

COVER SHEET

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SEC Registration Number

[illegible]

(Company's Full Name)

[illegible]

(Business Address: No. Street City/Town/Province)

ATTY. DAISY L. PARKER

(Contact Person)

884-1106

(Company Telephone Number)

SEC FORM (Definitive)

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Month *Day*
(Fiscal Year)

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(Form Type)

Month *Day*
(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

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Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

LCU

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Document ID

Cashier

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ZEUS HOLDINGS, INC.

20/F LKG Tower, 6801 Ayala Avenue, Makati City
Tel. No. 884-1106 / Fax No. 884-1109

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Stockholders of ZEUS HOLDINGS, INC. will be held on **26 November 2008 (Wednesday)** at **2:00 p.m.** at the **Penthouse, Lepanto Building, 8747 Paseo de Roxas, Makati City**. The agenda of the meeting will be as follows:

1. Call to Order
2. Proof of Notice/Determination of Quorum
3. Approval of Previous Minutes dated 28 November 2007
4. Chairman's Report
5. Ratification of Acts of the Board of Directors and Officers from 28 November 2007 up to the Date of the Stockholders' Meeting
6. Nomination and Election of Directors
7. Appointment of External Auditors
8. Other Matters
9. Adjournment


For purposes of the meeting, stockholders of record at the close of business on 15 October 2008 shall be entitled to vote thereat.

Stockholders who cannot attend the meeting in person are requested to submit their proxies to the office of the Corporation. If the stockholder is a corporation, a Secretary's Certificate quoting the board resolution authorizing the corporate officer to execute the proxy should also be submitted.

Validation of proxies will be held on 19 November 2008, at 3:00 p.m., at the office of the Corporation, 20/F LKG Tower, 6801 Ayala Avenue, Makati City.

Makati City, 05 November 2008.

By Resolution of the Board of Directors:


DAISY L. PARKER
Corporate Secretary

Att: SEC Form 20-IS (Information Statement)
Management Report
Audited Financial Statements for the Period ended 30 December 2007
SEC Form 17-Q (Quarterly Report for the period ended 30 September 2008)

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:
- ☐ Preliminary Information Statement
☒ Definitive Information Statement
2. Name of Registrant as specified in its charter:
ZEUS HOLDINGS, INC.
3. Province, Country or other jurisdiction of incorporation or organization
Metro Manila, Philippines
4. SEC Identification Number: **102415**
5. BIR Tax Identification Code: **000-056-514**
6. Address of Principal Office
20/F, LKG Tower, 6801 Ayala Avenue, Makati City
7. Registrant's telephone number, including area code: **(632) 884-1106**
8. Date, time and place of the meeting of security holders
- Date : **Wednesday, 26 November 2008**
Time : **2:00 p.m.**
Place : **Penthouse, Lepanto Bldg., 8747 Paseo De Roxas, Makati City**
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **on or before 5 November 2008**
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA:
- | Title of Each Class | Number of Shares of Common Stock |
|---------------------|----------------------------------|
| Outstanding | Outstanding and Amount of Debt |
| Common | 2,733,463,907 |
| Loans | Nil |
11. Are any or all of registrant's securities listed on a stock exchange?
- Yes X No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Philippine Stock Exchange ("PSE")

Common

INFORMATION STATEMENT

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

PART I. GENERAL INFORMATION

Date, Time and Place of Meeting of Security Holders

The Annual Stockholders' Meeting of Zeus Holdings, Inc. ("Zeus" or the "Company") will be held on Wednesday, 26 November 2008 at 2:00 p.m. at the Penthouse, Lepanto Bldg., 8747 Paseo de Roxas, Makati City. The complete mailing address of its principal office is 20th Floor, LKG Tower, 6801 Ayala Avenue, Makati City 1226.

Definitive copies of this Information Statement will be sent to all stockholders entitled to notice and vote approximately on or before 05 November 2008.

Dissenters' Right of Appraisal

Generally, a stockholder shall have the right to dissent and demand payment of the value of his shares in the instances stated in Section 81 of the Corporation Code, as follows: (a) amendment of the articles of incorporation which has the effect of changing or restricting the rights of any stockholders or class of shares; or authorizing preferences in any respect superior to those outstanding; or of extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or disposition of all or substantially all of the corporate property and assets; and (c) in case of merger and consolidation.

The appraisal right abovementioned may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the corporation within 30 days after the date on which the vote was taken for payment of the fair value of his shares: Provided, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of 60 days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within 30 days after such award is made: Provided, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment; and Provided, further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

The present meeting, however, is being called to approve the following matters:

- a. the minutes of the previous stockholders' meeting;
- b. 2007 Audited Financial Statements;
- c. ratification of corporate acts;
- d. election of directors; and
- e. appointment of external auditors.

Hence, there is no basis for the exercise of the appraisal right.

Interest of Certain Persons In or Opposition To Matters to Be Acted Upon

No person who has been an officer or director of Zeus at any time since the beginning of the last fiscal year, or nominee as director of Zeus, nor any of their associates, has or has had any substantial interest in the Company (direct or indirect) in the matters to be acted upon during the annual stockholders' meeting.

Neither has any of the directors informed the Company in writing that he or she intends to oppose any action to be taken by the Company at the said meeting.

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

PART II. CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

Number of Shares Outstanding/Record Date

<u>Class</u>	<u>No. of Shares Outstanding</u>	<u>No. of Votes to Which Entitled</u>
Common	2,733,463,907	2,733,463,907

(As of 30 September 2008)

The record date for those who shall be entitled to vote has been fixed at 15 October 2008.

Voting Rights

In the Annual Stockholders' Meeting, stockholders shall be entitled to elect nine (9) members to the Board of Directors. Each stockholder may vote the number of shares standing in his name in the books of Zeus for each of nine persons whom he may choose from the list of nominees; or he may cumulate said shares and give one candidate as many votes as the number of his shares multiplied by nine shall equal; or he may distribute them on the same principle among as many candidates as he shall see fit, provided that the total number of votes case by him shall not exceed the number of shares owned by him multiplied by nine.

Security Ownership of Certain Record and Beneficial Owners (more than 5%) as of 30 September 2008

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	Zamcore Realty and Development Corporation* / 5/F Lepanto Bldg., 8747 Paseo De Roxas, Makati City / Stockholder	Zamcore Realty and Development Corporation	Filipino	929,377,728	34%

Common	F. Yap Securities, Inc.** / 17/F Lepanto Building, 8747 Paseo de Roxas, Makati City / Broker	Horizon Resources Corporation / Client	Filipino	410,019,586	15%
Common	F. Yap Securities, Inc.*** / 17/F Lepanto Building, 8747 Paseo de Roxas, Makati City / Broker	Lindsay Resources Corporation / Client	Filipino	410,019,586	15%
Common	F. Yap Securities, Inc. ****/ 17/F Lepanto Building, 8747 Paseo de Roxas, Makati City / Broker	Sharone King / Client	Filipino	273,346,390	10%
Common	F. Yap Securities, Inc. *****/ 17/F Lepanto Building, 8747 Paseo de Roxas, Makati City / Broker	Charles Paw / Client	Filipino	273,346,390	10%

*Zamcore Realty and Development Corporation acquired all of its shares in Zeus through its broker F. Yap Securities, Inc. (FYSI). These shares were part of the 2,555,788,753 shares of stock in the Company sold by ZHI Holdings, Inc. to FYSI In Trust For Various Clients on 20 June 2007.

**FYSI holds the 410,019,586 Zeus shares in trust for Horizon Resources Corporation (HRC) and shall vote these shares in accordance with the instructions of HRC.

***FYSI holds the 410,019,586 Zeus shares in trust for Lindsay Resources Corporation (LRC) and shall vote these shares in accordance with the instructions of LRC.

****FYSI holds the 273,346,390 Zeus shares in trust for Sharone King and shall vote these shares in accordance with the instructions of Sharone King.

***** FYSI holds the 273,346,390 Zeus shares in trust for Charles Paw and shall vote these shares in accordance with the instructions of Charles Paw.

Security Ownership of Management (as of 30 September 2008)

Title of Class	Name of beneficial owner	Amount and nature of beneficial ownership	Citizenship	Percent of class
Common	Felipe U. Yap	1*(i)	Filipino	0%
	Yuen Po Seng	1*(i)	Malaysian	0%
	Jose G. Cervantes	1*(i)	Filipino	0%
	Augusto C. Villaluna	1*(i)	Filipino	0%
	Stephen Y. Yap	1*(i)	Filipino	0%
	Ronald P. Sugapong	1*(i)	Filipino	0%
	Daisy L. Parker	1*(i)	Filipino	0%
	Jesus Clint O. Aranas	1*(i)	Filipino	0%
	Rhea A. Jaro	1 (d)	Filipino	0%
		1 (d)	Filipino	0%
		Total	9	

*Registered in their names but held in trust for FYSI.

Voting Trust Holders of 5% or More of Outstanding Voting Securities

There is no voting trust or similar arrangement for 5% or more of the Company's shares.

Change in Control of the Registrant Since Beginning of Last Fiscal Year

There has been no change in the control of Zeus since the beginning of the last fiscal year.

Directors and Executive Officers

Legal Proceedings

There are no material pending legal proceedings to which the directors or executive officers of the registrant are parties.

Directors and Executive Officers – Positions/Other Directorships

All of the present directors of Zeus have been nominated/are up for re-election in its forthcoming election.

The Articles of Incorporation and By-Laws of Zeus provide for a nine-member Board of Directors. The directors are elected for a term of one year and serve until the election and acceptance of their qualified successors.

As a corporation publicly listed in the Philippine Stock Exchange, Zeus conforms with the procedures for nomination of directors as provided under SRC Rule 38, as amended, and the Corporation's Manual on Corporate Governance. Nominations for independent directors are conducted by the Nomination Committee prior to the stockholders' meeting. All recommendations are required to be signed by the nominating stockholder together with the acceptance and conformity by the would-be nominees.

The Nomination Committee prepares a Final List of Candidates which contains all the information about all the nominees for independent directors, and the same is made available to all stockholders through the Information Statement or Proxy Statement, as the case may be.

Only nominees whose names appear on the Final List of Candidates are eligible for election as independent directors. No other nomination is entertained after the Final List has been prepared or allowed on the floor during the Annual Stockholders' Meeting.

In case of failure of election for independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

In case of resignation, disqualification or cessation of independent directorship, the vacancy shall be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the Nomination Committee, otherwise, said vacancy shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected shall serve only for the unexpired term of his predecessor.

The following are the incumbent directors/officers of Zeus, each of whom were elected as such for a period of one (1) year at the previous annual stockholders meeting held on 28 November 2007, and who are also nominated for the same positions in the forthcoming Annual Stockholders' Meeting. The list below includes the directorships/officerships held by the Company's present directors in other corporations. In the last five (5) years and to-date, the Company's directors have held the following directorships/officerships:

- a. FELIPE U. YAP (71), Filipino – Director/Chairman (4 November 1998 – present)

Chairman and Chief Executive Officer of Lepanto Consolidated Mining Company, Lepanto Investment & Development Corporation, Diamant Boart Philippines, Inc., Diamond Drilling Corporation of the Philippines, Far Southeast Gold Resources, Inc., Manila Mining Corporation and Shipside, Inc.; Chairman and Director of Prime Orion Philippines, Inc., FLT Prime Insurance Corporation, Orion Land Inc., Tutuban Properties, Inc., Orion I Holdings Philippines, Inc., Orion Brands International, Inc., Yapster e-Conglomerate, Lepanto Ceramics, Inc., and Kalayaan Copper-Gold Resources, Inc.; Director of Cyber Bay Corporation, Manila Peninsula Hotel, Inc., Philippine Associated Smelting & Refining Corporation, Philippine Fire & Marine Insurance Corporation, Orion Property Development, Inc., and Lepanto Condominium Corporation.

- b. YUEN PO SENG (50), Malaysian – Director/President (4 November 1998 – present)

President/Director of Prime Orion Philippines, Inc., Lepanto Ceramics, Inc., Orion I Holdings Philippines, Inc., and FLT Prime Insurance Corporation; Chairman/President of ZHI Holdings, Inc., Orion Solutions, Inc., OE Enterprises Holdings, Inc., Genez Investments Corporation, Treasure-House Holdings Corporation, and OYL Holdings, Inc.; Chairman of HLG Philippines, Inc.; Director of Cyber Bay Corporation, Central Bay Reclamation and Development Corporation, Orion Land Inc., Tutuban Properties, Inc., TPI Holdings Corporation, Orion Property Development, Inc., Orion Beverage, Inc., Orion Brands International, Inc., DHG Capital Holdings, Inc., BIB Aurora Insurance Brokers, Inc., OE Holdings, Inc., Orion Maxis Inc., Guoco Securities (Philippines), Inc. (pending dissolution), OTi Consulting Philippines, Inc., MAA Mutualife Philippines, Inc., and Systems Components & Creative Productions, Inc.; Trustee of Malaysian Association of the Philippines, Inc.

- c. JOSE G. CERVANTES (74), Filipino – Director (28 November 2007 – present)

Director of Lepanto Consolidated Mining Company and Manila Mining Corporation

- d. AUGUSTO C. VILLALUNA (58), Filipino – Director/Vice-President (28 November 2007 – present)

Director of Manila Mining Corporation, Philippine Mine Safety and Environment Association, and Philippine Association of Professional Regulatory Board Members, Inc.; Senior Vice President of Lepanto Consolidated Mining Company

- e. STEPHEN Y. YAP (39), Filipino – Director (28 November 2007 – present)

President of Starman Sales, Inc.; Vice-President for Operations of Tutuban Properties, Inc.

- f. RONALD P. SUGAPONG, Filipino (41) – Director/Treasurer (14 March 2001 – present)

Group Financial Controller/Vice President for Finance/Treasurer of Prime Orion Philippines, Inc.; Director/ Treasurer of Orion Land Inc., Tutuban Properties, Inc., TPI Holdings Corporation, Orion Property Development, Inc., Orion Beverage, Inc., Orion I Holdings Philippines, Inc., Lepanto Ceramics, Inc., Orion Brands International, Inc., OE Enterprises Holdings, Inc., OYL Holdings, Inc., ZHI Holdings, Inc., DHG Capital Holdings, Inc., HLG Philippines, Inc., Orion Solutions, Inc., OE Holdings, Inc., Orion Maxis Inc., and 22Ban Marketing, Inc.; Director of Nadeco Holdings Corporation; Treasurer of FLT Prime Insurance Corporation

- g. DAISY L. PARKER (44), Filipino – Director/Corporate Secretary (14 March 2001 – present)

Director/President of Nadeco Holdings Corporation and Nadeco Realty Corporation; Director/Corporate Secretary of Prime Orion Philippines, Inc., Orion Land Inc., Tutuban Properties, Inc., TPI Holdings, Inc., Orion Property Development, Inc., Orion Beverage, Inc., Orion I Holdings Philippines, Inc., Orion Brands International, Inc., OYL Holdings, Inc., Lepanto Ceramics, Inc., ZHI Holdings, Inc., FLT Prime Insurance Corporation, DHG Capital Holdings, Inc., Orion Solutions, Inc., HLG Philippines, Inc., BIB Aurora Insurance Brokers, Inc., OE Holdings, Inc., OE Enterprises Holdings, Inc., and 22Ban Marketing, Inc.; Corporate Secretary of Orion Maxis Inc., Genez Investments Corporation, Treasure-House Holdings Corporation, and Guoco Securities (Phil.), Inc. (pending dissolution)

- h. JESUS CLINT O. ARANAS (41), Filipino – Independent Director (12 December 2002 – present)

Managing Partner of Aranas Consunji Barleta & Co.; Director and Chairman of Rural Bank of Magallon; Director/President of Liyam Property, Inc.; Director/Corporate Secretary of Philippines Epson Property Holdings, Inc., Corporate Secretary of Epson Precision (Philippines), Inc., Epson Imaging Devices (Philippines), Inc., Philippines Epson Optical, Inc., and Epson Software Engineering (Philippines), Inc.

- i. RHEA A. JARO (28), Filipino – Independent Director (28 November 2007 – present)

Senior Associate of Aranas Consunji Barleta & Co.; Director of NCREH, Inc., and Hopetech PCS, Inc.

The Company's Nomination Committee was constituted on 27 November 2003. It is composed of two regular directors (Messrs. Yap and Yuen) and is chaired by an independent director in the person of Atty. Jesus Clint O. Aranas. Atty. Aranas and/or Aranas Consunji Barleta & Co. do not render any legal or other service to the Company. Atty. Aranas has fully discharged his functions as such independent director for the current year and, together with Atty. Rhea A. Jaro, is again nominated by a stockholder of Zeus, to serve in the same capacity for the coming year. Both Atty. Aranas and Atty. Jaro have no relationship with the nominating party. They have already given their consent to the said nomination. No other persons were nominated to the position.

The nominations of Attys. Aranas and Jaro are in accordance with Article IV, Section 4 of the Company's *Amended By-Laws*. The amendment to the Company's *By-Laws*, pertaining to nomination and election of Independent Directors, was made on 20 September 2005 and approved by the Securities and Exchange Commission on 25 November 2005, in compliance with Rule 38 of the Securities and Regulation Code (as amended).

Zeus has no other employees who are expected to make any significant contributions to its business.

Family Relationships

Except for Messrs. Felipe U. Yap and Stephen Y. Yap, who are related to each other to the third civil degree (Mr. Felipe U. Yap is the uncle of Mr. Stephen Y. Yap), the directors, executive officers, or persons nominated or chosen by Zeus to become directors or executive officers are not related up to the fourth civil degree either by consanguinity or affinity.

Involvement in Certain Legal Proceedings

There has been no occurrence of any of the following events during the past five years up to the date of filing of this Information Statement that are material to any evaluation of the ability of any director or executive officer of Zeus:

- a. Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- b. Any conviction by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- c. Being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- d. Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended or vacated.

Certain Relationships and Related Transactions

- a. There has been no transaction during the last two years, or proposed transactions, to which Zeus was or is to be a party, in which any of the following persons had or is to have a direct or indirect material interest:
 - i) any director or executive officer of the registrant;
 - ii) any nominee for election as a director;
 - iii) any security holder named in response to Part II herein;
 - iv) any member of the immediate family (including spouse, parents, children siblings, and in-laws) of any of the persons in the immediately preceding subparagraphs.
- b. Zeus does not have a parent company, as no one stockholder owns more than 50% of its shares. As per the corporate records in Zeus' possession, the largest record and beneficial owner of its shares is Zamcore Realty and Development Corporation, owning 929,377,728 shares, representing 34% of the outstanding capital stock of Zeus.

Resignation of Directors

No director of Zeus has resigned or declined to stand for re-election due to any disagreement involving the Company.

Compensation of Directors and Executive Officers

The members of the Board of Directors and Officers of Zeus have not received any compensation of whatever nature for the current year to date as well as for the last two fiscal years. There are no contracts or arrangements for the Company to pay any of its directors or officers monetary or non-monetary compensation (i.e. stock warrants or options).

Independent Public Accountants

It is proposed that the firm of Punongbayan & Araullo, the external auditor of Zeus for the immediately preceding fiscal year, be re-appointed as the external auditor of the Company. Since 2006, the Partner-in-Charge assigned to handle the Zeus account has been Ms. Mylene Sigue-Bisnar. Pursuant to Rule 68, paragraph 3(b)(iv), of the Implementing Rules and Regulations of the Securities Regulation Code on the rotation of external auditors or signing partner in case of a firm, Ms. Sigue-Bisnar's term as Partner-in-Charge of the Zeus account is for five years or until 2010. She replaced the previous Partner-in-Charge, Ms. Lily Linsangan. Representatives of the said firm have been invited to be present at the Annual Stockholders' Meeting. Thus, if they attend, they may be able to answer questions that may arise in the course thereof.

Punongbayan & Araullo was selected by the Company's Audit Committee which is composed of the following:

Chairman	-	Atty. Jesus Clint O. Aranas
Member	-	Ronald P. Sugapong
Member	-	Stephen Y. Yap

There have been no disagreements between Zeus and its accountants/external auditor on any accounting matter since the last annual stockholders' meeting to date.

PART III. OTHER MATTERS

Action with Respect to Reports

Minutes of Annual Stockholders' Meeting dated 28 November 2007 will be submitted for approval of stockholders. Among the matters included in the Minutes of Annual Stockholders' Meeting are the following: (1) Approval of the Minutes of the previous Stockholders' meeting dated 20 November 2006; (2) Chairman's Report; (3) Approval of Financial Statements; (4) Ratification of Corporate Acts; (5) Nomination and Election of Directors; and (6) Appointment of External Auditors.

Among the corporate acts included under item (4) above are the following:

- Approval of the audited financial statements for the year ended 31 December 2006
- Postponement of the Annual Stockholders' Meeting to a date subsequent to that specified in the Company's By-Laws
- Consideration of Proposed Business Plan
- Confirmation of Nomination of Independent Director (Atty. Jesus Clint O. Aranas)
- Setting of the Annual Stockholders' Meeting to 23 November 2007
- Creation of Special Committee of Inspectors for Validation of Proxies
- Appointment of the Corporate Secretary as authorized signatory to the Information Statement (SEC Form 20-IS) for CY 2007
- Resetting of the Annual Stockholders' Meeting to 28 November 2007
- Nomination of Additional Independent Director (Atty. Rhea A. Jaro)
- Certification of Election of Directors for CY 2008

- Appointment of the Company's Compliance Officer and Members of the Nomination Committee, Compensation and Remuneration Committee, and Audit Committee as required under the Manual on Corporate Governance
- Appointment of the Company's Compliance Officer as required under the Anti-Money Laundering Manual
- Designation of the Company's Bank Signatories

Voting Procedures

Vote Required for Approval or Election

Article III, Section 7 of the By-Laws of Zeus states that a plurality vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present, shall decide all elections and all questions (such as, but not limited to, approval of audited financial statements and minutes of previous meetings, appointment of external auditors, payment of directors' fees, etc.) except in cases where other provision is made by statute or by the Articles of Incorporation (such as the amendment of the By-laws as stated below).

Article IV, Section 4 of the By-Laws of Zeus states that at each meeting of stockholders for the election of directors, at which a quorum is present, the persons receiving the highest number of votes of the stockholders present in person or by proxy and entitled to vote, shall be the directors.

Article IX, Section 1 of the By-Laws also states that all by-laws of the Corporation shall be subject to amendment, alteration or repeal, and new By-Laws not inconsistent with any provision of law may be made by the affirmative vote of the holders of record of a majority of the outstanding capital stock of the Corporation entitled to vote in respect thereof, and the majority vote of the directors, given at an annual meeting or at any special meeting, provided that notice of the proposed amendment, alteration or repeal or of the proposed new by-Laws be included in the notice of such meeting. The Board of Directors may likewise amend, alter or repeal any By-Laws or adopt new By-Laws, at any regular or special meeting of the Board, if authorized by the stockholders, as provided by law.

Method by which Votes will be Counted

Unless demanded by a stockholder present in person or by proxy, the vote in any question need not be by ballot. Each shareholder may vote in person or by proxy the number of shares of stock standing in his name on the books of the Corporation. Each share represents one vote. During the meeting, voting for the approval/ratification of the matters to be presented during the meeting and election of directors shall be by *viva voce* or show of hands. Counting of votes shall be supervised by the Corporate Secretary/Assistant Corporate Secretary and the transfer agent of Zeus.

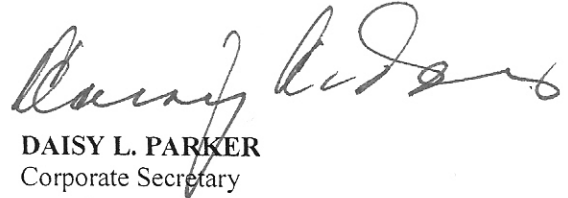
UNDERTAKING

THE MANAGEMENT OF ZEUS UNDERTAKES TO PROVIDE TO ITS STOCKHOLDERS OF RECORD AS OF THE CUT-OFF DATE, UPON THEIR WRITTEN REQUEST, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A FREE OF CHARGE. COPIES OF EXHIBITS AND ATTACHMENTS THERETO MAY ALSO BE PROVIDED SUBJECT TO THE PAYMENT OF REASONABLE CHARGES TO COVER PRODUCTION COSTS. ALL WRITTEN REQUESTS FOR COPIES OF THE ANNUAL REPORT AND EXHIBITS MAY BE ADDRESSED TO THE COMPANY'S CORPORATE SECRETARY, ATTY. DAISY L. PARKER, AT 20/F, LKG TOWER, 6801 AYALA AVENUE, MAKATI CITY.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on 30 October 2008.

By:



DAISY L. PARKER
Corporate Secretary

ZEUS HOLDINGS, INC. MANAGEMENT REPORT

Business and General Information

Zeus Holdings, Inc. ("Zeus" or the "Company") was incorporated on 31 December 1981 as JR Garments, Inc. under Securities and Exchange Commission ("SEC") registration number 0102415, as a corporation engaged in garments manufacturing, distribution and export.

On 9 September 1996, the SEC approved the change of name of the Company from JR Garments, Inc. to ZEUS HOLDINGS, INC. and the change in its primary purpose to that of an investments holding company.

The Company discontinued its garments operation on 31 August 1996 and consequently, all of its employees were terminated. On 27 December 1996, the Company disposed all its assets and liabilities relating to the garments operation.

The Company also increased its authorized capital stock from P100 million to P3 billion. The increase was approved by the SEC on 6 January 1997. Of the capital increase, 1,538,463,907 shares were subscribed and paid by way of assignment of rights in real property worth P31.423 million and common shares of stock of Mindanao Portland Cement Corporation ("MPCC") at a transfer value of P1.457 billion by the new investors and the conversion of advances to equity of P50 million by existing shareholders. This major transaction marked the entry of the Company in the cement business. The Company became the majority owner (99.63%) of MPCC, a company engaged in the manufacturing and distribution of cement.

On 1 July 1998, the Company's major stockholders, Far East Cement Corporation and Eagle Cement Corporation sold in favor of Blue Circle Philippines, Inc. ("BCPI") and Round Royal, Inc. ("RRI") shares of stock comprising 57% of its outstanding capital stock. As of 31 December 1999, the shareholdings of Round Royal, Inc. comprised 50% while BCPI was at 24%.

Also on 1 July 1998, MPCC issued a One Billion Peso Convertible Note with a maturity date of 1 July 2003 in favor of BCPI. The Convertible Note can be settled either by: (1) payment of the principal amount plus interest, or (2) conversion into such number of common shares of MPCC issued at par value sufficient to cover the Note plus interest.

The Company, for its part, entered into an Option Agreement with BCPI on 1 July 1998. Under the Option Agreement, the holder of the Convertible Note issued by MPCC was given the right to require the Company to purchase from it the whole (and not just a part) of the Convertible Note. The Put Option may be exercised at any time within five (5) years from the execution of the Option Agreement. The holder of the Convertible Note may be paid either: (1) the principal amount plus accrued interest, or (2) such number of new shares of the Company issued at par value as may be sufficient to cover the value of the Convertible Note.

BCPI subsequently assigned its rights under the Option Agreement in favor of RRI. In a letter dated 7 December 1999, RRI served notice upon the Company that it was exercising its option under the Option Agreement to require the Company to issue, in its favor, new shares in the amount of P1,095,000,000.00 (principal amount of the loan plus interest) in exchange for the Convertible Note. As a result thereof, the outstanding capital stock of the Company was increased to P2,733,463,907.00 from P1,638,463,907.00.

On 8 December 1999, the Board of Directors of the Company approved the integration of its operations and activities with the operations and activities of Fortune Cement Corporation (“Fortune”) and its subsidiary, Republic Cement Corporation (“Republic”) and Iligan Cement Corporation (“Iligan”) under the following swap ratios:

1,000 common shares of Republic	= 1,575 Fortune shares
	= 14,411 Company shares
	= 206 Iligan shares

The integration of the four (4) companies was effected on 20 October 2000. As a result thereof, Republic obtained majority control of the Company.

On 15 December 2000, the Company divested its equity interest in MPCC in favor of Republic.

In accordance with the SEC Tender Offer Rules, PICOP Holdings, Inc. (now known as ZHI Holdings, Inc. or “ZHIHI”) offered to purchase the 98.18% equity interest of Republic in the Company at a price of P0.04826 per share. ZHIHI likewise offered to buy the remaining 1.82% equity stake of minority shareholders under the same terms. The offer period began on 22 November 2000 and ended on 20 December 2000. Republic accepted the offer of ZHIHI and divested all its equity holdings in the Company in favor of the latter. Minority shareholders owning 290,000 common shares of the Company also accepted the tender offer of ZHIHI. As a result, ZHIHI acquired a 98.533% equity stake in the Company.

In August 2001, ZHIHI sold off 14,864,576 of its shares in the Company or approximately 0.53% of its equity therein. Thus, ZHIHI retained a 98% equity stake in the Company.

In June 2007, ZHIHI further sold off 2,555,788,753 of its shares in the Company, or approximately 93.5% of the outstanding capital stock of Zeus, to F. Yap Securities, Inc. in Trust For Various Clients, namely Zamcore Realty Corporation, Horizon Resources Corporation, Lindsay Resources Corporation, Sharone King, Charles Paw, Grace Cerdania, and George Ivan Ang, thus further reducing its equity stake in the Company to 4.5%. At present, the largest stockholder of the Company is Zamcore Realty Corporation, holding a 34% equity stake in the Company.

The Company currently has minimal operations and, thus, has no full time employees. However, the Company is exploring several options to revitalize its operations in the future, including entry into the mining industry.

Legal Proceedings

There is a pending *Petition for Certiorari* with the Court of Appeals (“CA”), entitled *Angelina Floro, Elizabeth Floro, David Floro, Teresa F. Balaguer, Zeus Holdings, Inc. and Eagle Cement Corporation vs. Hon. Rommel O. Baybay in his capacity as Presiding Judge of Regional Trial Court of Makati City, Branch 132, Nicasio I. Alcantara and Alsons Development & Investment Corporation*, and docketed as CA-G.R. SP No. 105197 (the “CA Case”), which stemmed from Civil Case No. 98076 (the “Rescission Case”) filed in January 1998 in the Regional Trial Court of Makati City (the “RTC”) by the private respondents in the CA Case (the “Private Respondents”) for the rescission of the sale of Mindanao Portland Cement Corporation (MPCC) shares to the Company on the ground that the petitioners in the CA Case (the “Petitioners”) violated the former’s right of first refusal.

On 15 December 2000, the Company divested its equity interest in MPCC in favor of Republic.

On 13 February 2008, the RTC dismissed the Civil Case for failure of the Private Respondents to serve summons on Eagle Cement Corporation and for lack of interest. On 29 May 2008, however, the RTC reconsidered the 13 February 2008 dismissal order and denied petitioners' subsequent motion for reconsideration, constraining them to elevate the matter to the CA on 9 September 2008.

Plan of Operation

With the change in ownership, the Company is currently evaluating business opportunities to revitalize its operations.

Recently, the country has seen a surge in mining activity due mainly to increased prices of metal commodities. The Philippines, with its still considerable areas of metal deposits, is therefore in an excellent position to take advantage of this opportunity. Consequently, in its quest for profitable ventures, the Company is considering a shift in its purpose from an investment holding company to a mining entity.

The Company is still in discussion with several parties with mining interests, foremost of which is a firm with mining claims in Mindanao, for possible mining business venture. The area in Mindanao has been adjudged to have substantial nickel, copper and gold deposits. Since early this year, nickel has been in great demand in China, which demand has driven the price of this metal to record highs.

The Company is still in the process of evaluating the economic and financial viability of this business and will make the proper and necessary disclosures once a formal agreement is reached by parties concerned.

The major stockholders commit to support the operations of the Company. In the immediate term, the major stockholders will provide the cash requirements of the Company. For this reason, there is no expected major change in its operations, including significant changes in its manpower complement or planned purchase of plant or other major equipment. The Company has no ongoing planned research and development activities for the same period.

Management's Discussion and Analysis of Plan of Operation

Year 2007

During the year, the Company obtained advances from a shareholder and an affiliate to pay its operating expenses, resulting to the increase in cash by 204%. Other current assets also increased due to input value added tax on listing and audit fee and prepaid insurance paid during the year. Accordingly, total assets increased by 79% from P168,110 in the same period last year to P301,643 as of December 31, 2007. Accrued expenses and other payable decreased due to payment of accrued audit fee related to the conversion of advances to additional paid in capital in 2005.

Net loss for the year posted at P657,168, representing a 32% increase as compared to last year's P498,490. This increase is attributable to high operating expenses mainly due to penalty charges and honorarium fee paid to independent member of audit committee during the year.

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

Ratios	Formula	30-Jun-08	31-Dec-07	31-Dec-06
Current ratio	Current Assets/ Current Liabilities	0.09:1 243,671 / 2,586,522	0.13:1 301,643/2,241,788	0.12:1 168,110/1,451,087
Debt to equity ratio	Total Liabilities/ Stockholders' Equity	(1.10):1 2,586,522/(2,342,851)	(1.16): 1 2,241,788/(1,940,145)	(1.13): 1 1,451,087/(1,282,977)
Equity to debt ratio	Stockholders' Equity/ Total Liabilities	(0.91):1 (2,342,851)/2,586,522	(0.87): 1 (1,940,145)/2,241,788	(0.88): 1 (1,282,977)/1,451,087
Book value per share	Stockholders' Equity/ Total # of shares	-0.00086 (2,342,851)/2,733,463,907	-0.00071 (1,940,145)/2,733,463,907	-0.00047 (1,282,977)/2,733,463,907
Loss per share	Net Loss/ Total # of Shares	-0.00015 (402,706)/2,733,463,907	-0.00024 (657,168)/2,733,463,907	-0.00018 (498,490)/2,733,463,907

Given the minimal operations of Zeus for the past few years, the foregoing financial ratios are deemed to be the best indicators of its performance for the given time period.

(a) Full fiscal years

Discussion and analysis of material event/s and uncertainties known to Management and that would address the past and would have an impact in 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 4 of the Company's Financial Statements as of 31 December 2007 and 2006 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 years covered 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.

Year 2006

For the year ended December 31, 2006, cash decreased by 20% from P52,431 as of December 31, 2005 to P41,871, to fund operating expenses. Increase in total assets, from P140,684 in prior year to P168,110 as of the period, is attributable to 43% increase in input value added tax mainly due to purchases and payment of listing fee.

Advances from affiliates increased by 226% compared to last year to settle operating expenses.

During the year, operating expenses decreased by 10% due to lower volume of Annual Stockholders' Meeting Reports reproduced. Special audit was conducted on inter-company advances for the conversion of advances to additional paid-in capital, and out-of-pocket expenses during audit.

Year 2005

For the year ended December 31, 2005, the Company incurred a net loss of P554,657.00 compared to the net loss of P421,293.00 as of 31 December 2004. Operating expenses increased by 32% due to increase in listing fee, photocopying and reproduction of annual report and out-of-pocket expenses during the audit. Total assets increased by 7% primarily due to input taxes on purchases and listing fee negated by the decrease in cash due to payment of operating expenses.

The Company also posted an increase in total current assets from P131,650.00 as of 31 December 2004 to P140,682 as of 31 December 2005.

(b) *Interim Periods*

Discussion and analysis of material event/s and uncertainties known to Management and that would address the past and would have an impact in 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 as of 30 September 2008 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.

Audit and Audit-Related Fees

The total fees for audit of annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements are as follows:

	2007	2006	2005
Professional Fees	80,000.00	80,000.00	105,000.00
Value Added Tax	9,600.00	9,600.00	12,600.00
Total Audit Fees	89,600.00	89,600.00	117,600.00

In 2005, the auditor performed review of advances as a requirement for the conversion of ZHIHI's advances into equity.

For the year 2008, the estimated audit fee is P89,600.00.

Tax Fees

Zeus did not engage the services of the external auditor in the past three (3) years for tax accounting, compliance advice, planning or any other form of tax services, and no fees were paid in connection therewith.

All Other Fees

Other than the audit and audit-related fees described above, the Company was not billed for any other fees by the external auditor for any other products or services.

The Company's Audit Committee considers and approves the engagement of the external auditor's services in accordance with the policies laid down in its Manual on Corporate Governance, which includes reviewing and pre-approving all audit plans, scope and frequency at least one month before the conduct of external audit. The Audit Committee also performs direct interface functions with the external auditor as circumstances may warrant.

Market Information

The Company's common equity is traded at the Philippine Stock Exchange ("PSE"). For the preceding two years as well as the first three quarters of the current year, the highs and lows of Zeus' stock market prices are as follows:

Year	Quarter	High	Low
2008	January-March	P0.42	P0.26
	April-June	0.30	0.18
	July-September	1.30	0.20
2007	January-March	P0.55	P0.26
	April-June	1.10	0.30
	July-September	1.10	0.52
	October-December	0.78	0.50
2006	January-March	No transactions	No transactions
	April-June	0.15	0.15
	July-September	0.33	0.16
	October-December	0.33	0.28

Zeus' stock was last traded at the PSE on 10 October 2008 at the price of twelve centavos (P0.12) per share.

Holders

As of 30 September 2008, Zeus has a total of eight hundred thirty two (832) stockholders,* the top twenty (20) of which are as follows:

* Based on report provided by Zeus' stock transfer agent, Banco De Oro UniBank, Inc. - Stock Transfer & Settlement Department

	<u>Name of Stockholder</u>	<u>No. of Shares</u>	<u>Percentage (%) of Shareholding</u>
1.	Zamcore Realty and Development Corporation	929,377,728	34.00%
2.	F. Yap Securities in Trust For Horizon Resources Corporation	410,019,586	15.00%
3.	F. Yap Securities in Trust For Lindsay Resources Corporation	410,019,586	15.00%
4.	F. Yap Securities in Trust For Charles Paw	273,346,390	10.00%
5.	F. Yap Securities in Trust For Sharone King	273,346,390	10.00%
6.	PCD Nominee Corporation	129,007,307	4.72%
7.	ZHI Holdings, Inc.	123,006,876	4.50%
8.	F. Yap Securities in Trust For Z2	79,839,537	2.92%
9.	F. Yap Securities in Trust For Z1	79,839,530	2.92%
10.	R. Coyiuto Securities, Inc.	10,310,000	0.38%
11.	Far East Cement Corporation	6,283,906	0.23%
12.	Linda H. Bugarin	2,325,006	0.09%
13.	Antonio T. Vilar	1,486,000	0.05%
14.	PCD Nominee Corporation	1,042,000	0.04%
15.	Peregrine Securities Phils., Inc.	592,000	0.02%
16.	Jolly R. Bugarin	500,000	0.02%
17.	Sy Tiong Shou &/or Juanita Tan	500,000	0.02%
18.	Martin P. Lorenzo	300,000	0.01%
19.	Wanda Michelle Buencamino	232,000	0.01%
20.	Victoria C. Egan	160,000	0.01%

Dividends

The Company has not declared any cash dividend for the last three (3) calendar years.

Aside from the general legal restrictions that dividends may be paid only from surplus profits and in such a manner as will not impair the capital of the corporation, there are no other restrictions on the Company from paying dividends on common equity. It is not likely that any additional restrictions will arise in the foreseeable future.

Recent Sales of Unregistered Securities

The Company has not sold any unregistered securities during the past four (4) years.

Audited Financial Statements and Interim Financial

The Audited Financial Statements of Zeus for the period ended 31 December 2007 and Interim Financial Statements for the period ended 30 September 2008 are attached hereto.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no known disagreements with Accountants on Accounting and Financial Disclosure.

Compliance with Corporate Governance

Pursuant to the Company's Manual on Corporate Governance ("Manual"), the stockholders of Zeus have been, for the past five (5) years, electing an independent director to the Board. Since 28 November 2007, two independent directors have been elected to the Board. The Board is composed of a mix of executive and non-executive directors. The Board establishes the Company's vision and mission, strategies objectives and plans to guide the Company and direct its business endeavors.

The Company, through the Board, has created various committees pursuant to the provisions of its Manual. These include a nomination and election committee, compensation and remuneration committee, and audit committee. The Company has also designated a Compliance Officer, who oversees compliance with the provisions of the Company's Manual.

The Manual contains a Plan of Compliance which not only provides for the duties of the Company's Board of Directors as a whole but also spells out the duties, responsibilities and functions of each individual director. The performance of the directors is measured against the criteria established in the Manual. The directors are also expected to maintain certain continuing qualification standards, the absence of which shall be ground for the removal of a director from the Board. The Manual likewise provides the criteria for the evaluation of the performance of the Company's top management.

For purposes of evaluating compliance with the Company's Manual, the Company has adopted the SEC Scorecard prescribed by the SEC. The Company has also prepared its Full Business Interest Disclosure Form. The Company, however, is working on its systems and procedures to improve compliance with the Company's Manual.

As of 3 March 2008, all of the Company's directors have attended and completed at least one seminar on corporate governance conducted by a duly recognized and accredited institutional training provider.

Except as specified hereunder, the Company has not committed any major deviations from the provisions of its Manual. To date, the company has not yet fully complied with the provisions of its Manual with respect to the following:

1. Due to limited operations, the Company has no compensation scheme for its directors and officers.
2. The handbook has not been finalized mainly due to the Company's limited operations and manpower, and the change in the shareholders of the Company.

ZEUS HOLDINGS, INC.
20/F LKG Tower, 6801 Ayala Avenue, Makati City
Tel. No. 884-1106 / Fax No. 884-1409

**STATEMENT OF MANAGEMENT RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of Zeus Holdings, Inc. is responsible for all information and representations in the financial statements as of 31 December 2007 and 2006 and for the years ended 31 December 2007, 2006, and 2005. The financial statements have been prepared in conformity with generally accepted accounting principles and reflect any amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure the transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise discloses to the Company's external auditor: (i) all significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process, and report financial data (ii) material weaknesses in the internal controls; and (iii) any fraud that involves management or other employees who exercise significant roles in internal controls.

The Board of Directors reviews the financial statements before such statements are approved and submitted to the stockholders of the Company.

Punongbayan and Araullo, the independent auditors appointed by the Board of Directors and Stockholders, have audited the financial statements of the Company in accordance with generally accepted auditing standards and have expressed their opinion on the fairness of presentation upon completion of such audit, in the report to the Board of Directors and Stockholders.

Signed under oath by the following:



FELIPE U. YAP/Chairman of the Board



YUEN PO SENG/President



RONALD P. SUGAPONG/Treasurer

Republic of the Philippines)
Makati City) S.S.

SUBSCRIBED AND SWORN to before me this _____ day _____
to me their passports as competent of their identities, as follows:

Name
Felipe U. Yap
Yuen Po Seng
Ronald P. Sugapong

Competent Evidence of Identity
Ppt No. WW0232536
Ppt No. A18147487
Ppt No. PP0581436

Date/Place Issued
9-26-2007/Manila
10-8-2007/Subang-Malaysia
12-23-2004/Manila
ATTY. GERVACIO B. ORTIZ JR.
Notary Public for Makati City
Until December 31, 2008

PTR NO. 0982706; 1/02/2008; Makati City
IEP NO. 656195- Lifetime Member
APPT. M - 84 / 2008 ROLL NO. 40091

Doc. No. 117;
Page No. 39;
Book No. 01;
Series of 2008.



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Report of Independent Auditors

The Board of Directors and Stockholders
Zeus Holdings, Inc.
20th Floor, LKG Tower
6801 Ayala Avenue
Makati City

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The Enterprise Center
6766 Ayala Avenue
1200 Makati City
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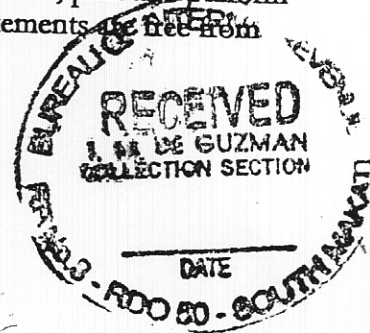
We have audited the accompanying financial statements of Zeus Holdings, Inc., which comprise the balance sheets as at December 31, 2007 and 2006, and the income statements, statements of changes in capital deficiency and cash flow statements for each of the three years ended December 31, 2007, and notes to financial statements comprising of a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Zeus Holdings, Inc. as of December 31, 2007 and 2006, and its financial performance and its cash flows for each of the three years ended December 31, 2007, in accordance with Philippine Financial Reporting Standards.

Emphasis of Matter

We draw attention to Note 1 to the financial statements which indicates that the Company incurred net losses of P657,168, P498,490 and P554,657 for the years ended December 31, 2007, 2006 and 2005, respectively, and, as of those dates, its capital deficiency amounted to P1,940,145, P1,282,977 and P784,487, respectively. For the current year and the last few years, the Company has not been engaged in any investing and operating activity. Its capital deficiency resulting from losses incurred in prior years and the absence of any investing or operating activity raised substantial doubts about its ability to continue as going concern. The Company's management, however, continues to assess investment opportunities and various options regarding operations that the Company may undertake in the future. The financial statements do not include any adjustments relating to the recoverability of recorded assets or the amounts of liabilities that may be necessary should the Company be unable to continue as a going concern.

PUNONGBAYAN & ARAULLO



By: **Mailene Sigue-Bisnar**
Partner

CPA Reg. No. 0090230

TIN 120-319-128

PTR No. 0986665, January 04, 2008, Makati City

SEC Accreditation No. 0396-A

BIR AN 08-002511-20-2006 (Sept. 8, 2006 to 2009)

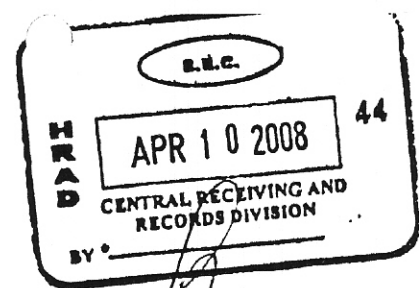


March 31, 2008

Certified Public Accountants
Member of Grant Thornton International Ltd

APR 10 2008

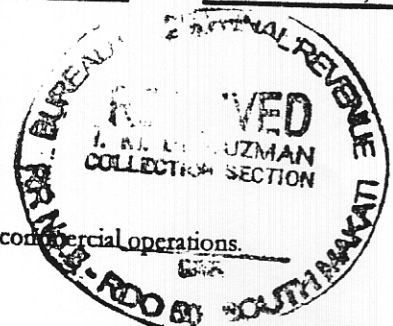
ZEUS HOLDINGS, INC.
BALANCE SHEETS
DECEMBER 31, 2007 AND 2006
(Amounts in Philippine Pesos)



	Notes	2007	2006
<u>ASSETS</u>			
CURRENT ASSETS			
Cash		P 127,369	P 41,871
Other current assets		<u>174,274</u>	<u>126,239</u>
TOTAL ASSETS		P <u>301,643</u>	P <u>168,110</u>
<u>LIABILITIES AND CAPITAL DEFICIENCY</u>			
CURRENT LIABILITIES			
Accrued expenses and other payables	4	P 668,132	P 688,510
Due to related parties	5	<u>1,573,656</u>	<u>762,577</u>
Total Current Liabilities		<u>2,241,788</u>	<u>1,451,087</u>
CAPITAL DEFICIENCY			
Capital stock		2,733,463,907	2,733,463,907
Additional paid-in capital		33,393,941	33,393,941
Deficit		(<u>2,768,797,993</u>)	(<u>2,768,140,825</u>)
Total Capital Deficiency		(<u>1,940,145</u>)	(<u>1,282,977</u>)
TOTAL LIABILITIES AND CAPITAL DEFICIENCY		P <u>301,643</u>	P <u>168,110</u>

See Notes to Financial Statements.

* The Company was incorporated on December 17, 1981 and has not yet started commercial operations.



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ZEUS HOLDINGS, INC.
INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
OPERATING EXPENSES				
Taxes and licenses		P 213,600	P 212,705	P 207,175
Professional fees		164,000	164,000	189,000
Photocopying and reproduction		55,335	65,696	99,132
Contracted services		33,978	25,994	15,264
Advertising and promotions		11,339	11,340	11,340
Other operating expenses		<u>178,916</u>	<u>18,755</u>	<u>32,746</u>
NET LOSS	1	P <u>657,168</u>	P <u>498,490</u>	P <u>554,657</u>
Loss Per Share	7	P <u>0.00024</u>	P <u>0.00018</u>	P <u>0.00020</u>

See Notes to Financial Statements.

* The Company was incorporated on December 17, 1981 and has not yet started commercial operations.



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ZEUS HOLDINGS, INC.
STATEMENTS OF CHANGES IN CAPITAL DEFICIENCY
FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005
(Amounts in Philippine Pesos)

	<u>Note</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
CAPITAL STOCK - P1 par value				
Authorized - 3,000,000,000				
Issued and outstanding - 2,733,463,907		<u>P 2,733,463,907</u>	<u>P 2,733,463,907</u>	<u>P 2,733,463,907</u>
ADDITIONAL PAID-IN CAPITAL				
Balance at beginning of year		33,393,941	33,393,941	31,878,206
Advances converted to additional paid-in capital	5	-	-	1,515,735
Balance at end of year	7	<u>33,393,941</u>	<u>33,393,941</u>	<u>33,393,941</u>
DEFICIT				
Balance at beginning of year		(2,768,140,825)	(2,767,642,335)	(2,767,087,678)
Net loss		(657,168)	(498,490)	(554,657)
Balance at end of year		(2,768,797,993)	(2,768,140,825)	(2,767,642,335)
CAPITAL DEFICIENCY		(<u>P 1,940,145</u>)	(<u>P 1,282,977</u>)	(<u>P 784,487</u>)

See Notes to Financial Statements.

* The Company was incorporated on December 17, 1981 and has not yet started commercial operations.



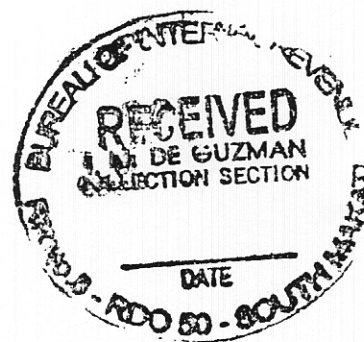
APR 10 2008

ZEUS HOLDINGS, INC.
CASH FLOW STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005
(Amounts in Philippine Pesos)

	Notes	2007	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss representing operating loss				
before working capital changes				
Other current assets		(P 657,168)	(P 498,490)	(P 554,657)
Increase (decrease) in accrued expenses and other payables		(48,035)	(37,987)	(30,148)
Net Cash Used in Operating Activities	4	(20,378)	(2,708)	30,012
		(725,581)	(539,185)	(554,793)
CASH FLOWS FROM FINANCING ACTIVITY				
Additional advances from related parties	5	811,079	528,626	533,677
NET INCREASE (DECREASE) IN CASH		85,498	(10,559)	(21,116)
CASH AT BEGINNING OF YEAR		41,871	52,430	73,546
CASH AT END OF YEAR		P 127,369	P 41,871	P 52,430

See Notes to Financial Statements.

* The Company was incorporated on December 17, 1981 and has not yet started commercial operations.



APR 10 2008

ZEUS HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION AND STATUS OF OPERATIONS

1.1 Corporate Information

Zeus Holdings, Inc. (the Company) was incorporated in the Philippines on December 17, 1981 to engage in the purchase and sale of investments. The Company has not yet started its commercial operations.

In June 2007, ZHI Holdings, Inc. (ZHI), sold 93.5% of its shares in the Company, thereby reducing its equity stake to 4.5%. At present, the largest stockholder of the Company is Zamcore Realty & Development Corporation which holds a 34% equity stake in the Company.

The shares of the Company are traded at the Philippine Stock Exchange.

The registered office of the Company, which is also its principal place of business, is located at the 20th Floor, LKG Tower, 6801 Ayala Avenue, Makati City.

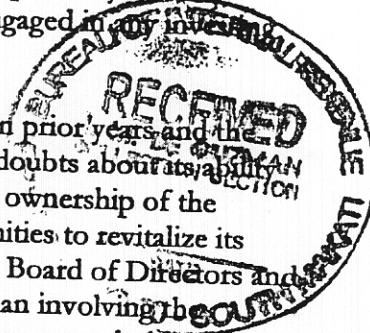
The finance and administrative affairs of the Company are being handled by a related party.

The financial statements of the Company for the year ended December 31, 2007 (including the comparatives for the years ended December 31, 2006 and 2005) were authorized for issue by the Company's Board of Directors on March 31, 2008.

1.2 Status of Operations

The Company incurred net losses of P657,168, P498,490 and P554,657 for the years ended December 31, 2007, 2006 and 2005, respectively, and, as of those dates, its capital deficiency amounted to P1,940,145, P1,282,977 and P784,487, respectively. For the current year and the last few years, the Company has not been engaged in any investing or operating activity.

The Company's capital deficiency resulting from losses incurred in prior years and the absence of any investing and operating activity raised substantial doubts about its ability to continue as a going concern. However, with the change in the ownership of the Company, the Company is currently evaluating business opportunities to revitalize its operations. On September 28, 2007 and November 27, 2007, the Board of Directors and the Stockholders, respectively, approved the proposed business plan involving the contemplated shift in the Company's primary purpose from an investment holding company to a mining entity.



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The accompanying financial statements have been prepared assuming that the Company will continue as a going concern which contemplates the realization and satisfaction of liabilities in the normal course of business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. The policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards (PFRSs)

The financial statements of the Company have been prepared in accordance with PFRSs. PFRSs are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board.

The financial statements have been prepared on the historical cost basis. The measurement bases are more fully described in the accounting policies that follow.

(b) Functional and Presentation Currency

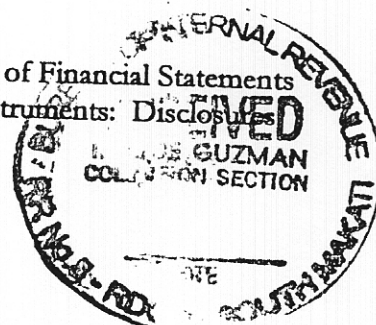
These financial statements are presented in Philippine pesos, the Company's functional currency, and all values represent absolute amounts except when otherwise indicated (see Note 3).

2.2 Impact of New Standards, Amendments and Interpretations to Existing Standards that are Relevant to the Company

(a) Effective in 2007 that are relevant to the Company

In 2007, the Company adopted for the first time the following new and amended PFRS which are mandatory for accounting periods beginning on or after January 1, 2007.

PAS 1 (Amendment)	:	Presentation of Financial Statements
PFRS 7	:	Financial Instruments: Disclosures



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Discussed below are the impact on the financial statements of these new accounting standards.

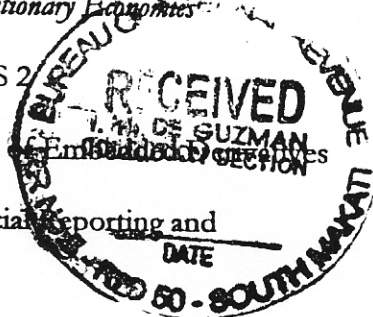
- (i) PAS 1 (Amendment), *Presentation of Financial Statements*. PAS 1 introduces new disclosures on the Company's capital management objectives, policies and procedures in each annual financial report. The amendments to PAS 1 were introduced to complement the adoption of PFRS 7.
- (ii) PFRS 7, *Financial Instruments: Disclosures*. PFRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, particularly:
 - a sensitivity analysis, to explain the Company's market risk exposure in regards to its financial instruments; and,
 - a maturity analysis that shows the remaining contractual maturities of financial liabilities.

PFRS 7 replaced PAS 30, *Disclosures in the Financial Statements of Banks and Similar Financial Institutions*, and the disclosure requirements in PAS 32, *Financial Instruments: Disclosure and Presentation* (see Note 9).

The first time application of these standards, amendments and interpretations has not resulted in any prior period adjustments of cash flows, net income or balance sheet line items.

(b) *Effective in 2007 but not relevant to the Company*

PFRS 4 (Amendment)	:	Insurance Contracts
Philippine Interpretation IFRIC 7	:	Applying the Restatement Approach under PAS 29, <i>Financial Reporting in Hyper Inflationary Economies</i>
Philippine Interpretation IFRIC 8	:	Scope of PFRS 2
Philippine Interpretation IFRIC 9	:	Re-assessment of Embedded Derivatives
Philippine Interpretation IFRIC 10	:	Interim Financial Reporting and Impairment



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(c) *Effective Subsequent to 2007*

PAS 1 (Revised 2007), *Presentation of Financial Statements* (effective from January 1, 2009). The amendment requires an entity to present all items of income and expense recognized in the period in a single statement of comprehensive income or in two statements: a separate income statement and a statement of comprehensive income. The income statement shall disclose income and expense recognized in profit and loss in the same way as the current version of PAS 1. The statement of comprehensive income shall disclose profit or loss for the period, plus each component of income and expense recognized outside of profit and loss classified by nature (e.g., gains or losses on available-for-sale assets or translation differences related to foreign operations). Changes in equity arising from transactions with owners are excluded from the statement of comprehensive income (e.g., dividends and capital increase). An entity would also be required to include in its set of financial statements a statement showing its financial position (or balance sheet) at the beginning of the previous period when the entity retrospectively applies an accounting policy or makes a retrospective restatement. The Company will apply PAS 1 (Revised 2007) in its 2009 financial statements.

2.3 Provisions

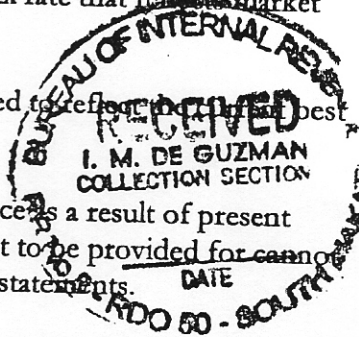
Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, where time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements.

Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.



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2.4 Expense Recognition

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

2.5 Income Taxes

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the income statement.

Deferred tax is provided, using the balance sheet liability method, on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred tax asset can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

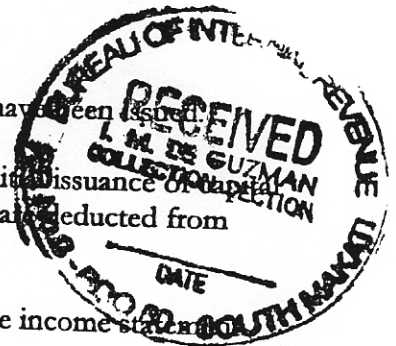
Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

2.6 Capital Deficiency

Capital stock is determined using the 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 reported in the income statement.



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2.7 Loss Per Share

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

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The Company's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results may ultimately differ from these estimates.

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements:

(a) Functional and Presentation Currency

The Company has determined that its functional currency is the Philippine peso which is the currency of the primary economic environment in which the entity operates.

(b) Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 2.3, and the relevant disclosure is presented in Note 8.

4. ACCRUED EXPENSES AND OTHER PAYABLES

The composition of this account as of December 31 is shown below:

Accrued expenses
Others

	2007	2006
P	95,982	572,190
P	668,132	688,510

The fair values of Accrued Expenses and Other Payables have not been disclosed as, due to their short duration, management considers the carrying amounts recognized in the balance sheets to be a reasonable approximation of their fair values.

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5. RELATED PARTY TRANSACTIONS

The breakdown of the Due to Related Parties account as of December 31 is as follows:

	<u>2007</u>	<u>2006</u>
ZHI		
Advances from a shareholder	P 1,175,600	P 680,000
Prime Orion Philippines, Inc. (POPI)	305,000	-
	<u>93,056</u>	<u>82,577</u>
	<u>P 1,573,656</u>	<u>P 762,577</u>

The Company receives noninterest-bearing advances from ZHI. Additional advances from ZHI amounted to P495,600 and P510,000 in 2007 and 2006, respectively.

On the other hand, the Company is charged by POPI for the Company's share in utilities expenses commonly incurred in the office. Total utilities charged to the Company in 2007 and 2006, amounted to P10,479 and P18,626, respectively.

On September 20, 2005, the Board of Directors of the Company's various shareholders approved the conversion of their advances to the Company into equity. Total advances converted amounted to P1,515,735. The Company recorded the conversion as part of additional paid-in capital.

The advances from shareholders are due and demandable and the carrying amounts are a reasonable approximation of their fair values.

6. INCOME TAXES

The Company has been incurring taxable losses during the year and in previous years. Accordingly, the Company has accumulated net operating loss carryover (NOLCO) which can be claimed as deduction from future taxable income within three years from the year the taxable loss was incurred.

The details of the Company's NOLCO as of December 31, 2007 and their respective availment periods are presented below:

<u>Year</u>	<u>Original Balance</u>	<u>Applied in Current Year</u>	<u>Expired Balance</u>	<u>Remaining Balance</u>	<u>Valid Until</u>
2007	P 647,935	P -	P -	P 647,935	2010
2006	498,300	-	-	498,300	2009
2005	542,135	-	-	542,135	2008
2004	<u>408,001</u>	<u>-</u>	<u>408,001</u>	<u>-</u>	<u>2007</u>
	<u>P 2,096,371</u>	<u>P -</u>	<u>P 408,001</u>	<u>P 1,688,370</u>	

The Company's management has assessed that it may not have enough future taxable income to enable it to utilize the benefits of the NOLCO within the prescribed periods. Hence, the related deferred tax assets have not been recognized.

7. LOSS PER SHARE

The basic loss per share is computed as follows:

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net loss	P 657,168	P 498,490	P 554,657
Divided by the weighted average number of issued and outstanding shares	<u>2,733,463.907</u>	<u>2,733,463.907</u>	<u>2,733,463.907</u>
Loss per share	<u>P 0.00024</u>	<u>P 0.00018</u>	<u>P 0.00020</u>

8. CONTINGENCY

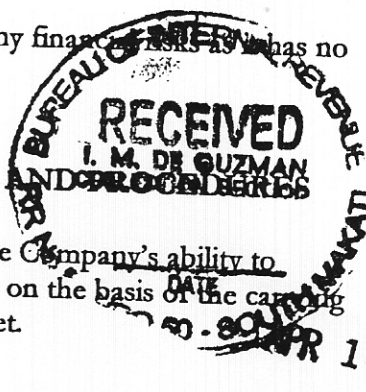
As of December 31, 2007, there are pending claims and legal actions by third parties against or involving the Company, which are being contested by the Company and its legal counsel. No provisions for contingency were recognized in the accompanying financial statements since the ultimate outcome of these claims cannot presently be determined. In addition, the Company's management believes that their impact in the financial statements, taken as a whole, will not be material.

9. RISK MANAGEMENT OBJECTIVES AND POLICIES

As of December 31, 2007, the Company is not exposed to any financial risks as it has no significant financial instruments.

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 monitors capital on the basis of the carrying amount of equity as presented on the face of the balance sheet.



**Report of Independent
Certified Public Accountants
to Accompany SEC Schedules Filed
Separately from the Basic
Financial Statements**

20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 886-5511
F +63 2 886-5506; +63 2 886-5507
www.punongbayan-araullo.com

**The Board of Directors and Stockholders
Zeus Holdings, Inc.
20th Floor, LKG Tower
6801 Ayala Avenue
Makati City**

We have audited the financial statements of Zeus Holdings, Inc. (the Company) for the year ended December 31, 2007, on which we have rendered our report dated March 31, 2008. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary schedules (see table of contents) of the Company as at December 31, 2007 and for the year then ended, required by the Securities and Exchange Commission, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in such supplementary schedules has been subjected to the auditing procedures applied in audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: Mailene Sigue-Bisnar
Partner
CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 0986665, January 04, 2008, Makati City
SEC Accreditation No. 0396-A
BIR AN 08-002511-20-2006 (Sept. 8, 2006 to 2009)

March 31, 2008

Certified Public Accountants
Member of Grant Thornton International Ltd
Offices in Cebu, Davao, Cavite
BOA/PRC Cert. of Reg. No. 0002
SEC Accreditation No. 0002-F

Zeus Holdings, Inc.
SEC Supplementary Schedule
December 31, 2007

Table of Contents

<i>Schedule</i>	<i>Description</i>	<i>Page</i>
A	Marketable Securities - (Current Marketable Equity Securities and Other Short-Term Cash Investments)	<u>N/A</u>
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Affiliates)	<u>N/A</u>
C	Noncurrent Marketable Equity Securities, Other Long-Term Investments in Stock and Other Investments	<u>N/A</u>
D	Indebtedness of Unconsolidated Subsidiaries and Affiliates	<u>N/A</u>
E	Intangible Assets - Other Assets	<u>N/A</u>
F	Long-Term Debt	<u>N/A</u>
G	Indebtedness to Affiliates and Related Parties (Long-Term Loans from Related Companies)	<u>1</u>
H	Guarantees of Securities of Other Issuers	<u>N/A</u>
I	Capital Stock	<u>2</u>

Zeus Holdings, Inc.
Schedule G. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
December 31, 2007

<i>Name of related party</i>	<i>Balance at beginning of period</i>	<i>Balance at end of period</i>
ZHI Holdings, Inc.	P 680,000	P 1,175,600
Advances from shareholder	-	305,000
Prime Orion Philippines, Inc.	82,577	93,056
	<u>P 762,577</u>	<u>P 1,573,656</u>

Zeus Holdings, Inc.
Schedule I - Capital Stock
December 31, 2007

<i>Title of Issue</i>	<i>Number of shares authorized</i>	<i>Number of shares issued and outstanding as shown under the related balance sheet caption</i>	<i>Number of shares reserved for options, warrants, conversion and other rights</i>	<i>Number of shares held by</i>		
				<i>Related parties</i>	<i>Directors, officers and employees</i>	<i>Others</i>
Common shares - P1 par value Authorized - 3,000,000,000 shares 2,733,463,907 shares issued and outstanding	3,000,000,000	2,733,463,907	-	929,377,728	-	1,804,086,179

ZEUS HOLDINGS, INC.

20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

CERTIFICATION

Securities and Exchange Commission

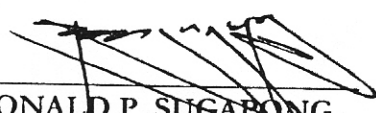
SEC Building
EDSA, Greenhills
Mandaluyong City

Gentlemen:

In compliance with Memorandum Circular No. 02 dated March 12, 2001, issued by the Securities and Exchange Commission (SEC), requiring the submission by registered corporations of SEC reportorial requirements, we submit herewith the Audited Financial Statements (AFS) diskette of Zeus Holdings, Inc. for the years ended December 31, 2007 and 2006 consisting of the following:

Table 1.	Balance Sheets
Table 2.	Income Statements/(Profit and Loss Statement) and Retained Earnings Statement
Table 2b.	Statements of Cash Flows

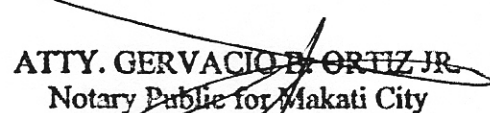
I certify that the AFS diskette of the Company contains the basic and material data in the hard copies of the financial statements of the Company for the years ended December 31, 2007 and 2006.


RONALD P. SUGAPONG
Treasurer

Republic of the Philippines)
Makati City) S.S.

SUBSCRIBED AND SWORN to before me this _____ day ^{APR} ~~APR~~ 11th 2008, 2008, affiants exhibiting to me his Community Tax Certificate No.19304749 issued on February 6, 2008 at Makati City.

Doc. No. 188
Page No. 27
Book No. 111
Series of 2008


ATTY. GERVACIO B. ORTIZ JR.
Notary Public for Makati City
Until December 31, 2008
PTR NO. 0982706; 1/02/2008; Makati City
IBP NO. 656155- Lifetime Member
APPT. M - 84 / 2008 ROLL NO. 40091

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

PHFS (rev 2006)

NAME OF CORPORATION: **ZEUS HOLDINGS, INC.**
 CURRENT ADDRESS: **20th Floor LKG Tower, 6801 Ayala Avenue, Makati City**
 TEL. NO.: **884-1106** FAX NO.: **884-1409**
 COMPANY TYPE: **Holding Company**

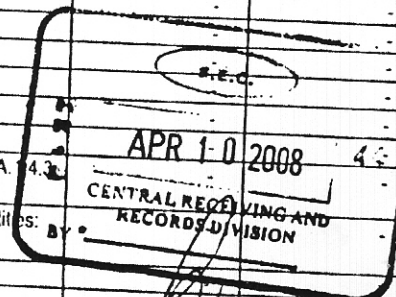
PSIC: _____

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA

	2007 (in P'000)	2006 (in P'000)
A. ASSETS (A.1 + A.2 + A.3 + A.4 + A.5 + A.6 + A.7 + A.8 + A.9 + A.10)		
A.1 Current Assets (A.1.1 + A.1.2 + A.1.3 + A.1.4 + A.1.5)	302	168
A.1.1 Cash and cash equivalents (A.1.1.1 + A.1.1.2 + A.1.1.3)	302	168
A.1.1.1 On hand	127	42
A.1.1.2 In domestic banks/entities	-	-
A.1.1.3 In foreign banks/entities	127	42
A.1.2 Trade and Other Receivables (A.1.2.1 + A.1.2.2)	-	-
A.1.2.1 Due from domestic entities (A.1.2.1.1 + A.1.2.1.2 + A.1.2.1.3 + A.1.2.1.4)	-	-
A.1.2.1.1 Due from customers (trade)	-	-
A.1.2.1.2 Due from related parties	-	-
A.1.2.1.3 Others, specify (A.1.2.1.3.1 + A.1.2.1.3.2)	-	-
A.1.2.1.3.1	-	-
A.1.2.1.3.2	-	-
A.1.2.1.4 Allowance for doubtful accounts (negative entry)	-	-
A.1.2.2 Due from foreign entities, specify (A.1.2.2.1 + A.1.2.2.2 + A.1.2.2.3 + A.1.2.2.4)	-	-
A.1.2.2.1	-	-
A.1.2.2.2	-	-
A.1.2.2.3	-	-
A.1.2.2.4 Allowance for doubtful accounts (negative entry)	-	-
A.1.3 Inventories (A.1.3.1 + A.1.3.2 + A.1.3.3 + A.1.3.4 + A.1.3.5 + A.1.3.6)	-	-
A.1.3.1 Raw materials and supplies	-	-
A.1.3.2 Goods in process (including unfinished goods, growing crops, unfinished seeds)	-	-
A.1.3.3 Finished goods	-	-
A.1.3.4 Merchandise/Goods in transit	-	-
A.1.3.5 Unbilled Services (in case of service providers)	-	-
A.1.3.6 Others, specify (A.1.3.6.1 + A.1.3.6.2)	-	-
A.1.3.6.1	-	-
A.1.3.6.2	-	-
A.1.4 Financial Assets other than Cash/Receivables/Equity investments (A.1.4.1 + A.1.4.2 + A.1.4.3 + A.1.4.4 + A.1.4.5 + A.1.4.6)	-	-
A.1.4.1 Financial Assets at Fair Value through Profit or Loss - issued by domestic entities: (A.1.4.1.1 + A.1.4.1.2 + A.1.4.1.3 + A.1.4.1.4 + A.1.4.1.5)	-	-
A.1.4.1.1 National Government	-	-
A.1.4.1.2 Public Financial Institutions	-	-
A.1.4.1.3 Public Non-Financial Institutions	-	-
A.1.4.1.4 Private Financial Institutions	-	-
A.1.4.1.5 Private Non-Financial Institutions	-	-
A.1.4.2 Held to Maturity Investments - issued by domestic entities: (A.1.4.2.1 + A.1.4.2.2 + A.1.4.2.3 + A.1.4.2.4 + A.1.4.2.5)	-	-
A.1.4.2.1 National Government	-	-
A.1.4.2.2 Public Financial Institutions	-	-
A.1.4.2.3 Public Non-Financial Institutions	-	-
A.1.4.2.4 Private Financial Institutions	-	-
A.1.4.2.5 Private Non-Financial Institutions	-	-



NOTE:

This special form is applicable to Investment Companies and Publicly-held Companies (enumerated in Section 17.2 of the Securities Regulation Code (SRC), except banks and insurance companies). As a supplemental form to PHFS, it shall be used for reporting Consolidated Financial Statements of Parent corporations and their subsidiaries.

Domestic corporations are those which are incorporated under Philippine laws or branches/subsidiaries of foreign corporations that are licensed to do business in the Philippines where the center of economic interest or activity is within the Philippines. On the other hand, foreign corporations are those that are incorporated abroad, including branches of Philippine corporations operating abroad.

Financial Institutions are corporations principally engaged in financial intermediation, facilitating financial intermediation, or auxiliary financial services. Non-Financial institutions refer to corporations that are primarily engaged in the production of market goods and non-financial services.

CURRENT ADDRESS: 29th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Holding Company

PSIC:

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA	2007 (in P'000)	2006 (in P'000)
A.1.4.3 Loans and Receivables - issued by domestic entities: (A.1.4.3.1 + A.1.4.3.2 + A.1.4.3.3 + A.1.4.3.4 + A.1.4.3.5)	-	-
A.1.4.3.1 National Government	-	-
A.1.4.3.2 Public Financial Institutions	-	-
A.1.4.3.3 Public Non-Financial Institutions	-	-
A.1.4.3.4 Private Financial Institutions	-	-
A.1.4.3.5 Private Non-Financial Institutions	-	-
A.1.4.4 Available-for-sale financial assets - issued by domestic entities: (A.1.4.4.1 + A.1.4.4.2 + A.1.4.4.3 + A.1.4.4.4 + A.1.4.4.5)	-	-
A.1.4.4.1 National Government	-	-
A.1.4.4.2 Public Financial Institutions	-	-
A.1.4.4.3 Public Non-Financial Institutions	-	-
A.1.4.4.4 Private Financial Institutions	-	-
A.1.4.4.5 Private Non-Financial Institutions	-	-
A.1.4.5 Financial Assets issued by foreign entities: (A.1.4.5.1 + A.1.4.5.2 + A.1.4.5.3 + A.1.4.5.4)	-	-
A.1.4.5.1 Financial Assets at fair value through profit or loss	-	-
A.1.4.5.2 Held-to-maturity investments	-	-
A.1.4.5.3 Loans and Receivables	-	-
A.1.4.5.4 Available-for-sale financial assets	-	-
A.1.4.6 Allowance for decline in market value (negative entry)	-	-
A.1.5 Other Current Assets (state separately material items) (A.1.5.1 + A.1.5.2 + A.1.5.3)	-	-
A.1.5.1 Prepaid insurance	174	126
A.1.5.2 Input tax	1	-
A.1.5.3	173	126
A.2 Property, plant, and equipment (A.2.1 + A.2.2 + A.2.3 + A.2.4 + A.2.5 + A.2.6 + A.2.7 + A.2.8)	-	-
A.2.1 Land	-	-
A.2.2 Building and improvements including leasehold improvement	-	-
A.2.3 Machinery and equipment (on hand and in transit)	-	-
A.2.4 Transportation/motor vehicles, automotive equipment, autos and trucks, and delivery equipment	-	-
A.2.5 Others, specify (A.2.5.1 + A.2.5.2 + A.2.5.3 + A.2.5.4 + A.2.5.5)	-	-
A.2.5.1	-	-
A.2.5.2	-	-
A.2.5.3	-	-
A.2.5.4	-	-
A.2.5.5	-	-
A.2.6 Appraisal increase, specify (A.2.6.1 + A.2.6.2 + A.2.6.3 + A.2.6.4 + A.2.6.5)	-	-
A.2.6.1	-	-
A.2.6.2	-	-
A.2.6.3	-	-
A.2.6.4	-	-
A.2.6.5	-	-
A.2.7 Accumulated Depreciation (negative entry)	-	-
A.2.8 Impairment Loss or Reversal (if loss, negative entry)	-	-
A.3 Investments accounted for using the equity method (A.3.1 + A.3.2 + A.3.3 + A.3.4)	-	-
A.3.1 Equity in domestic subsidiaries/affiliates	-	-
A.3.2 Equity in foreign branches/subsidiaries/affiliates	-	-
A.3.3 Others, specify (A.3.3.1 + A.3.3.2 + A.3.3.3 + A.3.3.4 + A.3.3.5)	-	-
A.3.3.1	-	-
A.3.3.2	-	-
A.3.3.3	-	-
A.3.3.4	-	-
A.3.3.5	-	-
A.4 Investment Property	-	-
A.5 Biological Assets	-	-
A.6 Intangible Assets	-	-
A.6.1 Major item/s, specify (A.6.1.1 + A.6.1.2)	-	-
A.6.1.1	-	-
A.6.1.2	-	-
A.6.2 Others, specify (A.6.2.1 + A.6.2.2)	-	-
A.6.2.1	-	-
A.6.2.2	-	-
A.7 Assets Classified as Held for Sale	-	-
A.8 Assets included in Disposal Groups Classified as Held for Sale	-	-

SPECIAL FORM FOR CONSOLIDATED FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.
 CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City
 TEL. NO.: 884-1106 FAX NO.: 884-1409
 COMPANY TYPE: Holding Company

If these are based on consolidated financial statements, please so indicate in the caption.

PSIC:

Table 1. Balance Sheet

FINANCIAL DATA	2007 (in P'000)	2006 (in P'000)
A.9 Long-term receivables (net of current portion) (A.9.1 + A.9.2 + A.9.3)	-	-
A.9.1 From domestic entities, specify (A.9.1.1 + A.9.1.2 + A.9.1.3)	-	-
A.9.1.1	-	-
A.9.1.2	-	-
A.9.1.3	-	-
A.9.2 From foreign entities, specify (A.9.2.1 + A.9.2.2 + A.9.2.3)	-	-
A.9.2.1	-	-
A.9.2.2	-	-
A.9.2.3	-	-
A.9.3 Allowance for doubtful accounts, net of current portion (negative entry)	-	-
A.10 Other Assets (A.10.1 + A.10.2 + A.10.3 + A.10.4 + A.10.5)	-	-
A.10.1 Deferred charges - net of amortization	-	-
A.10.2 Deferred Income Tax	-	-
A.10.3 Advance/Miscellaneous deposits	-	-
A.10.4 Others, specify (A.10.4.1 + A.10.4.2 + A.10.4.3 + A.10.4.4 + A.10.4.5)	-	-
A.10.4.1	-	-
A.10.4.2	-	-
A.10.4.3	-	-
A.10.4.4	-	-
A.10.4.5	-	-
A.10.5 Allowance for write-down of deferred charges/bad accounts (negative entry)	-	-
B. LIABILITIES (B.1 + B.2 + B.3 + B.4 + B.5)	-	-
B.1 Current Liabilities (B.1.1 + B.1.2 + B.1.3 + B.1.4 + B.1.5 + B.1.6 + B.1.7)	2,242	1,451
B.1.1 Trade and Other Payables to Domestic Entities	2,242	1,451
(B.1.1.1 + B.1.1.2 + B.1.1.3 + B.1.1.4 + B.1.1.5 + B.1.1.6)	2,242	1,451
B.1.1.1 Loans/Notes Payables	-	-
B.1.1.2 Trade Payables	-	-
B.1.1.3 Payables to Related Parties	572	561
B.1.1.4 Advances from Directors, Officers, Employees and Principal Stockholders	1,574	763
B.1.1.5 Accruals, specify material items (B.1.1.5.1 + B.1.1.5.2 + B.1.1.5.3)	-	-
B.1.1.5.1 Audit fee	80	105
B.1.1.5.2	80	105
B.1.1.5.3	-	-
B.1.1.6 Others, specify (B.1.1.6.1 + B.1.1.6.2 + B.1.1.6.3)	-	-
B.1.1.6.1 Other accounts payable	16	22
B.1.1.6.2	16	22
B.1.1.6.3	-	-
B.1.2 Trade and Other Payables to Foreign Entities (specify) (B.1.2.1 + B.1.2.2 + B.1.2.3)	-	-
B.1.2.1	-	-
B.1.2.2	-	-
B.1.2.3	-	-
B.1.3 Provisions	-	-
B.1.4 Financial Liabilities (excluding Trade and Other Payables and Provisions)	-	-
(B.1.4.1 + B.1.4.2 + B.1.4.3 + B.1.4.4 + B.1.4.5)	-	-
B.1.4.1	-	-
B.1.4.2	-	-
B.1.4.3	-	-
B.1.4.4	-	-
B.1.4.5	-	-
B.1.5 Liabilities for Current Tax	-	-
B.1.6 Deferred Tax Liabilities	-	-
B.1.7 Others, specify (If material, state separately; indicate if the item is payable to public/private or financial/non-financial institutions) (B.1.7.1 + B.1.7.2 + B.1.7.3 + B.1.7.4 + B.1.7.5 + B.1.7.6)	-	-
B.1.7.1 Dividends declared and not paid at balance sheet date	-	-
B.1.7.2 Acceptances Payable	-	-
B.1.7.3 Liabilities under Trust Receipts	-	-
B.1.7.4 Portion of Long-term Debt Due within one year	-	-
B.1.7.5 Deferred Income	-	-
B.1.7.6 Any other current liability in excess of 5% of Total Current Liabilities, specify:	-	-
B.1.7.6.1	-	-
B.1.7.6.2	-	-
B.1.7.6.3	-	-

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.
CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City
TEL. NO.: 884-1106 FAX NO.: 884-1409
COMPANY TYPE: Holding Company

If these are based on consolidated financial statements, please so indicate in the caption.

PSIC:

Table 1. Balance Sheet

FINANCIAL DATA		2007 (in P'000)	2006 (in P'000)
B.2 Long-term Debt - Non-current Interest-bearing Liabilities (B.2.1 + B.2.2 + B.2.3 + B.2.4 + B.2.5)		-	-
B.2.1 Domestic Public Financial Institutions		-	-
B.2.2 Domestic Public Non-Financial Institutions		-	-
B.2.3 Domestic Private Financial Institutions		-	-
B.2.4 Domestic Private Non-Financial Institutions		-	-
B.2.5 Foreign Financial Institutions		-	-
B.3 Indebtedness to Affiliates and Related Parties (Non-Current)		-	-
B.4 Liabilities Included in the Disposal Groups Classified as Held for Sale		-	-
B.5 Other Liabilities (B.5.1 + B.5.2)		-	-
B.5.1 Deferred Tax		-	-
B.5.2 Others, specify (B.5.2.1 + B.5.2.2 + B.5.2.3 + B.5.2.4 + B.5.2.5)		-	-
B.5.2.1		-	-
B.5.2.2		-	-
B.5.2.3		-	-
B.5.2.4		-	-
B.5.2.5		-	-
C. EQUITY (C.3 + C.4 + C.5 + C.6 + C.7 + C.8 + C.9 + C.10)		-	-
C.1 Authorized Capital Stock (no. of shares, par value and total value; show details) (C.1.1 + C.1.2 + C.1.3)		(1,940)	(1,283)
C.1.1 Common shares		-	-
C.1.2 Preferred Shares		3,000,000	3,000,000
C.1.3 Others		-	-
C.2 Subscribed Capital Stock (no. of shares, par value and total value) (C.2.1 + C.2.2 + C.2.3)		-	-
C.2.1 Common shares		-	-
C.2.2 Preferred Shares		-	-
C.2.3 Others		-	-
C.3 Paid-up Capital Stock (C.3.1 + C.3.2)		-	-
C.3.1 Common shares		2,733,464	2,733,464
C.3.2 Preferred Shares		2,733,464	2,733,464
C.4 Additional Paid-in Capital / Capital in excess of par value / Paid in Surplus		-	-
C.5 Minority Interest		33,394	33,394
C.6 Others, specify (C.6.1 + C.6.2 + C.6.3)		-	-
C.6.1		-	-
C.6.2		-	-
C.6.3		-	-
C.7 Appraisal Surplus/Revaluation Increment in Property/Revaluation Surplus		-	-
C.8 Retained Earnings (C.8.1 + C.8.2)		-	-
C.8.1 Appropriated		(2,768,798)	(2,768,141)
C.8.2 Unappropriated		-	-
C.9 Head / Home Office Account (for Foreign Branches only)		(2,768,798)	(2,768,141)
C.10 Cost of Stocks Held in Treasury (negative entry)		-	-
TOTAL LIABILITIES AND EQUITY (B + C)		302	168

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION:

ZEUS HOLDINGS, INC.

CURRENT ADDRESS:

20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.:

884-1106

FAX NO.: 884-1409

COMPANY TYPE:

Holding Company

PSIC:

If these are based on consolidated financial statements, please so indicate in the caption.

Table 2. Income Statement

FINANCIAL DATA	2007 (in P'000)	2006 (in P'000)	2005 (in P'000)
A. REVENUE / INCOME (A.1 + A.2 + A.3 + A.4)			
A.1 Net Sales or Revenue / Receipts from Operations (manufacturing, mining, utilities, trade, services, etc.) (from Primary Activity)	-	-	-
A.2 Share in the Profit or Loss of Associates and Joint Ventures accounted for	-	-	-
A.3 Other Revenue (A.3.1 + A.3.2 + A.3.3 + A.3.4 + A.3.5)	-	-	-
A.3.1 Rental Income from Land and Buildings	-	-	-
A.3.2 Receipts from Sale of Merchandise (trading) (from Secondary Activity)	-	-	-
A.3.3 Sale of Real Estate or other Property and Equipment	-	-	-
A.3.4 Royalties, Franchise Fees, Copyrights (books, films, records, etc.)	-	-	-
A.3.5 Others, specify (A.3.5.1 + A.3.5.2 + A.3.5.3 + A.3.5.4 + A.3.5.5 + A.3.5.6 + A.3.5.7 + A.3.5.8)	-	-	-
A.3.5.1	-	-	-
A.3.5.2	-	-	-
A.3.5.3	-	-	-
A.3.5.4	-	-	-
A.3.5.5	-	-	-
A.3.5.6	-	-	-
A.3.5.7	-	-	-
A.3.5.8	-	-	-
A.4 Other Income (non-operating) (A.4.1 + A.4.2 + A.4.3 + A.4.4)	-	-	-
A.4.1 Interest Income	-	-	-
A.4.2 Dividend Income	-	-	-
A.4.3 Gain / (Loss) from selling of Assets, specify (A.4.3.1 + A.4.3.2 + A.4.3.3 + A.4.3.4)	-	-	-
A.4.3.1	-	-	-
A.4.3.2	-	-	-
A.4.3.3	-	-	-
A.4.3.4	-	-	-
A.4.4 Others, specify (A.4.4.1 + A.4.4.2 + A.4.4.3 + A.4.4.4)	-	-	-
A.4.4.1	-	-	-
A.4.4.2	-	-	-
A.4.4.3	-	-	-
A.4.4.4	-	-	-
B. COST OF GOODS SOLD (B.1 + B.2 + B.3)			
B.1 Cost of Goods Manufactured (B.1.1 + B.1.2 + B.1.3 + B.1.4 + B.1.5)	-	-	-
B.1.1 Direct Material Used	-	-	-
B.1.2 Direct Labor	-	-	-
B.1.3 Other Manufacturing Cost / Overhead	-	-	-
B.1.4 Goods in Process, Beginning	-	-	-
B.1.5 Goods in Process, End (negative entry)	-	-	-
B.2 Finished Goods, Beginning	-	-	-
B.3 Finished Goods, End (negative entry)	-	-	-
C. COST OF SALES (C.1 + C.2 + C.3)			
C.1 Purchases	-	-	-
C.2 Merchandise Inventory, Beginning	-	-	-
C.3 Merchandise Inventory, End (negative entry)	-	-	-
D. GROSS PROFIT (A - B - C)	-	-	-

NOTE: Pursuant to SRC Rule 68.1 (as amended in Nov. 2005), for fiscal years ending December 31, 2005 up to November 30, 2006, a comparative format of only two (2) years may be filed to give temporary relief for covered companies as the more complex PFRSs will be applied for the first time in these year end periods. After these first time applications, the requirement of three (3) year comparatives shall resume for year end reports beginning December 31, 2006 and onwards.

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Holding Company

PSIC:

If these are based on consolidated financial statements, please so indicate in the caption.

Table 2. Income Statement

FINANCIAL DATA		2007 (in P'000)	2006 (in P'000)	2005 (in P'000)
E. OPERATING EXPENSES (E.1 + E.2 + E.3 + E.4)		657	498	555
E.1	Selling or Marketing Expenses	-	-	-
E.2	Administrative Expenses	-	-	-
E.3	General Expenses	-	-	-
E.4	Other Expenses, specify (E.4.1 + E.4.2 + E.4.3 + E.4.4 + E.4.5 + E.4.6 + E.4.7 + E.4.8 + E.4.9 + E.4.10)	657	498	555
E.4.1	Education-related expenditures	-	-	-
E.4.2		-	-	-
E.4.3		-	-	-
E.4.4		-	-	-
E.4.5		-	-	-
E.4.6		-	-	-
E.4.7		-	-	-
E.4.8		-	-	-
E.4.9		-	-	-
E.4.10		-	-	-
F. FINANCE COSTS (F.1 + F.2 + F.3 + F.4 + F.5)		-	-	-
F.1	Interest on Short-Term Promissory Notes	-	-	-
F.2	Interest on Long-Term Promissory Notes	-	-	-
F.3	Interest on bonds, mortgages and other long-term loans	-	-	-
F.4	Amortization	-	-	-
F.5	Other interests, specify (F.5.1 + F.5.2 + F.5.3 + F.5.4 + F.5.5)	-	-	-
F.5.1		-	-	-
F.5.2		-	-	-
F.5.3		-	-	-
F.5.4		-	-	-
F.5.5		-	-	-
G. NET INCOME (LOSS) BEFORE TAX (D - E - F)		-	-	-
H. INCOME TAX EXPENSE (negative entry)		(657)	(498)	(555)
I. INCOME (LOSS) AFTER TAX		-	-	-
J. Amount of (i) Post-Tax Profit or Loss of Discontinued Operations; and (ii) Post Tax Gain or Loss Recognized on the Measurement of Fair Value less Cost to Sell or on the Disposal of the Assets or Disposal Group(s) constituting the Discontinued Operation (if any)		(657)	(498)	(555)
J.1		-	-	-
J.2		-	-	-
K. PROFIT OR LOSS ATTRIBUTABLE TO MINORITY INTEREST		-	-	-
L. PROFIT OR LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		-	-	-
M. EARNINGS (LOSS) PER SHARE		-	-	-
M.1	Basic	-	-	-
M.2	Diluted	(0.00024)	(0.00018)	(0.00020)

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE Holding Company

PSIC:

If these are based on consolidated financial statements, please so indicate in the caption.

Table 3. Cash Flow Statements

FINANCIAL DATA	2007 (in P'000)	2006 (in P'000)	2005 (in P'000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income (Loss) Before Tax and Extraordinary Items			
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	(657)	(498)	(555)
Depreciation	-	-	-
Amortization, specify	-	-	-
Others, specify:	-	-	-
Write-down of Property, Plant, and Equipment	-	-	-
Changes in Assets and Liabilities:			
Decrease (Increase) in:			
Receivables	-	-	-
Inventories	-	-	-
Other Current Assets	-	-	-
Others, specify:	(48)	(38)	(30)
Increase (Decrease) in:			
Trade and Other Payables	11	(3)	30
Income and Other Taxes Payable	-	-	-
Others, specify:	-	-	-
A. Net Cash Provided by (Used in) Operating Activities (sum of above rows)	(694)	(539)	(555)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) Decrease in Amounts owed by related parties	-	-	-
(Increase) Decrease in Other noncurrent assets	-	-	-
Reductions/(Additions) to Property, Plant, and Equipment	-	-	-
Others, specify	-	-	-
B. Net Cash Provided by (Used in) Investing Activities (sum of above rows)	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Loans			
Long-term Debt			
Issuance of Securities			
Others, specify:			
Increase (decrease) in amounts owed to related parties	811	529	534
Increase (decrease) in accrued expenses	(25)	-	-
Increase (decrease) in other payables	(7)	-	-
Payments of:			
(Loans)			
(Long-term Debt)			
(Stock Subscriptions)			
Others, specify (negative entry):			
C. Net Cash Provided by (Used in) Financing Activities (sum of above rows)	779	529	534
NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	85	(10)	(21)
Cash and Cash Equivalents			
Beginning of year	42	52	74
End of year	127	42	52

NOTE: Pursuant to SRC Rule 68.1 (as amended in Nov. 2005), for fiscal years ending December 31, 2005 up to November 30, 2006, a comparative format of only two (2) years may be filed to give temporary relief for covered companies as the more complex PFRSs will be applied for the first time in these year end periods. After these first time applications, the requirement of three (3) year comparatives shall resume for year end reports beginning December 31, 2006 and onwards.

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1105

COMPANY TYPE: Holding Company

FAX NO.: 884-1409

If these are based on consolidated financial statements, please so indicate in the caption.

PSIC:

Table 4. Statement of Changes in Equity
(Amount in P'000)

FINANCIAL DATA	Capital Stock	Additional Paid in Capital	Revaluation Increment	Translation Differences	Retained Earnings	TOTAL
A. Balance, 2005	2,733,464	33,394				
A.1 Correction of Error(s)					(2,767,643)	(785)
A.2 Changes in Accounting Policy						
B. Restated Balance	2,733,464	33,394				
C. Surplus					(2,767,643)	(785)
C.1 Surplus (Deficit) on Revaluation of Properties						
C.2 Surplus (Deficit) on Revaluation of Investments						
C.3 Currency Translation Differences						
C.4 Other Surplus (specify)						
C.4.1		7				
C.4.2						
C.4.3						
C.4.4						
C.4.5						
D. Net Income (Loss) for the Period						
E. Dividends (negative entry)						
F. Appropriation for (specify)					(498)	(498)
F.1						
F.2						
F.3						
F.4						
F.5						
G. Issuance of Capital Stock						
G.1 Common Stock						
G.2 Preferred Stock						
G.3 Others						
H. Balance, 2006	2,733,464	33,394				
H.1 Correction of Error (s)					(2,768,141)	(1,283)
H.2 Changes in Accounting Policy						
I. Restated Balance	2,733,464	33,394				
J. Surplus					(2,768,141)	(1,283)
J.1 Surplus (Deficit) on Revaluation of Properties						
J.2 Surplus (Deficit) on Revaluation of Investments						
J.3 Currency Translation Differences						
J.4 Other Surplus (specify)						
J.4.1						
J.4.2						
J.4.3						
J.4.4						
J.4.5						
K. Net Income (Loss) for the Period						
L. Dividends (negative entry)						
M. Appropriation for (specify)					(657)	(657)
M.1						
M.2						
M.3						
M.4						
M.5						
N. Issuance of Capital Stock						
N.1 Common Stock						
N.2 Preferred Stock						
N.3 Others						
O. Balance, 2007	2,733,464	33,394			(2,768,798)	(1,940)

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.
CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City
TEL. NO.: 884-1106 FAX NO.: 884-1409
COMPANY TYPE: Holding Company PSIC: _____

If these are based on consolidated financial statements, please so indicate in the caption.

Table 5. Details of Income and Expenses, by source
(applicable to corporations transacting with foreign corporations/entities)

FINANCIAL DATA		2007 (in P'000)	2006 (in P'000)	2005 (in P'000)
A. REVENUE / INCOME (A.1 + A.2)				
A.1 Net Sales or Revenue / Receipts from Operations (manufacturing, mining, utilities, trade, services, etc.) (from Primary Activity) (A.1.1 + A.1.2)				
A.1.1 Domestic				
A.1.2 Foreign				
A.2 Other Revenue (A.2.1 + A.2.2)				
A.2.1 Domestic				
A.2.2 Foreign, specify (A.2.2.1+A.2.2.2+A.2.2.3+ A.2.2.4+ A.2.2.5+ A.2.2.6+ A.2.2.7+ A.2.2.8+ A.2.2.9+ A.2.2.10)				
A.2.2.1				
A.2.2.2				
A.2.2.3				
A.2.2.4				
A.2.2.5				
A.2.2.6				
A.2.2.7				
A.2.2.8				
A.2.2.9				
A.2.2.10				
B. EXPENSES (B.1 + B.2)				
B.1 Domestic				
B.2 Foreign, specify (B.2.1+B.2.2+B.2.3+B.2.4+ B.2.5+ B.2.6+ B.2.7+ B.2.8+ B.2.9+ B.2.10)				
B.2.1				
B.2.2				
B.2.3				
B.2.4				
B.2.5				
B.2.6				
B.2.7				
B.2.8				
B.2.9				
B.2.10				

COVER SHEET

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SEC Registration Number

[illegible]

(Company's Full Name)

[illegible]

(Business Address: No. Street City/Town/Province)

ATTY. DAISY L. PARKER
(Contact Person)

884-1106
(Company Telephone Number)

1 2 **3 1**
Month *Day*
 (Fiscal Year)

1	7	-	Q	
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(Form Type)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Page 10 of 10

Domestic

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

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LCU

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Document ID

Cashier

Cashier

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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)

20/F, LKG Tower, 6801 Ayala Avenue, Makati City

1226

7. Address of issuer's principal office 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)

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 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

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

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

	Three Months Period Ended		Nine Months Period Ended	
	September 2008	September 2007	September 2008	September 2007
OPERATING EXPENSES				
Taxes and licenses	-	-	264,215	213,600
Professional fees	21,000	21,000	93,000	63,000
Photocopying and reproduction	2,600	2,600	21,158	10,749
Transportation and travel	-	279	1,546	1,615
Other operating expenses	1,493	-	47,881	32,797
	25,093	23,879	427,799	321,761
NET LOSS	(25,093)	(23,879)	(427,799)	(321,761)
Loss Per Share	0.00001	0.00001	0.00016	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>
CAPITAL STOCK		
Balance, beginning of year	2,733,463,907	2,733,463,907
Issuance of shares	-	-
	<u>2,733,463,907</u>	<u>2,733,463,907</u>
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
Advances converted to additional paid-in capital	-	-
	<u>33,393,941</u>	<u>33,393,941</u>
Balance, end of the period		
	<u>33,393,941</u>	<u>33,393,941</u>
DEPOSIT FOR FUTURE SUBSCRIPTION		
Balance, beginning of year	-	-
Addition during the year	2,240,600	-
	<u>2,240,600</u>	<u>-</u>
DEFICIT		
Balance, beginning of year	(2,768,797,993)	(2,768,140,824)
Net loss	(427,799)	(321,761)
	<u>(2,769,225,792)</u>	<u>(2,768,462,585)</u>
Balance, end of the period		
	<u>(2,769,225,792)</u>	<u>(2,768,462,585)</u>
TOTAL CAPITAL DEFICIENCY	<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>
CASH FLOWS FROM OPERATING ACTIVITIES		
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>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from stockholders	<u>666,944</u>	<u>502,791</u>
Net Cash From Financing Activities	<u>666,944</u>	<u>502,791</u>
NET INCREASE IN CASH	88,674	23,565
CASH AT BEGINNING OF THE PERIOD	<u>127,369</u>	<u>41,871</u>
CASH AT END OF THE PERIOD	<u><u>P216,043</u></u>	<u><u>P65,435</u></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.	P-	P1,175,600
Advances from a shareholder	-	305,000
Due to Prime Orion Philippines, Inc.	<u>-</u>	<u>93,056</u>
	<u>-</u>	<u>1,573,656</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>562,449</u>	<u>668,132</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.