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

FORM 10-QSB

(Mark One)

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2004

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from ____________ to ____________

000-31469
(Commission file number)

Medical International Technology, Inc.
(Exact name of small business issuer as specified in its charter)

Colorado	**84-1509950**
(State of incorporation)	(IRS ID Number)

2281 Guenette
Ville Saint-Laurent
Montreal, Quebec, Canada HR4 2E9
(Address of principal executive offices)

(514) 339-9355
(Issuer's telephone number)

____
(Former name, former address and former fiscal year, if changed since last report)

[X] Check whether the issuer (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.

The number of shares outstanding of each of the issuer's classes of common equity as of December 31, 2004 – 45,833,015 shares of common stock

Transitional Small Business Disclosure Format (check one): Yes [ ] No [X]

Medical International Technology, Inc.
Quarterly Financial Report

Index

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

Consolidated Balance Sheet
for the 3-month period ending
December 31, 2004
(Unaudited)

and

Consolidated Statements of Operation
for the 3-month period ending
December 31, 2004 and 2003
(Unaudited)

and

Consolidated Statements of Cash Flows
for the 3-month period ending
December 31, 2004 and 2003
(Unaudited)

and

Consolidated Statements of Comprehensive Loss

and

Notes to Unaudited Consolidated Financial Statements

Consolidated Balance Sheet

	December 31, 2004 (Unaudited)	September 30, 2004 (Unaudited)
Assets		
Current Assets		
Cash and cash equivalents	$ 9,668	$ 6,863
Accounts receivable	1,745	-
Inventories	220,728	210,577
Receivable from related parties	-	-
Receivable from taxing authorities parties	-	-
Research tax credit receivable	115,964	115,964
Prepaid expenses	-	-
Total Current Assets	348,105	333,404
Property and Equipment		
Tooling and machinery	204,048	204,048
Furniture and office equipment	59,372	59,372
Leasehold improvements	22,163	22,163
	285,583	285,583
Less accumulated depreciation	(127,416)	(117,123)
	158,167	168,460
Other Assets		
Intangible assets subject to amortization		
Patents (net accumulated amortization of $599)	1,972	2,030
Total Assets	$ 508,244	$ 503,894
Liabilities and Stockholders' (Deficit)		
Current Liabilities		
Unearned income	$ 74,996	$ 78,345
Accounts payable	255,089	170,793
Accounts payable – related parties	-	-
Accrued expenses	6,812	-
Taxes payable	8,185	-
Loans payable - related parties	268,180	273,463
Loans payable	-	-
Current portion of long-term debt	16,550	16,550
Total Current Liabilities	629,812	539,151
Long-term debt	12,363	15,172
Total Liabilities	642,175	554,323
Redeemable Class E Stock		
Stockholders' (Deficit)		
Preferred stock, $.0001 par value; 3,000,000 shares authorized; none issued and outstanding as of December 31, 2004.		
Common stock, $.0001 par value; 100,000,000 shares authorized; issued and outstanding 45,833,015 shares as of December 31, 2004.	4,585	4,585
Additional paid-in capital	3,821,791	3,821,791
Retained (deficit)	(3,899,749)	(3,791,368)
Other comprehensive loss	(60,557)	(85,436)
Total Stockholders' (Deficit)	(133,931)	(50,429)
Total Liabilities and Stockholders' (Deficit)	$ 508,244	$ 503,894

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

Consolidated Statements of Operations

	For the Three-Months Ended December 31, 2004 (Unaudited)	For the Three-Months Ended December 31, 2003 (Unaudited)
Sales	$ 116,351	$ 43,893
Cost of sales	(73,935)	(17,282)
Gross profit	42,416	26,611
Research and development costs	(83,092)	(25,351)
Selling, general, and administrative expenses	(59,829)	(33,985)
Net loss before consulting fees	(100,505)	(32,725)
Consulting fees, non-cash	-	(842,810)
Net loss from operations	(100,505)	(875,535)
Other Income (Expense)		
Interest income	-	-
Interest expense	(8,876)	(8,074)
Net loss	$ (109,381)	$ (883,609)
Basic loss per share	$ (0.003)	$ (0.04)
Basic weighted average shares outstanding	45,833,015	24,600,314

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

Consolidated Statements of Cash Flows

	For the Three-Months Ended December 31, 2004 (Unaudited)	For the Three-Months Ended December 31, 2003 (Unaudited)
Cash Flows from Operating Activities		
Net Loss	$ (109,381)	$ (883,609)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	10,293	11,480
Amortization expense	58	69
Common stock issued for consulting and legal services	-	842,810
(Increase) Decrease in Assets		
(Increase) decrease in accounts receivable	1,745	28,335
Decrease in receivable from taxing authorities	-	10,054
(Increase) decrease in inventories	(10,151)	(45,536)
(Increase) in research tax credit receivable	-	(12,953)
(Increase) in prepaid expenses	-	(63,824)
Increase (Decrease) in Liabilities		
Increase in cash overdraft	-	27,076
Increase (decrease) in unearned income	(3,349)	431
Increase in accrued interest	-	7,266
Increase (Decrease) in accounts payable and accrued expenses	99,293	(12,033)
Net Cash Used in Operating Activities	(14,982)	(90,434)
Cash Flows from Financing Activities		
Advances from related parties	-	16,699
Advances from loans payable	-	54,071
Reduction in amounts due to related parties	(5,283)	(827)
Principal reduction on small business loan	(2,809)	(4,032)
Net Cash Provided by Financing Activities	(8,092)	65,911
Effect of exchange rates on cash	25,879	20,055
Net Increase in Cash and Cash Equivalents	2,805	(4,468)
Beginning Balance - Cash and Cash Equivalents	6,863	12,199
Ending Balance - Cash and Cash Equivalents	$ 9,668	$ 7,731

Supplemental Information:

Cash Paid For:		
Interest Expenses	$ 8,876	$ 1,116
Income Taxes	$ -	$ -

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

Consolidated Statements of Comprehensive Loss

	First quarter ending December 31, 2004	For the year ended September 30, 2004	For the year ended September 30, 2003
Net loss	$ (109,381)	$ (1,414,686)	$ (1,696,421)
Other comprehensive income (loss)			
Foreign currency translation adjustment	3,601	(64,158)	(29,164)
Net comprehensive loss	**$ (105,780)**	**$ (1,478,844)**	**$ (1,725,585)**

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

Notes to Unaudited Consolidated Financial Statements

Note 1 – Basis of Presentation

Interim Financial Statements

The accompanying unaudited consolidated financial statements are presented in accordance with the requirements for Form 10-QSB and Article 10 of Regulation S-X and Regulation S-B. Accordingly, they do not include all the disclosures normally required by generally accepted accounting principles. Reference should be made to the Medical International Technology, Inc. (the "Company") Form 10-KSB for the year ended September 30, 2004, for additional disclosures including a summary of the Company's accounting policies, which have not significantly changed.

Note 2 – Summary of Significant Accounting Policies

Principles of consolidation

The accompanying consolidated financial statements include the accounts and transactions of Medical International Technology, Inc. and its wholly owned subsidiary, Medical International Technologies (MIT Canada) Inc. Intercompany transactions and balances have been eliminated in consolidation.

Foreign Currency Translations

The Company operates out of its offices in Montreal, Canada and maintains its books and records in Canadian Dollars. The consolidated financial statements herein have been converted into U.S. Dollars. Balance sheet accounts are translated at exchange rates in effect at the end of the period and income statement accounts have been translated at average exchange rates for the period. Translation gains and losses are included as a separate component of stockholders' equity.

Allowance for Doubtful Accounts

The allowance for doubtful accounts on accounts receivable is charged to income in amounts sufficient to maintain the allowance for uncollectible accounts at a level management believes is adequate to cover any probable losses. Management determines the adequacy of the allowance based on historical write-off percentages and the current status of accounts receivable. Accounts receivable are charged off against the allowance when collectibility is determined to be permanently impaired. As of December 31, 2004, the Company did not establish any reserve for doubtful accounts.

Inventories

Inventories are stated at the lower of cost determined by the FIFO method or market.

Property and Equipment

The cost of property and equipment is depreciated over the estimated useful lives of the related assets, which range from 5 to 7 years. Depreciation is computed on the straight-line method for financial reporting purposes and on the declining balance method for income tax reporting purposes. Depreciation expense for the three-months ended December 31, 2004 and 2003 were $10,293, and $11,480, respectively.

Intangible assets

Patents are being amortized over their respective remaining lives ranging from 9.5 years through 17 years.

Net Loss Per Share

The Company adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share" ("EPS") that established standards for the computation, presentation and disclosure of earnings per share, replacing the presentation of Primary EPS with a presentation of Basic EPS.

Notes to Unaudited Consolidated Financial Statements

Issuances Involving Non-cash Consideration

No issuances of the Company’s stock for non-cash consideration occurred in the three months period ended December 31, 2004

Cash and Cash Equivalents

For purpose of the statements of cash flows, the Company considers cash and cash equivalents to include all stable, highly liquid investments with maturities of three months or less.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Long-Lived Assets

In August 2001, SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," was issued establishing new rules and clarifying implementation issues with SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of, "by allowing a probability-weighted cash flow estimation approach to measure the impairment loss of a long-lived asset. The statement also established new standards for accounting for discontinued operations. Transactions that qualify for reporting in discontinued operations include the disposal of a component of an entity's operations that comprises operations and cash flow that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity. The Company has adopted this standard and its adoption had no significant effect on the Company's financial statements

Reclassification

Certain amounts in December 31, 2003 have been reclassified to conform to the December 31, 2004 presentation. Such reclassification had no effect on net income as previously reported.

Income Taxes

The Company accounts for its income taxes under the provisions of Statement of Financial Accounting Standards 109 ("SFAS 109"). The method of accounting for income taxes under SFAS 109 is an asset and liability method. The asset and liability method requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between tax bases and financial reporting bases of other assets and liabilities.

Fair Value of Financial Instruments

Pursuant to SFAS No. 107, “Disclosures About Fair Value of Financial Instruments”, the Company is required to estimate the fair value of all financial instruments included on its balance sheet as of June 30, 2004. The Company considers the carrying value of such amounts in the financial statements to approximate their face value.

Revenue Recognition

The Company recognizes revenue when the related product is shipped to the respective customer.

Notes to Unaudited Consolidated Financial Statements

Note 3 - Intangible Assets

Amortization expense for the three-months ended December 31, 2004 and 2003 were $58, and $69, respectively.

Note 4 - Stock Activity

No stock activity took place in the last three months.

Note 5 - Related Party Transactions

For the three months ended December 31, 2004, the Company did not pay any consulting services to both of its officers.

Note 6 – Commitment and Contingency

On May 14, 2003 the Company issued 100,000 common shares for services rendered. Due to the lack of value of the shares issued, the creditor has requested additional shares to be issued to make up for the shortfall. The total amount in dispute is $46,537. The Company is currently negotiating the number of additional shares to issue to resolve the dispute. The ultimate resolution of this action is not expected to have a material adverse effect on the Company's financial position.

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

All statements that are included in this Quarterly Report, other than statements of historical fact, are forward looking statements. Although management believes that the expectations reflected in these forward looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct.

Results of Operations for the Three-Months ended December 31, 2004 and 2003

For the three-months ended December 31, 2004, the Company experienced a net loss from operations of $100,505, which was primarily due to research and development costs of $83,092 and selling, general and administrative expenses of $59,829. Gross profits for the period were $42,416.

For the three-months ended December 31, 2003, the Company's net loss from operations was $875,535, primarily due to non-cash consulting fees of $842,810. The net loss before consulting fees was $32,725, which was primarily due to research and development costs of $25,351 and selling, general and administrative expenses of $33,985. Gross profits for this period were $26,611.

For the three-months ended December 31, 2004, the Company experienced a 62% increase in sales compared to sales for the same period last year. Sales for the three-month period ending December 31, 2004 were $116,351, compared to sales of $43,893 for the same period last year. Cost of sales for the three-month period ending December 31, 2004 increased by 77% over the cost of sales for the same period last year. Gross profits for the period ending December 31, 2004 represented 36% of sales, whereas gross profits for the same period last year represented 60% of sales.

Liquidity and Capital Resources

For the three-months ended December 31, 2004 the Company's cash position increased by $2,805. The Company spent $14,982 in its operations and $8,092 in its financing activities. The operations and financing expenditures were offset by $25,879 due to the effect of exchange rates on cash.

For the three-months ended December 31, 2003 the Company's cash position decreased by $4,468. The Company paid $90,434 to its operations and received $65,911from its financing activities, primarily due to advances from related parties and loans payable. The effect of exchange rates on cash was an increase of $20,055.

Management Plan of Operations

Medical International Technology, Inc. (MIT) is receiving revenues from sales. The company has maintained operations from these revenues and through equity and debt financing. Products are currently developed, assembled and shipped from our facility. Component manufacturing is subcontracted to various suppliers and machine shops.

MIT continues to promote its injectors in many countries including the United States of America. MIT is exerting every effort and using its resources to promote its products and to open markets for its technology. As we continue to market our products, we hope to gain broader acceptance of the needle-free injection technology.

MIT has adopted an approach with potential distributors; whereby, new distributors are allowed six months to test the market for the AGRO-JET. MIT is then able better evaluate potential distributors before signing long term Distribution Agreements.

MIT is continually researching and developing its products to respond to the market needs.

Medical International Technology, Inc. expects that revenues from existing and developing sales may not meet its liquidity requirements for the next 12 month period at its current level of operations. The company continues to rely on management to develop the business and work to develop sales. Management has and may continue to supplement cash flows from sales with additional equity and debt financing. Substantially, expanded operations are expected to require additional capital, either from a future offering of equity or the company pursuing other methods of financing, as appropriate.

Forward-Looking Statements

Certain statements concerning the Company's plans and intentions included herein may constitute forward-looking statements for purposes of the Securities Litigation Reform Act of 1995 for which the Company claims a safe harbor under that Act. There are a number of factors that may affect the future results of the Company, including, but not limited to, (a) the ability of the company to obtain additional funding for operations, (b) the continued availability of management to develop the business plan and (c) successful development and market acceptance of the company’s products.

This periodic report may contain both historical facts and forward-looking statements. Any forward-looking statements involve risks and uncertainties, including, but not limited to, those mentioned above. Moreover, future revenue and margin trends cannot be reliably predicted.

Item 3. Controls and Procedures

Medical International Technology, Inc. management, including the Principal Executive Officer and Principal Financial Officer, have conducted an evaluation of the effectiveness of disclosure controls and procedures pursuant to Exchange Act Rule 13a-14(c) and 15d-14(c). This evaluation was conducted within 90 days prior to the filing of this report. Based on that evaluation, the Principal Executive Officer and Principal Financial Officer concluded that the disclosure controls and procedures are effective in ensuring that all material information required to be filed in this quarterly report has been made known to them in a timely fashion. There have been no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date the Principal Executive Officer and Principal Financial Officer completed their evaluation.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings
None

Item 2. Defaults Upon Senior Securities
None

Item 3. Submission of Matters to a Vote of Security Holders

None.

Item 4. Other Information
None

Item 5. Exhibits and Reports on Form 8-K

Reports on Form 8-K

No reports were filed on form 8-K during this period.

Exhibits

Medical International Technology includes herewith the following exhibits.

31.1 Certification of Principal Executive Officer pursuant to Section 302
31.2 Certification of Principal Accounting Officer pursuant to Section 302
32.1 Certification of Principal Executive Officer pursuant to Section 1350
32.2 Certification of Principal Accounting Officer pursuant to Section 1350

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Medical International Technology, Inc.
Registrant

Date: February 19, 2005 By: \s\ Karim Menassa, President
Karim Menassa, President and Principal Executive Officer

Date: February 19, 2005 By: \s\ Michel Bayouk, Secretary
Michel Bayouk, Secretary and Principal Accounting Officer