

The financial statements are presented in Philippine pesos, the Company's functional currency, and all values represent absolute amounts except when otherwise indicated.

1.2 Financial Instruments

Financial assets and financial liabilities are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted for specific financial instruments are set out below.

Financial assets

The Company's financial assets consist of cash in bank, which are denominated in Philippine pesos and measured at fair value.

Financial liabilities

The Company's financial liabilities include accrued expenses and other payable. Financial liabilities are recognized when the Company becomes a party to the contractual agreements of the instrument and are initially measured at fair value, and are subsequently measured at amortized cost less settlement payment, using the effective interest rate method. Financial liabilities are derecognized from the balance sheet only when the obligation are extinguished either through discharge, cancellation and expiration.

1.3 Expense Recognition

Expenses are recognized in the income statement upon receipt of goods and utilization of services or at the date they are incurred.

1.4 Equity

Capital stock is determined using nominal value of shares that have been issued. Additional paid-in capital includes any premiums received on the initial issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits. Deposits for future stock subscriptions are recorded based on the amounts received from stockholders and amounts of advances to be converted to equity.

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

1.5 Loss per Share

Loss per share is determined by dividing net loss by the weighted average number of shares issued and outstanding during the period.

2. CASH

Cash includes peso currency deposit in bank which is unrestricted and readily available for use in the current operations.

3. OTHER CURRENT ASSETS

This account consists of input value added tax. Management has assessed that the balance of Input VAT is fully recoverable, thus, no impairment losses were recognized as of September 30, 2010.

4. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The composition of this account is as follows:

| | <u>September 2010</u> | <u>December 2009</u> |
|------------------|-----------------------|----------------------|
| Accounts payable | 567,488 | 592,927 |
| Accrued expenses | 1,050 | 90,913 |
| | <u>568,538</u> | <u>683,840</u> |

The carrying amounts recognized in the balance sheet are considered as a reasonable approximation of their fair values.

5. RELATED PARTY TRANSACTIONS

Due to related party consist of the following:

| | <u>September 2010</u> | <u>December 2009</u> |
|--------------------------------------|-----------------------|----------------------|
| Due to Prime Orion Philippines, Inc. | 15,629 | 12,289 |
| | <u>15,629</u> | <u>12,289</u> |

The carrying amounts recognized in the balance sheet are considered as a reasonable approximation of their fair values.

6. LOSS PER SHARE

The basic loss per share is computed as follows:

| | <u>September 2010</u> | <u>September 2009</u> |
|---|-----------------------|-----------------------|
| Net loss | P 350,373 | P 368,953 |
| Divided by the weighted average number of issued & outstanding shares | <u>2,733,463,907</u> | <u>2,733,463,907</u> |
| Loss per share | <u>P 0.00013</u> | <u>P 0.00013</u> |

Diluted earnings per share were not determined since the Company does not have potential dilutive common shares as of September 30, 2010 and 2009.

7. CONTINGENCY

The Philippines continues to experience economic difficulties relating to currency fluctuations, volatile stock markets and slowdown in growth. Management believes that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

8. OTHER MATTERS (OPERATING AGREEMENT WITH OLYMPIC)

Pursuant to the operating agreement with Olympic, which shall take effect for a period of 25 years from the date of issuance of MPSA, the Company, in consideration of the agreement, shall pay Olympic in the form of royalties in an amount equivalent to 3% of the Net Smelter Return on metal sales. Moreover, as additional consideration for Olympic's appointment of the Company as operator of the mining claims, the Company has entered into an additional agreement with Olympic for the issuance of the Company's shares of stock from its unissued capital in favor of Olympic in accordance with the following provisions:

- (a) Ten million (10,000,000) common shares shall be issued to Olympic within one month from the issuance of the MPSA;
- (b) Olympic shall have the option to subscribe at par, subject to applicable laws, to additional ten million (10,000,000) common shares within one year from the issuance of the MPSA; and
- (c) Olympic shall have the option to subscribe at par, subject to applicable laws, to one hundred million (100,000,000) common shares within five years from the issuance of the MPSA.

The above-mentioned agreements were unanimously passed and approved by the Company's BOD during a special meeting held on July 13, 2009 and ratified by the Company's stockholders representing 83.27% of the outstanding capital stock of the Company during the annual meeting of the stockholders held on November 5, 2009.

9. RISK MANAGEMENT OBJECTIVES AND POLICIES

As of September 30, 2010, the Company is not exposed to any financial risks as it has no significant financial instruments.

9.1 Credit Risk Analysis

The Company's exposure to credit risk is limited to the amount of Cash as shown on the face of the balance sheet. However, the credit risk for cash is considered negligible since the counterparty is a reputable bank with high quality external credit ratings.

9.2 Liquidity Risk

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising funds to meet commitments from financial instruments.

The Company's objectives to manage its liquidity profile are: (a) to ensure that adequate funding is available at all times; (b) to meet commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost. Funding for expenditures are advanced by stockholders of the Company.

As of September 30, 2010, the Company's maximum liquidity risk is the carrying amount of accounts payable and accrued expenses, which is shown as current liabilities in the balance sheets.

10. CAPITAL MANAGEMENT OBJECTIVE, POLICIES AND PROCEDURES

The Company's capital management objective is to ensure the Company's ability to continue as a going concern. The Company's management continues to assess possible investment opportunities and various options regarding operations that it may take in the future. The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the balance sheets.

As of December 31, 2009, the Company has converted advances from related parties to deposits for future stock subscription and has received additional cash infusions which the Company intends to be subsequently converted into capital stock.