UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **September 30, 2008**.

☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ________ to ________.

Commission file number: **000-27735**

ASIA8, INC.

(Exact name of registrant as specified in its charter)

Nevada	**77-0438927**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2465 West 12th Street, Suite 2 Tempe, Arizona 85281
(Address of principal executive offices) (Zip Code)

(480) 505-0070
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changes since last report)

Indicate by check mark whether the registrant: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☑ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company as defined by Rule 12b-2 of the Exchange Act:
Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☑

At November 14, 2008, the number of shares outstanding of the registrant's common stock, $0.001 par value (the only class of voting stock), was 23,071,835.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

As used herein, the terms "Company," "we," "our," "us," "it," and "its" refer to Asia8, Inc., a Nevada corporation, and our subsidiaries and predecessors, unless otherwise indicated. In the opinion of management, the accompanying unaudited financial statements included in this Form 10-Q reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

Asia8, Inc.
Balance Sheets

ASSETS

	Unaudited September 30, 2008	Audited December 31, 2007
CURRENT ASSETS		
Cash	$ 2,389	$ 32,447
Accounts receivable	325,595	172,518
Inventory	118,111	233,183
Other current assets	1,364	10,000
Total Current Assets	447,460	448,148
FIXED ASSETS		
Equipment, Net	18,751	58,580
Total Fixed Assets	18,751	58,580
OTHER ASSETS		
Other receivables	101,500	101,500
Equity investment	3,023,550	3,007,108
Other investments	6,480	6,480
Note receivable	-	900,000
Other non current assets	224,000	224,000
Deposit	4,360	4,360
Total Other Assets	3,359,890	4,243,448
TOTAL ASSETS	$ 3,826,100	$ 4,750,176

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

	Unaudited September 30, 2008	Audited December 31, 2007
Accounts payable and accrued expenses	$ 383,816	$ 449,079
Notes payable - related party	327,942	1,070,395
Total Current Liabilities	711,758	1,519,474
TOTAL LIABILITIES	711,758	1,519,474
STOCKHOLDERS' EQUITY (DEFICIT)		
Preferred stock: 25,000,000 shares authorized; $0.001 par value; 100,000 shares issued and outstanding	100,000	100,000
Common stock: 100,000,000 shares authorized; $0.001 par value; 23,071,835 shares issued and outstanding	23,072	23,072
Additional paid-in capital	3,180,227	3,180,228
Accumulated deficit	(188,957)	(72,598)
Total Stockholders' Equity (Deficit)	3,114,342	3,230,702
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 3,826,100	$ 4,750,176

The accompanying notes are an integral part of these financial statements.

Asia8, Inc.
Income Statement

	Three months ended September 30 Unaudited 2008	Three months ended September 30 Unaudited 2007	Nine months ended September 30 Unaudited 2008	Nine months ended September 30 Unaudited 2007
Revenues	$ 284,887	$ 346,852	$ 596,638	$ 712,454
Cost of Goods Sold	282,911	305,692	385,947	595,406
GROSS PROFIT	1,975	41,160	210,692	117,048
OPERATING EXPENSES :				
General, selling and administrative expenses	99,974	108,875	303,677	199,847
Depreciation and amortization expense	2,443	382	39,828	1,146
TOTAL OPERATING EXPENSES	102,416	109,257	343,505	200,993
OTHER INCOME (EXPENSE):				
Income from sale of investments	0	0	0	0
Income (loss) from Equity Investments	(404,124)	(32,874)	16,442	317,163
Interest income	0	11,200	12	20,217
TOTAL OTHER INCOME	(404,124)	(21,674)	16,454	337,380
INCOME (LOSS) FROM CONTINUING OPERATIONS	(504,565)	(89,771)	(116,360)	253,435
INCOME (LOSS) FROM DISCONTINUED OPERATIONS	-	-	-	-
NET INCOME (LOSS)	$ (504,565)	$ (89,771)	$ (116,360)	$ 253,435
BASIC INCOME (LOSS) PER SHARE	$ (0.02)	$ (0.00)	$ (0.01)	$ 0.01
WEIGHTED AVERAGE NUMBER OF SHARES	23,071,835	22,430,296	23,071,835	22,009,983

The accompanying notes are an integral part of these financial statements.

Asia8, Inc.
Statement of Cash Flow

	Nine months ended September 30	
	2008	**2007**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (116,360)	$ 253,435
Adjustments to reconcile net loss to net cash used by operating activities:		
Discontinued operations	-	-
Depreciation expense	39,828	1,146
Gain on sale of investments	-	-
Income (loss) on equity investment	(16,442)	(317,163)
Changes in operating assets and liabilities		
(Increase) decrease in receivables	(153,077)	(331,410)
(Increase) decrease in inventory	115,072	(136,242)
(Increase) decrease in other current assets	8,636	(19,905)
Increase (decrease) in accounts payable and accrued expenses	(65,263)	328,088
Net Cash Used by Operating Activities	(187,606)	(222,051)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in subsidiaries	-	-
Purchase of short-term investments	-	-
Sale of investments	-	-
Purchase of fixed assets	-	(289,000)
Net Cash Provided by (Used by) Investing Activities	-	(289,000)
CASH FLOWS FROM FINIANCING ACTIVITIES		
Common stock issued for cash	-	304,800
Preferred stock issued for cash	-	100,000
Increase(decrease) in note payable	(742,453)	108,345
Cash Received on note receivable	900,000	-
Capital contributed by shareholder	-	-
Net Cash Provided by Financing Activities	157,547	513,145
NET INCREASE (DECREASE) IN CASH	(30,059)	2,094
CASH AT BEGINNING OF PERIOD	32,447	545
CASH AT END OF PERIOD	$ 2,389	$ 2,639

The accompanying notes are an integral part of these financial statements.

ASIA8, INC.
Notes to the Unaudited Financial Statements
September 30, 2008

NOTE 1 - ORGANIZATION AND HISTORY

Asia8, Inc. (the "Company") (formerly Asia4sale.com, Inc.), a Nevada corporation, was incorporated in September of 1996 as H&L Investments, Inc.

The name of the Company was changed to "Asia4sale.com, Inc." on December 22, 1999 and a Certificate of Amendment of Articles of Incorporation duly filed with the Office of the Secretary of State for the State of Nevada on December 29, 1999. The Company changed its name with the intent to acquire Asia4Sale.com, Ltd., a Hong Kong registered software development company ("LTD"), which was incorporated in March of 1999. At that time the Company had 1,000,000 shares of common stock outstanding and no assets or liabilities. The acquisition of LTD took place in February 2000, when the Company issued 9,000,000 common shares to acquire LTD. On December 11, 2000, the Company executed a 1 for 1 stock dividend.

The Company thus became a software development company in the process of designing and building a web based system for B2B and B2C selling, bartering, and auctioning of consumer goods and services to the Asian market place. In 2000 the Company spent significant funds developing its software and attempting to market its software through various media channels. The development and marketing operations, handled through wholly owned subsidiary LTD., were ceased in mid 2000 due to lack of acceptance of the Company's products and an overall downturn in the popularity of emerging B2C and B2B products. The Company eventually sold Asia4Sale.com, Ltd. to an unrelated party in January of 2005.

The Company was funded by a group of several non-US investors that invested $2,280,558 cash into the Company's treasury during 2000 through 2002. The Company issued 6,200,960 (post April 2007 reverse-stock split) shares of its common stock in 2000 through 2002 in return for this investment.

In August of 2000, the Company acquired a minority equity investment in WWA Group, Inc. (see Note 4).

On April 20, 2007, the Company held a special meeting of shareholders to (i) amend its articles of incorporation to change the name to "Asia8, Inc.", (ii) amend its articles of incorporation to create a preferred class of shares of 25,000,000 shares par value $0.001, and (iii) authorize the board of directors to effect a one share for two shares reverse split of its common stock effective April 27, 2007.

The shareholders approved the proposed amendments to the Company's articles of incorporation and authorized the board of directors to effect a one share for two shares reverse split of its common stock. All references to common stock in these financial statements have been retroactively restated so as to incorporate the effect of the reverse stock-split.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Method

The Company's financial statements are prepared using the accrual method of accounting. The Company has elected a December 31 year-end.

b. Basic Income Per Share

For the Three Months Ended September 30, 2008

Income (Numerator)	Shares (Denominator)	Per-Share Amount
$ (504,565)	23,071,835	$ (0.02)

For the Three Months Ended September 30, 2007

Income (Numerator)	Shares (Denominator)	Per-Share Amount
$ (89,771)	22,430,296	$ (0.00)

The computations of basic Income per share of common stock are based on the weighted average number of shares outstanding at the date of the financial statements. There are no common stock equivalents outstanding.

c. Recent Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") has issued Statement of Financial Accounting Standards ("SFAS") No. 163, Accounting for Financial Guarantee Insurance Contracts. SFAS No. 163 clarifies how SFAS No. 60, Accounting and Reporting by Insurance Enterprises, applies to financial guarantee insurance contracts issued by insurance enterprises, and addresses the recognition and measurement of premium revenue and claim liabilities. It requires expanded disclosures about contracts, and recognition of claim liability prior to an event of default when there is evidence that credit deterioration has occurred in an insured financial obligation. It also requires disclosure about (a) the risk-management activities used by an insurance enterprise to evaluate credit deterioration in its insured financial obligations, and (b) the insurance enterprise's surveillance or watch list. The Company is currently evaluating the impact of SFAS No. 163.

In May 2008, FASB issued FASB Staff Position ("FSP") APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)" ("FSP APB 14-1"). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants."

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Recent Accounting Pronouncements (Continued)

Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. We will adopt FSP APB 14-1 beginning in the first quarter of 2009, and this standard must be applied on a retrospective basis. We are evaluating the impact the adoption of FSP APB 14-1 will have on our consolidated financial position and results of operations.

On May 8, 2008, FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles, which will provide framework for selecting accounting principles to be used in preparing financial statements that are presented in conformity with U.S. generally accepted accounting principles (GAAP) for nongovernmental entities. With the issuance of SFAS No. 162, the GAAP hierarchy for nongovernmental entities will move from auditing literature to accounting literature. The Company is currently assessing the impact of SFAS No. 162 on its financial position and results of operations.

In April 2008, the FASB issued FSP No. 142-3, "Determination of the Useful Life of Intangible Assets" ("FSP 142-3"). FSP 142-3 amends the factors an entity should consider in developing renewal or extension assumptions used in determining the useful life of recognized intangible assets under FASB Statement No. 142, "Goodwill and Other Intangible Assets". This new guidance applies prospectively to intangible assets that are acquired individually or with a group of other assets in business combinations and asset acquisitions. FSP 142-3 is effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. Early adoption is prohibited. We are currently evaluating the impact, if any, that FSP 142-3 will have on our consolidated financial statements.

In March 2008, FASB issued SFAS 161 which amends and expands the disclosure requirements of SFAS 133 to provide an enhanced understanding of an entity's use of derivative instruments, how they are accounted for under SFAS 133 and their effect on the entity's financial position, financial performance and cash flows. The provisions of SFAS 161 are effective for the period beginning after November 15, 2008. The Company is currently reviewing the effect, if any, that the adoption of this statement will have on the Company's financial statements.

NOTE 3 - SIGNIFICANT EVENTS

In November 2007, we were granted the exclusive right to distribute the Renhe Mobile House products, re-branded by the Company as "Wing House" mobile shelter systems, in the Middle East region. The Company paid no considerations for this agreement but did purchase one test unit to display in the UAE market.

NOTE 4- EQUITY INVESTMENT

In August of 2000 the Company paid $970,000 cash to acquire 49% of WWA World Wide Auctioneers, Inc., a Nevada registered company holding 100% of British Virgin Island registered company World Wide Auctioneers, Ltd. In August 2003 WWA World Wide Auctioneers, Inc. sold 100% of its subsidiary World Wide Auctioneers, Ltd. to Nevada registered company WWA Group, Inc. ("WWA Group"), in a stock for stock transaction whereby the stock of WWA Group was issued directly to owners of WWA World Wide Auctioneers, Inc. in exchange for ownership of World Wide Auctioneers, Ltd. The Company was issued 7,525,000 shares of WWA Group in 2003, comprising 47.5% of the issued and outstanding stock of WWA Group. At September 30, 2008, the Company owned 36% of the issued and outstanding WWA Group common stock.

Condensed financial information of WWA Group:

	As at September 30, 2008	As at December 31, 2007
Cash	$ 4,725,529	$ 5,283,399
Inventories	9,084,190	3,435,696
Other current assets	7,991,018	6,875,333
Fixed assets	5,638,026	5,407,063
Investments	1,712,187	1,799,955
Total Assets	$ 29,150,951	$ 22,801,446
Current liabilities	$ 20,286,877	$ 13,965,862
Long-term debt	1,439,827	1,988,345
Common stock	20,032	18,432
Additional paid-in capital	3,434,445	2,812,045
Retained earnings	3,969,770	4,016,763
Total Liabilities and Stockholders' Equity	$ 29,150,951	$ 22,801,446

	For the three months ended September 30	
	2008	2007
Net revenues	$ 3,965,097	$ 5,690,087
Direct costs	(3,547,770)	(4,284,065)
Operating expenses	(1,389,741)	(1,377,098)
Other income (expense)	(134,473)	(111,772)
Income taxes	-	-
Net Income (Loss)	$ (1,106,886)	$ (82,847)

NOTE 5 - ADDITIONAL FOOTNOTES INCLUDED BY REFERENCE

Except as indicated in the Note 1 through Note 4, above, there have been no other material changes in the information disclosed in the notes to the financial statements included in the Company's Form 10-K for the year-ended December 31, 2007. Therefore, those footnotes are included herein by reference.

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

This *Management's Discussion and Analysis of Financial Condition and Results of Operations* and other parts of this quarterly report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled *Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition* below. The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. Our fiscal year end is December 31. All information presented herein is based on our period ended September 30, 2008.

Discussion and Analysis

General

The Company holds 7,291,516 shares of the common stock of WWA Group, Inc. ("WWA Group"), which is equal to approximately 36% of WWA Group's issued and outstanding shares. WWA Group, through its wholly owned subsidiary, is a diversified auction and trading company focused on heavy equipment sales, shipping and mining. WWA Group's operations are focused on the high-growth, underserved region of the Middle East that is transforming into a luxury tourism and international economic center. Since its inception in 2001, WWA Group's subsidiary has auctioned approximately $600 million worth of vehicles and equipment. WWA Group also manages unreserved auctions in Australia through a joint venture partner.

On October 10, 2008, WWA Group sold its interest in Power Track FZE ("Power Track") to Intelspec International, Inc. ("Intelspec") in exchange for a minority interest in Intelspec.

Intelspec's corporate office is in the United States but its business focus is on international project management, intent on servicing an underserved niche market in specialized projects and subcontracts in the $1 million to $10 million range. Generally, these are projects that are too small to attract the attention of multinational firms, but which still require world class expertise. Managed by engineers with extensive experience in construction, disposal, environmental remediation, telecommunications, and technical project management, Intelspec intends to pursue project management opportunities in oil and gas infrastructure and support activities, permanent and temporary forward base camp installation and communications, construction endeavors, debris disposal and reclamation, earthmoving and mining operations.

Power Track is a United Arab Emirates free zone based licensed equipment and project management enterprise that operates a local government awarded limestone removal project in Ras Al Khaimah, U.A.E. Other projects being negotiated or under contract include management of the construction of a 50,000 sq.foot office/wharehouse complex in the Jebel Ali Free Zone in Dubai, U.A.E., and management of the construction of a portable cabin resort on the Okuma U.S. Marine Base in Okinawa, Japan.

The Company also has the exclusive right to distribute a diverse array of products, as follows:

Product	***Distribution area***	***Beginning of distribution***	***Total units sold through September 30, 2008***	***Units sold in three months ended September 30, 2008***
Unic Cranes	U.A.E.	May 31, 2007	27	2
Atomix Boats	U.A.E.	June 30, 2007	4	-
"Wing House" mobile shelter systems	Middle East region	November, 2007	5	4

Unic Cranes, manufactured in Japan by Furukawa Co., Ltd., are among the world's most popular and highly regarded products within their market niche that have achieved a dominant market position in Japan and several other markets. Unic Cranes are compact, efficient, and easy to maneuver, characteristics ideally suited to the busy, confined, urban construction environments that are typical of the U.A.E.

Atomix Boats include a range of eight designs from 4 to 10 meters including bow riders, cabin cruisers, sports cruisers, and fisherman. Other Atomix products include a selection of inflatable boats and trailers including boat trailers and general purpose trailers. Atomix Boats are hand made in China, with quality assurance provided by a team of New Zealand boat builders that remain onsite both to train staff and monitor production. Atomix Boats are designed to achieve the critical balance between style, safety, comfort and performance. With an original and unmatched hull design, a proven high-tech construction, Atomix yachts bring together all the ingredients of comfort and ease of handling. All boats are equipped with Volvo or Mercruiser diesel and gasoline engines made outside of China. The boats are priced well below the competitors in the 4 to 10 meter range, due to lower manufacturing costs.

The Wing House mobile shelter system was specifically designed to meet the need for an efficient, cost-effective mobile structure capable of serving as an office, residence, or storage space. Each Wing House unit is delivered as a standard 40 foot container with all ISO fittings in place for easy transport. These units can be placed anywhere with a swinglift and opened into an 850 square-foot living or working environment within 4 to 5 hours. The Wing House is an ideal solution for any application requiring low-cost, rapidly-mobile living or office space. The units are effectively insulated and carry a 5-star energy use rating, making them ideal for use in the hot climate conditions of the Middle East. The units are pre-wired for telephone, internet, and television, and can be ordered with pre-installed air conditioning and blinds. All units are delivered complete with all electrical wiring including lighting, sockets and switches, complete plumbing and a hot water system, external lighting, built-in cabinetry, and a fully fitted bathroom. The Wing House retails at approximately $65,000 and faces virtually no equivalent competition. The Wing House is built by Renhe Manufacturing China and has been re-branded by the Company.

Business Strategy

The Company's current focus is to work together with WWA Group to increase the value of our investment and to leverage that relationship to develop the distribution of Unic Cranes, Atomix boats, and Wing House mobile shelter systems pursuant to the respective distribution agreements. We anticipate that we may require additional capital to develop our respective businesses and we do have a commitment in place to provide additional capital as necessary to develop our sales infrastructure.

WWA Group

WWA Group's auctions have developed a significant customer base and have achieved consistent revenue and profits that have lead to a dominant market share in Dubai, its primary operating market. The Company invested in WWA Group in 2000, anticipating potential future value appreciation in that investment, and possible synergies our management's experience in Asian product sourcing and WWA Group's core auction and selling business.

Since the relationship between the Company and WWA Group is one of common control, we benefit from the contacts and business development opportunities generated by its business activities. We intend to provide additional financial and business support to WWA Group to help grow the value of our equity interest, and to provide us opportunities for acquisition and development that are related to and generated by WWA Group.

The value of our investment in WWA Group has appreciated and we believe that it has the potential for further appreciation. We also believe that our working relationship with WWA Group combined with our access to its selling channels and customers will assist us in the marketing Asian manufactured crane, boat and mobile shelter products.

Unic Cranes

Many prospective buyers of Unic Cranes are WWA Group customers. As such, we do not have to spend significant amounts on advertising, sales staff, or administrative matters to sell Unic Cranes. Since May 1, 2007 we have required only one sales consultant that works with our operations manager. Our current focus is to sell our remaining inventory of Unic Cranes that were acquired in connection with our distribution agreement. We plan to use this revenue to pay down debt associated with the cranes and to purchase used Unic Cranes from Asian markets to add to our Dubai inventory in an effort to service a broader market of buyers with shorter lead time on delivery. Gross profits will be used to pay expenses.

Atomix Boats

We will continue to formalize relationships with real estate agents involved in selling marina and waterfront property throughout the U.A.E. in lieu of building an in-house retail sales team. These agents work on commission to sell boats along side their housing units. We are also planning to work in a joint venture with Emirates Boat Share Ltd. to co-market Atomix Boats.

Wing House Mobile Shelters

We are displaying and using Wing House office units at the WWA Group auction yard, and actively marketing the unit to the thousands of visitors to our yard each year. We are offering the units for sale or rental on a 60 day delivery schedule from order date. We are negotiating financing with the manufacturer to spur future sales efforts.

__Related Operations__

The Company has also entered into a sublease with Fastcraft Marine FZE to occupy 50% of a 2,000 square meter shop and warehouse in Ras al Khaimah port, U.A.E., which will serve as our service and logistics center for our Atomix Boats and Unic Cranes businesses. We have agreed to pay rent of $40,000 per year for a 5-year term for use of this building space and quayside space. We have also engaged Fastcraft Marine FZE to service, warranty, manage and deliver all Atomix Boats and Unic Cranes we import to the U.A.E. By contracting a well established company in a shared facility, and passing the costs onto the buyers, we believe we can avoid growing our own overhead and salary costs long into the future.

Results of Operations

During the nine months ended September 30, 2008 and that period since commencing the distribution of our products, the Company sold several units of each of the crane, boat and mobile shelter product lines to a total of 19 customers. We expect to generate revenue from increased sales of these products over the next twelve months.

Revenue

Revenue for the three month period ended September 30, 2008 was $284,887 as compared to $346,852 for the three month period ended September 30, 2007, a decrease of 18%. Revenue for the nine months ended September 30, 2008 was $596,638 as compared to $712,454 for the nine months ended September 30, 2007 a decrease of 16%. The decrease in revenue over the comparative three and nine month periods can be primarily attributed to the decrease in sales of new Unic Cranes and Atomix Boats. We expect that revenue will increase in future periods as we trend towards the sale of used Unic Cranes and focus on the sale of Wing House mobile shelters.

Gross Profit

Gross profit for the three month period ended September 30, 2008 was $1,975 as compared to $41,160 for the three month period ended September 30, 2007. Gross profit for the nine months period ended September 30, 2008 was $210,692 as compared to $117,048 for the nine months period ended September 30, 2007. Gross profit is the difference between the gross sale prices of our products and the total direct costs of purchasing them and selling them. The gross margin for the current three month period was 1% of revenue as compared to 12% for the previous nine month period. The gross margin for the current nine month period was 35% of revenue as compared to 16% for the previous nine month period. We expect that our gross profit will increase in future periods as we generate higher sales volumes and the resulting economies of scale for our respective products.

Expenses

Expenses for the three month period ended September 30, 2008 were $102,416 as compared $109,257 for the three month period ended September 30, 2007, a decrease of 6%. Expenses for the nine months ended September 30, 2008 were $343,505 as compared to expenses of $200,993 for the nine months ended September 30, 2007, an increase of 71%. The slight decrease in expenses over the comparative three month periods is due to a scaling back of some of the sales costs associated with our products. The increase in expenses over the comparative nine month periods can be primarily attributed to the addition of salaries, rent, and marketing costs that were not incurred prior to commencing sales of our products. The Company expects that general and administrative expenses will increase over the near term in relation to efforts to build each of our businesses.

Depreciation and amortization expenses for the three month periods ended September 30, 2008 and 2007 were $2,443 and $382 respectively. Depreciation and amortization expenses for the nine months ended September 30, 2008 and 2007 were $39,828 and $1,146 respectively. Depreciation and amortization expenses are expected to increase as we acquire additional assets as we expand our distribution and sales activities.

Other Income/Loss

Other loss for the three month period ended September 30, 2008 was $404,124 as compared to other loss of $21,674 for the three month period ended September 30, 2007. Other income for the nine month period ended September 30, 2008 was $16,454 as compared to other income of $337,380 for the nine month period ended September 30, 2007. Other losses in the current three month periods can be attributed our equity investment in WWA Group. Other income in the current nine month periods can be primarily attributed our equity investment in WWA Group. We expect that other losses related to the business operations of WWA Group will decrease and transition back to other incomes over future periods as investment and construction in the U.A.E. resume to prior levels, thus spurring WWA Group's business.

Net Income/Loss

Net loss for the three month period ended September 30, 2008 was $504,565 as compared to net loss of $89,771 for the three month period ended September 30, 2007, an increase of 462%. Net loss for the nine month period ended September 30, 2008 was $116,360 as compared to net income of $253,435 for the nine month period ended September 30, 2007. The increase of net loss over the comparative three month periods can be primarily attributed to decreases in gross margin and increases in loss from our equity investment in WWA Group. The transition to net loss over the comparative nine month periods can be primarily attributed to increases in general, selling and administrative expenses and a decrease in income from our equity investment. We expect to transition back to net income over the next twelve months as we realize an income from our equity investment and focus our marketing approach on the sale of Wing House mobile shelters while expanding our business to include the sale of used Unic Cranes.

Capital Expenditures

The Company did not spend any significant amounts on capital expenditures during the nine month period ended September 30, 2008.

Income Tax Expense (Benefit)

The Company has an income tax benefit resulting from net operating losses to offset any future operating profit. However, the Company has not recorded this benefit in the financial statements because it cannot be assured that it will utilize the net operating losses carried forward in future years.

Impact of Inflation

The Company believes that inflation has had a negligible effect on operations over the past three years and that it has offset any inflationary increases by improving operating efficiencies. However, inflation has had a negative impact on the net income of WWA Group over the past 24 months which impact has affected the performance of our equity investment. Further, as we add additional sales and administrative staff in the U.A.E. and other countries with high inflation, management will re-evaluate the impact of inflation on our business and operations.

Liquidity and Capital Resources

At September 30, 2008, the Company had a working capital deficit of $264,298. Our current assets totaled $447,460, which consisted of cash of $2,389, accounts receivable of $325,595, inventory of $118,111, and other assets of $1,364. Our total assets were $3,826,100 consisting primarily of our equity investment in WWA Group of $3,023,550. At September 30, 2008 our current and total liabilities were $711,758.

Cash flow used in operating activities for the nine months ended September 30, 2008 was $187,606 as compared to $222,051 for the nine months ended September 30, 2007. The decrease in cash flow used in operating activities in the current period can be primarily attributed to a decrease in accounts payable and accrued expenses offset by increases in net loss and inventory. We expect to realize cash flow from operating activities in future periods.

Cash flow used in investing activities for the nine months ended September 30, 2008 was $0 as compared to $289,000 for the nine months ended September 30, 2007. We expect to use cash flow in investing activities in future periods as we purchase used equipment for resale.

Cash flow provided by financing activities for the nine months ended September 30, 2008 was $157,547 as compared to $513,145 for the nine months ended September 30, 2007. Cash flow provided by financing activities in the current period can be attributed to cash received against a note receivable offset by cash paid on a note payable.

The Company owns shares of WWA Group as an equity investment. The shares are restricted common stock in a publicly traded company with a current face market value of over $2.3 million. We could sell a portion of these shares, subject to the limitations imposed by Rule 144, as a source of operating funds.

The Company has reached an agreement to secure up to $500,000 from an investor in exchange for shares of Series 1 preferred stock secured by 500,000 shares of our WWA Group common stock. The Series 1 preferred shares are convertible to common stock in the Company at $0.40 per share, bear interest at 9% per annum, and have no redemption provision. The investor has subscribed to 1,000 Series 1 preferred shares in exchange for $100,000 as of the date of this report. We have the option of selling another $400,000 worth of preferred stock to the same investor on the same terms and conditions. We have yet to exercise this option.

While we were able to generate sufficient cash flow from operations to cover certain of our expenditures during the nine months of 2008, we can offer no assurance that we can maintain such ability. Until the point at which cash flow from operations consistently covers expenditures, we will have to obtain additional working capital from debt or equity placements, or sales of our marketable securities, to effectively continue our operations. Although we have a commitment for the provision of up to $400,000 in additional working capital, this commitment may prove to be insufficient. Our inability to cover short falls in cash flow would cause us to reduce expenditures which could have a material adverse effect on our business.

The Company does not expect to pay cash dividends in the foreseeable future.

The Company had no lines of credit or other bank financing arrangements.

The Company has no defined benefit plan or contractual commitment with any of its officers or directors.

The Company has no current plans for the purchase or sale of any plant or equipment.

The Company currently has no employees and has no plans to hire any employees in the near future.

Off Balance Sheet Arrangements

As of September 30, 2008, the Company has no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to stockholders.

Critical Accounting Policies

In the notes to the audited financial statements for the year ended December 31, 2007, included in our Form 10-K, the Company discusses those accounting policies that are considered to be significant in determining the results of operations and our financial position. The Company believes that the accounting principles we utilized conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires our management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, we evaluate estimates. We base our estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions. With respect to revenue recognition, we apply the following critical accounting policies in the preparation of our financial statements.

Revenue Recognition

The Company generates revenue through the sale of its products on a private, commercial, and industrial basis. Revenue from product sales is recognized at the time the product is shipped and invoiced and collectibility is reasonably assured. The Company believes that certain revenue should be recognized at the time of shipment as title passes to the customer at the time of shipment.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations* and elsewhere in this current report, with the exception of historical facts, are forward looking statements. Forward looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- our anticipated financial performance;
- the sufficiency of existing capital resources;
- our ability to fund cash requirements for future operations;
- uncertainties related to the growth of our business and the acceptance of our products and services;
- our ability to achieve and maintain an adequate customer base to generate sufficient revenues to maintain and expand operations;
- the volatility of the stock market; and,
- general economic conditions.

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We wish to caution readers that our operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated, including the factors set forth in the section entitled *Risk Factors* included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than as required by law.

Stock-Based Compensation

We have adopted SFAS No. 123 (revised 2004) (SFAS No. 123R), Share-Based Payment, which addresses the accounting for stock-based payment transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. In January 2005, the Securities and Exchange Commission (Commission) issued Staff Accounting Bulletin (SAB) No. 107, which provides supplemental implementation guidance for SFAS No. 123R. SFAS No. 123R eliminates the ability to account for stock-based compensation transactions using the intrinsic value method under Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and instead generally requires that such transactions be accounted for using a fair-value-based method. We use the Black-Scholes-Merton ("BSM") option-pricing model to determine the fair-value of stock-based awards under SFAS No. 123R, consistent with that used for pro forma disclosures under SFAS No. 123, Accounting for Stock-Based Compensation. We have elected the modified prospective transition method as permitted by SFAS No. 123R and accordingly prior periods have not been restated to reflect the impact of SFAS No. 123R. The modified prospective transition method requires that stock-based compensation expense be recorded for all new and unvested stock options, restricted stock, restricted stock units, and employee stock purchase plan shares that are ultimately expected to vest as the requisite service is rendered beginning on January 1, 2006, the first day of our fiscal year 2006. Stock-based compensation expense for awards granted prior to January 1, 2006 is based on the grant date fair-value as determined under the pro forma provisions of SFAS No. 123.

Prior to the adoption of SFAS No. 123R, we measured compensation expense for our employee stock-based compensation plans using the intrinsic value method prescribed by APB Opinion No. 25. We applied the disclosure provisions of SFAS No. 123 as amended by SFAS No. 148, Accounting for Stock-Based Compensation – Transition and Disclosure, as if the fair-value-based method had been applied in measuring compensation expense. Under APB Opinion No. 25, when the exercise price of the Company's employee stock options was equal to the market price of the underlying stock on the date of the grant, no compensation expense was recognized.

The Company has no outstanding stock options or related stock option expense.

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with SFAS No. 123 and the conclusions reached by the Emerging Issues Task Force ("EITF") in Issue No. 96-18. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by EITF 96-18.

Recent Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") has issued Statement of Financial Accounting Standards ("SFAS") No. 163, Accounting for Financial Guarantee Insurance Contracts. SFAS No. 163 clarifies how SFAS No. 60, Accounting and Reporting by Insurance Enterprises, applies to financial guarantee insurance contracts issued by insurance enterprises, and addresses the recognition and measurement of premium revenue and claim liabilities. It requires expanded disclosures about contracts, and recognition of claim liability prior to an event of default when there is evidence that credit deterioration has occurred in an insured financial obligation. It also requires disclosure about (a) the risk-management activities used by an insurance enterprise to evaluate credit deterioration in its insured financial obligations, and (b) the insurance enterprise's surveillance or watch list. The Company is currently evaluating the impact of SFAS No. 163.

In May 2008, FASB issued FASB Staff Position ("FSP") APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)" ("FSP APB 14-1"). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants."

Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. We will adopt FSP APB 14-1 beginning in the first quarter of 2009, and this standard must be applied on a retrospective basis. We are evaluating the impact the adoption of FSP APB 14-1 will have on our consolidated financial position and results of operations.

On May 8, 2008, FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles, which will provide framework for selecting accounting principles to be used in preparing financial statements that are presented in conformity with U.S. generally accepted accounting principles (GAAP) for nongovernmental entities. With the issuance of SFAS No. 162, the GAAP hierarchy for nongovernmental entities will move from auditing literature to accounting literature. The Company is currently assessing the impact of SFAS No. 162 on its financial position and results of operations.

In April 2008, the FASB issued FSP No. 142-3, "Determination of the Useful Life of Intangible Assets" ("FSP 142-3"). FSP 142-3 amends the factors an entity should consider in developing renewal or extension assumptions used in determining the useful life of recognized intangible assets under FASB Statement No. 142, "Goodwill and Other Intangible Assets". This new guidance applies prospectively to intangible assets that are acquired individually or with a group of other assets in business combinations and asset acquisitions. FSP 142-3 is effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. Early adoption is prohibited. We are currently evaluating the impact, if any, that FSP 142-3 will have on our consolidated financial statements.

In March 2008, FASB issued SFAS 161 which amends and expands the disclosure requirements of SFAS 133 to provide an enhanced understanding of an entity's use of derivative instruments, how they are accounted for under SFAS 133 and their effect on the entity's financial position, financial performance and cash flows. The provisions of SFAS 161 are effective for the period beginning after November 15, 2008. The Company is currently reviewing the effect, if any, that the adoption of this statement will have on the Company's financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4T. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this report on Form 10-Q, an evaluation was carried out by the Company's management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms.

Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the period ended September 30, 2008, that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

Since our future operating results are highly uncertain you should carefully consider the risks described below, in addition to the other information contained in this current report. If any of these risks actually impact the Company, our business, financial condition or results of operations could be seriously harmed and you could lose all or part of any investment in our business.

Risks Related to the Company's Business

IF THE COMPANY DOES NOT GENERATE SUFFICIENT CASH FLOW FROM OPERATIONS AND IS UNABLE TO OBTAIN ADDITIONAL CAPITAL TO OPERATE ITS BUSINESS, IT MAY NOT BE ABLE TO EFFECTIVELY CONTINUE OPERATIONS

As of September 30, 2008, the Company had a working capital deficit of $264,298. Until the point at which cash flow from operations consistently covers expenditures we will have to obtain additional working capital from debt or equity placements to effectively continue our operations. Although, we have a commitment for the provision of additional working capital, this commitment may prove to be insufficient. Should we be unable to secure additional capital to cover any short fall in cash flow, such condition would cause us to reduce expenditures which could have a material adverse effect on our business.

THE CONSTRUCTION CRANE, BOAT, AND MOBILE SHELTER INDUSTRIES ARE SUBJECT TO RAPID TECHNOLOGICAL CHANGE AND THEREFORE THE PRODUCTS WHICH WE ARE ENTITLED TO DISTRIBUTE COULD BECOME OBSOLETE AT ANY TIME

Evolving technology, updated industry standards, and frequent new product and service introductions characterize the construction crane, boat, and the mobile shelter industries, as a result the products which we are entitled to distribute could become obsolete at any time. Competitors have developed products similar to or competitive with our own and continue to develop new products, any of which may displace our products in the marketplace and limit our prospects for success.

MARKET ACCEPTANCE OF THE PRODUCTS WE INTEND TO DISTRIBUTE IS CRITICAL TO OUR GROWTH

The Company intends to generate revenue from the sale of construction cranes, boats, and mobile shelters; as such, market acceptance of our products is critical. If our prospective customers do not accept or purchase these products, then our revenue, cash flow and/or operating results will be negatively impacted.

WE WILL COMPETE WITH LARGER AND BETTER-FINANCED CORPORATIONS

Competition within the international market for construction cranes, boats, and mobile shelters is intense. While the products we are entitled to distribute are distinguished by next-generation innovations that are more sophisticated, flexible and cost effective than many competitive products currently in the market place, a number of entities offer construction cranes, boats, and mobile shelters and new competitors may enter the market in the future. Some of our existing and potential competitors have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical and marketing resources than we do, including well known multi-national corporations.

AS A DISTRIBUTOR WE DEPEND ON THE PERFORMANCE OF THIRD PARTY MANUFACTURERS

The Company relies on Japan-based Furukawa Unic, to procure construction cranes for distribution, China-based Atomix Boats Co. Ltd to procure boats for distribution, and Renhe Manufacturing China to procure Wing House mobile shelters. Our business plan is reliant on the delivery of products from these respective manufacturers, which reliance reduces the level of control we have and exposes us to significant risks such as inadequate capacity, late delivery, substandard quality and higher prices, all of which could adversely affect the Company's performance.

OUR CHIEF EXECUTIVE OFFICER WILL NOT BE ABLE TO OFFER HIS UNDIVIDED ATTENTION TO THE COMPANY DUE TO HIS DUAL RESPONSIBILITIES

Our chief executive officer does not offer his undivided attention to our business as he also serves as the chief executive officer of WWA Group. His responsibilities cause him to divide his time, the majority of which is dedicated to the management and operation of WWA Group. The division of time however does not necessarily indicate a division of interests as the Company owns approximately 36% of the outstanding shares of WWA Group. His dual responsibilities may compromise our ability to successfully implement our plan of operation.

THE COMPANY'S SUCCESS DEPENDS ON OUR ABILITY TO ATTRACT AND RETAIN KEY PERSONNEL

The Company's future success will depend substantially on the continued services and performance of Eric Montandon and Peter Prescott in addition to the engagement of other key personnel The loss of the services of Eric Montandon or Peter Prescott could have a material adverse effect on our business prospects, financial condition and results of operations. Our future success also depends on the Company's ability to identify, attract, hire, train, retain and motivate technical, managerial and sales personnel. Competition for such personnel is intense, and we cannot assure that we will succeed in attracting and retaining such personnel. Our failure to attract and retain the necessary technical, managerial and sales personnel could have a material adverse effect on our business prospects, financial condition and results of operations.

OUR BUSINESS IS SUBJECT TO GOVERNMENTAL REGULATIONS

International, national and local standards set by governmental regulatory authorities set the regulations by which products are certified across respective territories. The products which we intend to distribute are subject to such regulation in addition to national, state and local taxation. Although we believe that we can successfully distribute our products within current governmental regulations it is possible that regulatory changes could negatively impact our operations and cause us to diminish or cease operations.

Future Risks Related to the Company's Stock

THE COMPANY INTENDS TO APPLY TO HAVE ITS STOCK QUOTED ON THE OTCBB

The Company has no public trading market for its shares, and we cannot represent to you that a market will ever develop. Nonetheless, we do intend to seek a quotation on the OTCBB. However, there can be no assurance that we will obtain a quotation on the OTCBB or that obtaining a quotation will generate a public trading market for our shares.

Further, if we obtain a quotation on the OTCBB, this may limit our ability to raise money in an equity financing since many institutional investors do not consider OTCBB stocks for their portfolios. Therefore, an investors' ability to trade our stock might be restricted as only a limited number of market makers quote OTCBB stock Trading volumes in OTCBB stocks are historically lower, and stock prices for OTCBB stocks tend to be more volatile, than stocks traded on an exchange or the NASDAQ Stock Market. We may never qualify for trading on an exchange or the NASDAQ Stock Market.

THE COMPANY'S STOCK PRICE COULD BE VOLATILE

Should a public market for our shares develop, the future market price could be subject to significant volatility and trading volumes could be low. Factors affecting our market price will include:

- perceived prospects;
- negative variances in our operating results, and achievement of key business targets;
- limited trading volume in shares of our common stock in the public market;
- sales or purchases of large blocks of our stock;
- changes in, or our failure to meet, earnings estimates;
- changes in securities analysts' buy/sell recommendations;
- differences between our reported results and those expected by investors and securities analysts;
- announcements of new contracts by us or our competitors;
- announcements of legal claims against us;
- market reaction to any acquisitions, joint ventures or strategic investments announced by us;
- developments in the financial markets;
- general economic, political or stock market conditions.

In addition, our future stock price may fluctuate in ways unrelated or disproportionate to our operating performance. General economic, political and stock market conditions that may affect the market price of our common stock are beyond our control. The market price of our common stock at any particular time may not remain the market price in the future. In the past, securities class action litigation has been instituted against companies following periods of volatility in the market price of their securities. Any such litigation, if instituted against us, could result in substantial costs and a diversion of management's attention and resources.

THE COMPANY'S STOCK IS A PENNY STOCK AND, THEREFORE OUR SHAREHOLDERS MAY FACE SIGNIFICANT RESTRICTIONS ON THEIR STOCK

The Company's stock differs from many stocks in that it is a "penny stock." The Commission defines a penny stock in Rule 3a51-1 of the Exchange Act as, generally speaking, those securities which are not listed on either NASDAQ or a national securities exchange and are priced under $5, excluding securities of issuers that (a) have net tangible assets greater than $2 million if they have been in operation at least three years, (b) have net tangible assets greater than $5 million if in operation less than three years, or (c) average revenue of at least $6 million for the last three years. OTCBB securities are considered penny stocks unless they qualify for one of the exclusions.

The Commission has adopted a number of rules to regulate penny stocks. These rules include, but are not limited to, Rules 3a5l-l, 15g-1, 15g-2, 15g-3, 15g-4, 15g-5, 15g-6 and 15g-9 under the Exchange Act. Since our securities constitute a "penny stock" within the meaning of the rules, the rules would apply to us and our securities. The rules may further affect the ability of owners of shares to sell their securities in any market that may develop for them. There may be a limited market for penny stocks, due to the regulatory burdens on broker-dealers. The market among dealers may not be active. Investors in penny stock often are unable to sell stock back to the dealer that sold them the stock. The mark-ups or commissions charged by the broker-dealers may be greater than any profit a seller may make. Because of large dealer spreads, investors may be unable to sell the stock immediately back to the dealer at the same price the dealer sold the stock to the investor. In some cases, the stock may fall quickly in value. Investors may be unable to reap any profit from any sale of the stock, if they can sell it at all.

Shareholders should be aware that, according to the Commission Release No. 34-29093, the market for penny stocks has suffered in recent years from patterns of fraud and abuse. These patterns include:

- control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;
- manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;

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- "boiler room" practices involving high pressure sales tactics and unrealistic price projections by inexperienced sales persons;
- excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and
- the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

OUR INTERNAL CONTROLS OVER FINANCIAL REPORTING MAY NOT BE CONSIDERED EFFECTIVE, WHICH COULD RESULT IN A LOSS OF SHAREHOLDER CONFIDENCE IN OUR DISCLOSURE

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 we are required to furnish a report by our management on our internal controls over financial reporting. Such report must contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. If we are unable to continue to assert that our internal controls are effective, our shareholders could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

THERE IS NO PUBLIC TRADING MARKET FOR OUR STOCK, SO YOU MAY BE UNABLE TO SELL YOUR SHARES, OR IF A PUBLIC TRADING MARKET DEVELOPS, THE MARKET PRICE COULD DECLINE BELOW THE COST OF YOUR INVESTMENT.

Although management intends to apply for quotation on the Over the Counter Bulletin Board, currently there is no public trading market for the Company’s common stock, and we cannot represent to you that a market will ever develop. If a public trading market for our stock does not develop, it will be very difficult, if not impossible, for you to resell your shares in a manner that will allow you to recover, or realize a gain on, your investment. Even if a public trading market does develop, the market price could trade below the amount you paid for your investment.

WE MAY INCUR SIGNIFICANT EXPENSES IN THE EVENT THAT WE ARE QUOTED ON THE OVER THE COUNTER BULLETIN BOARD, WHICH EXPENSES MAY NEGATIVELY IMPACT OUR FINANCIAL PERFORMANCE.

Should the Company’s application for quotation on the Over the Counter Bulletin Board be accepted, we may incur significant legal, accounting and other expenses as a result of being quoted on the Over the Counter Bulletin Board. The Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission has required changes in corporate governance practices of public companies. We expect that compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 as discussed in a prior risk factor, may substantially increase our expenses, including our legal and accounting costs, and make some activities more time-consuming and costly. As a result, there may be a substantial increase in legal, accounting and certain other expenses in the future, which would negatively impact our financial performance and could have a material adverse effect on our results of operations and financial condition.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS ON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-K are listed in the Index to Exhibits on page 28 of this Form 10-Q, and are incorporated herein by this reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Asia8, Inc.

/s/ Eric Montandon November 14, 2008
Eric Montandon
Chief Executive Officer, Chief Financial Officer, and Principal Accounting Officer

EXHIBITS

Exhibit	***Description***
3(i)(a)*	Articles of Incorporation dated September 23, 1996 (incorporated by reference to the Form 10-12G filed with the Commission on October 20, 1999).
3(i)(b)*	Amended Articles of Incorporation dated July 9, 1999 (incorporated by reference from Form 10-QSB filed with the Commission on October 20, 1999).
3(i)(c)*	Amended Articles of Incorporation dated December 22, 1999 (incorporated by reference from Form 10-QSB filed with the Commission on May 15, 2007).
3(i)(d)*	Amended Articles of Incorporation dated April 20, 2007 (incorporated by reference from Form 10-QSB filed with the Commission on May 15, 2007).
3(ii)(a)*	By-Laws dated May 6, 1999 (incorporated by reference Form 10-12G filed with the Commission on October 20, 1999).
3(ii)(b)*	Amended Bylaws dated January 22, 2007 (incorporated by reference to the Form 8-K filed with the Commission on January 29, 2007).
10(i)*	Share Purchase Agreement dated June 2000 between Asia8, Inc. (formerly Asia4Sale.com, Inc.) and World Wide Auctioneers, Inc. (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).
10(ii)*	Unic Distribution Agreement dated May 1, 2007 between Asia8, Inc. and Peter Prescott (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).
10(iii)*	Tri-car Distribution Agreement dated May 1, 2007 between Asia8, Inc. and Asian Dragon Entertainment and Gaming Corporation (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).
10(iv)*	Atomix Distribution Agreement dated May 1, 2007 between Asia8, Inc. and Peter Prescott (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).
14*	Code of Ethics (Code of Conduct) (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).
21*	Subsidiaries of the Company (incorporated by reference to the Form 10-K filed with the Commission on April 11, 2008).
31	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (attached).
32	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (attached).

* Incorporated by reference to previous filings of the Company.

EXHIBIT 31

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Eric Montandon certify that:

1. I have reviewed this report on Form 10-Q of Asia8, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the period presented in this report;

4. The small business issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in the Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the small business issuer’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the small business issuer’s internal control over financial reporting that occurred during the small business issuer’s most recent fiscal quarter (the small business issuer’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer’s internal control over financial reporting; and

5. The small business issuer’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal controls over financial reporting.

Date: November 14, 2008

/s/ Eric Montandon

Eric Montandon, Chief Executive Officer and Chief Financial Officer

EXHIBIT 32

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the report on Form 10-Q of Asia8, Inc. for the quarterly period ended September 30, 2008 as filed with the Securities and Exchange Commission on the date hereof, I, Eric Montandon, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) This report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in this report fairly represents, in all material respects, the financial condition of the small business issuer at the end of the period covered by this report and results of operations of the small business issuer for the period covered by this report.

Date: November 14, 2008

/s/ Eric Montandon
Eric Montandon
Chief Executive Officer and Chief Financial Officer

This certification accompanies this report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the small business issuer for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the small business issuer and will be retained by the small business issuer and furnished to the Securities and Exchange Commission or its staff upon request.