

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 **31 March 2006**
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: (SEC Use Only)

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

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 31 March 2006)

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 statement)

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

(A) Management's Discussion and Analysis (MD&A) or Plan of Operation.

Cash decreased by 11% to P46,540 as of the first quarter from P52,430 as of 31 December 2005 to defray operating expenses, while input value added tax increased by 23% from P88,252 to P108,328 due to purchases. Advances due to related parties increased by 116% as advances were obtained to fund expenses. However, total assets increased from P140,682.00 in FY2005 to P154,868 during the quarter.

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

Ratios	Formula	31-Mar-05	31-Dec-05
Current ratio	Current Assets/Current Liabilities	0.13:1 154,868/1,177,870	0.15:1 140,682/925,169
Debt to equity ratio	Total Liabilities/Stockholders' Equity	(1.15):1 1,177,870/(1,023,002)	(1.18):1 925,169/(784,487)
Equity to debt ratio	Stockholders' Equity/Total Liabilities	(0.87):1 (1,023,002)/1,177,870	(0.85):1 (784,487)/925,169
Book value per share	Stockholders' Equity/Total # of shares	(0.00037) (1,023,002)/2,733,463,907	(0.00029) (784,487)/2,733,463,907
Loss per share	Net Loss/Total # of Shares	(0.00009) (238,516)/2,733,463,907	(0.00021) (554,657)/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*

Liabilities in 2001 amounting to P10.8 million were offset against receivables of equivalent amount as no third party made any claims against the Company for such receivables and liabilities.

Please refer to Notes 4 of the Company's Financial Statements as of December 31, 2005 and 2004 for the detailed information on these loans.

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

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

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

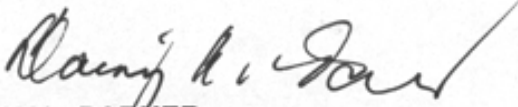
- (viii) There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

SIGNATURES

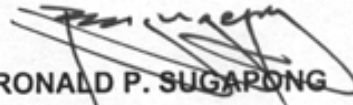
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer:
ZEUS HOLDINGS, INC.

By:



DAISY L. PARKER
Corporate Secretary
Date: 11 May 2006



RONALD P. SUGARONG
Treasurer
Date: 11 May 2006

ZEUS HOLDINGS, INC.
BALANCE SHEETS
MARCH 31, 2006 AND DECEMBER 31, 2005

	MARCH 2006	AUDITED DECEMBER 2005
<u>A S S E T S</u>		
CURRENT ASSETS		
Cash (Note 2)	46,540	52,430
Input value added tax	108,328	88,253
TOTAL ASSETS	154,868	140,683
<u>LIABILITIES AND CAPITAL DEFICIENCY</u>		
CURRENT LIABILITIES		
Accrued expenses and other payables (Note 4)	672,954	691,218
Due to related parties (Note 5)	504,915	233,951
Total Current Liabilities	1,177,870	925,169
CAPITAL DEFICIENCY		
Capital stock	2,733,463,907	2,733,463,907
Additional paid-in capital	33,393,941	33,393,941
Deficit	(2,767,880,850)	(2,767,642,334)
Total Capital Deficiency	(1,023,002)	(784,486)
TOTAL LIABILITIES AND CAPITAL DEFICIENCY	154,868	140,683

ZEUS HOLDINGS, INC.
STATEMENTS OF INCOME
FOR THE PERIOD ENDED MARCH 31, 2006 AND 2005

	Three Months Ended	
	March 2006	March 2005
OPERATING EXPENSES		
Taxes and licenses	212,125	207,150
Professional fees	21,000	21,000
Photocopying and reproduction	3,714	12,818
Transportation and travel	51	1,190
Other operating expenses	1,626	6,490
	238,516	248,648
NET LOSS	(238,516)	(248,648)
Loss Per Share	0.00009	0.00009

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 MARCH 31, 2006 AND 2005

	<u>March 2006</u>	<u>March 2005</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		
ADDITIONAL PAID-IN CAPITAL		
Balance, beginning of year	33,393,941	31,878,206
Advances converted to additional paid-in capital	-	-
	<u>33,393,941</u>	<u>31,878,206</u>
Balance, end of the period		
DEFICIT		
Balance, beginning of year	(2,767,642,334)	(2,767,087,677)
Net loss	(238,516)	(248,648)
	<u>(2,767,880,850)</u>	<u>(2,767,336,325)</u>
Balance, end of the period		
TOTAL CAPITAL DEFICIENCY	<u>(1,023,002)</u>	<u>(1,994,212)</u>

ZEUS HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2006 AND 2005

	<u>MARCH 2006</u>	<u>MARCH 2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(238,516)	(248,648)
Working capital changes		
Increase in input value added tax	(20,075)	(21,616)
Decrease in accrued expenses and other payables	<u>(18,264)</u>	<u>(20,082)</u>
Net Cash Used in Operating Activities	<u>(276,855)</u>	<u>(290,346)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from stockholders	<u>270,965</u>	<u>263,689</u>
Net Cash From Financing Activities	<u>270,965</u>	<u>263,689</u>
NET INCREASE (DECREASE) IN CASH	(5,890)	(26,657)
CASH AT BEGINNING OF THE PERIOD	<u>52,430</u>	<u>73,546</u>
CASH AT END OF THE PERIOD	<u><u>46,540</u></u>	<u><u>46,889</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.

Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with generally accepted accounting principles in the Philippines.

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

In compliance with the pronouncement of the ASC and the regulations of the Securities and Exchange Commission (SEC), the Company has adopted all the relevant Philippine Financial Reporting Standards (PFRS) for the first time in its financial statements for the year ended December 31, 2005. The transition from the previous generally accepted accounting principles (GAAP) in the Philippines to PFRS has been made in accordance with PFRS 1, *First-time Adoption of the Philippine Financial Reporting Standards*.

Adoption of the new accounting standards did not result in any material adjustments to the financial statements of the current and prior periods.

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 are unrestricted and readily available for use in the current operations.

3. RELATED PARTY TRANSACTIONS

Due to related parties consist of the following:

	<u>March 2006</u>	<u>December 2005</u>
Due to Picop Holdings, Inc.	P 440,000	P 170,000
Due to Prime Orion Philippines, Inc.	<u>64,915</u>	<u>63,951</u>
	<u>P 504,915</u>	<u>P 223,951</u>

In the normal course of business, the Company receives non interest-bearing cash and non cash advances from its parent company, Picop Holdings, Inc.(PHI) and affiliated company, Prime Orion Philippines, Inc..

On September 21, 2005, the Board of Directors of its Parent Company, PHI approved a resolution to convert its advances into equity. Total advances converted into equity amounted to P1,515,735.00.

4. ACCRUED EXPENSES AND OTHER PAYABLES

This account represents the remaining unclaimed liabilities after offsetting the amount of P10,838,055.00 against receivable in 2001.

5. 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.