



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 2008**
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 2008)

<b>Title of each Class</b>	<b>Number of shares of common stock outstanding and amount of debt outstanding</b>
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 September 30, 2008, total assets stood at P435,105, a 44.24% increase as compared against last year's P301,643. The increase is attributable to the 69.62% increase in cash, which came from the advances made by a shareholder and 25.70% increase in other current assets, which is due to input value added tax on listing and audit fees. Accrued expenses and other payables decreased by 15.93% due to payment of audit fee. As of September 30, 2008, advances from related parties were converted to deposit for future subscription amounting to P2,240,600.

During the quarter, the Company's total operating expenses increased by 5.09%; however, on a year to date basis, the Company registered an increase of 32.96% as compared to the same period last year mainly due to the following:

- Increase in taxes and licenses due to increase in listing fee;
- Increase in professional fees due to legal and accounting fees charged by an affiliate in March 2008;
- Increase in photocopying and reproduction expenses in connection with last year's Annual Stockholders' Meeting but only paid as of the period; and
- Increase in other operating expenses due to attendance in a Corporate Governance seminar by two of the Company's directors and Assistant Corporate Secretary.

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

Ratios	Formula	30-September-08	30-September-07	31-Dec-07
Current Ratio	Current assets / Current liabilities	0.77:1 435,105 / 562,449	0.13:1 229,295/1,834,032	0.13:1 301,643 / 2,241,788
Debt to Equity Ratio	Total liabilities / Stockholders' equity	(4.42):1 562,449/(127,344)	(1.14):1 1,834,032/(1,604,737)	(1.16):1 2,241,788/(1,940,145)
Equity to Debt Ratio	Stockholders' equity / Total liabilities	(0.23):1 (127,344)/562,449	(0.87):1 (1,604,737)/1,834,032	(0.87):1 (1,940,145)/2,241,788
Book value per share	Stockholders' equity / Total # of shares	-0.00005 (127,344)/2,733,463,907	-0.00059 (1,604,737)/2,733,463,907	-0.00071 (1,940,145)/2,733,463,907
Loss per Share	Net loss / Total # of shares	-0.00016 (427,799)/2,733,463,907	-0.00012 (321,761)/2,733,463,907	-0.00024 (657,168)/2,733,463,907

(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*

Accrued Expenses and Other Payables (Please refer to Note 5 of the Company's Financial Statements for detailed information on these liabilities).

- (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.

There are no known causes for material change (of material item) from period to period.

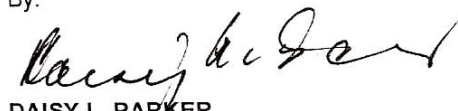
There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

#### 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: 28 October 2008



RONALD P. SUGAPONG  
Treasurer  
Date: 28 October 2008

**ZEUS HOLDINGS, INC.**  
**BALANCE SHEETS**  
**SEPTEMBER 30, 2008 AND DECEMBER 31, 2007**

	<b><u>UNAUDITED</u></b> <b><u>SEPTEMBER 2008</u></b>	<b><u>AUDITED</u></b> <b><u>DECEMBER 2007</u></b>
<b><u>A S S E T S</u></b>		
<b>CURRENT ASSETS</b>		
Cash (Note 2)	P216,043	P127,369
Other current assets (Note 3)	219,062	174,274
<b>TOTAL ASSETS</b>	<b>P435,105</b>	<b>P301,643</b>
<b><u>LIABILITIES AND CAPITAL DEFICIENCY</u></b>		
<b>CURRENT LIABILITIES</b>		
Accrued expenses and other payables (Note 5)	P562,449	P668,132
Due to related parties (Note 4)	-	1,573,656
Total Current Liabilities	<b>562,449</b>	2,241,788
<b>CAPITAL DEFICIENCY</b>		
Capital stock	2,733,463,907	2,733,463,907
Additional paid-in capital	33,393,941	33,393,941
Deposit for future subscription	2,240,000	-
Deficit	(2,769,225,792)	(2,768,797,993)
Total Capital Deficiency	<b>(127,344)</b>	<b>(1,940,145)</b>
<b>TOTAL LIABILITIES AND CAPITAL DEFICIENCY</b>	<b>P435,105</b>	<b>P301,643</b>

**ZEUS HOLDINGS, INC.**  
**STATEMENTS OF INCOME**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2008 AND 2007**

	<b>Three Months Period Ended</b>		<b>Nine Months Period Ended</b>	
	<b>September 2008</b>	<b>September 2007</b>	<b>September 2008</b>	<b>September 2007</b>
<b>OPERATING EXPENSES</b>				
Taxes and licenses	-	-	<b>264,215</b>	213,600
Professional fees	<b>21,000</b>	21,000	<b>93,000</b>	63,000
Photocopying and reproduction	<b>2,600</b>	2,600	<b>21,158</b>	10,749
Transportation and travel	-	279	<b>1,546</b>	1,615
Other operating expenses	<b>1,493</b>	-	<b>47,881</b>	32,797
	<b>25,093</b>	23,879	<b>427,799</b>	321,761
<b>NET LOSS</b>	<b>(25,093)</b>	(23,879)	<b>(427,799)</b>	(321,761)
<b>Loss Per Share</b>	<b>0.00001</b>	0.00001	<b>0.00016</b>	0.00012

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 CAPITAL DEFICIENCY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2008 AND 2007**

	<u>September 2008</u>	<u>September 2007</u>
<b>CAPITAL STOCK</b>		
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>
<b>ADDITIONAL PAID-IN CAPITAL</b>		
Balance, beginning of year	33,393,941	33,393,941
Advances converted to additional paid-in capital	-	-
Balance, end of the period	<u>33,393,941</u>	<u>33,393,941</u>
<b>DEPOSIT FOR FUTURE SUBSCRIPTION</b>		
Balance, beginning of year	-	-
Addition during the year	2,240,600	-
	<u>2,240,600</u>	<u>-</u>
<b>DEFICIT</b>		
Balance, beginning of year	(2,768,797,993)	(2,768,140,824)
Net loss	(427,799)	(321,761)
Balance, end of the period	<u>(2,769,225,792)</u>	<u>(2,768,462,585)</u>
<b>TOTAL CAPITAL DEFICIENCY</b>	<u><u>(127,344)</u></u>	<u><u>(1,604,737)</u></u>

**ZEUS HOLDINGS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2008 AND 2007**

	<u>SEPTEMBER 2008</u>	<u>SEPTEMBER 2007</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	(P427,799)	(P321,761)
Working capital changes		
Increase in other current assets	(44,787)	(37,621)
Decrease in accrued expenses and other payables	(105,683)	(119,844)
Net Cash Used in Operating Activities	<u>(578,270)</u>	<u>(479,226)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances from stockholders	<u>666,944</u>	502,791
Net Cash From Financing Activities	<u>666,944</u>	<u>502,791</u>
<b>NET INCREASE IN CASH</b>	<b>88,674</b>	23,565
<b>CASH AT BEGINNING OF THE PERIOD</b>	<u>127,369</u>	<u>41,871</u>
<b>CASH AT END OF THE PERIOD</b>	<u><b>P216,043</b></u>	<u>P65,435</u>



**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, other payable and due to related parties. 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 Capital Deficiency***

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.

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

#### ***1.4 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 and prepaid expense.

#### **4. RELATED PARTY TRANSACTIONS**

Due to related parties consist of the following:

	<u>September 2008</u>	<u>December 2007</u>
Due to ZHI Holdings, Inc.	₱-	₱1,175,600
Advances from a shareholder	-	305,000
Due to Prime Orion Philippines, Inc.	<u>-</u>	<u>93,056</u>
	<u><u>-</u></u>	<u><u>1,573,656</u></u>

#### **5. ACCRUED EXPENSES AND OTHER PAYABLES**

The composition of this account is as follows:

	<u>September 2008</u>	<u>December 2007</u>
Accrued expenses	-	95,942
Others	<u>562,449</u>	<u>572,190</u>
	<u><u>562,449</u></u>	<u><u>668,132</u></u>

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

#### **6. 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.