

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-QSB

Quarterly Report under Section 13 or 15(d) of
the Securities Exchange Act of 1934

For Quarter Ended

Commission File Number

March 31, 2004

000-31553

HOUSTON OPERATING COMPANY

(Exact name of registrant as specified in its charter)

Delaware

76-0307819

(State of incorporation)

(I.R.S. Employer
Identification No.)

610 Newport Center Drive, Suite 1400, Newport Beach, CA 92660

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (949) 760-6832

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for at least the past 90 days.

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

7,795,172 common shares as of March 31, 2004

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HOUSTON OPERATING COMPANY, INC.

Financial Statements
For the Three Months Ended March 31, 2004

(Unaudited)

REPORT ON REVIEW BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors
Houston Operating Company, Inc.

We have reviewed the accompanying balance sheet of Houston Operating Company, Inc. as of March 31, 2004 and the related statements of operations and cash flows for the three months ended March 31, 2004 and 2003, included in the accompanying Securities and Exchange Commission Form 10-QSB for the period ended March 31, 2004. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with accounting principles generally accepted in the United States.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the balance sheet as of December 31, 2003, and the related statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein). In our report dated March 18, 2004, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as of March 31, 2004 is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

/s/ Michael Johnson & Co., LLC.

Michael Johnson & Co., LLC.
Denver, Colorado
May 14, 2004

HOUSTON OPERATING COMPANY, INC.
BALANCE SHEETS
(Unaudited)

	March 31, 2004	December 31, 2003
	-----	-----
ASSETS:		
CURRENT ASSETS:		
Cash	\$ 149	\$ 149
Prepaid expenses	2,759	3,899
	-----	-----
Total Current Assets	2,908	4,048
	-----	-----
TOTAL ASSETS	\$ 2,908	4,048
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 10,887	\$ 9,733
Advances from shareholders'	28,577	19,613
	-----	-----
Total Current Liabilities	39,464	29,346
	-----	-----
STOCKHOLDERS' EQUITY (DEFICIT):		
Common stock, \$.001 par value; 50,000,000 shares authorized; 7,795,171 shares issued and outstanding, respectively	7,795	7,795
Additional paid-in capital	38,350	38,350
Retained deficit	(82,701)	(71,443)
	-----	-----
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	(36,556)	(25,298)
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 2,908	\$ 4,048
	=====	=====

See accompanying notes and accountant's review report.

HOUSTON OPERATING COMPANY, INC.
STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31,	
	2004	2003
REVENUES:	\$ --	\$ --
OPERATING EXPENSES:		
Sales and marketing	--	--
General and administrative	10,686	--
Total Operating Expenses	10,686	--
Net Loss from Operations	(10,686)	--
Other Income and expenses:		
Interest income	--	--
Interest expense	(572)	--
Other	--	--
	(572)	--
NET LOSS	\$ (11,258)	\$ --
Weighted average number of shares outstanding	7,795,171	7,795,171
Basic and diluted net loss per share	\$ --	*

* - less than \$.001 loss per share

See accompanying notes and accountant's review report.

HOUSTON OPERATING COMPANY, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Totals
	Shares	Amount			
Balance - December 31, 1997	2,795,171	\$ 2,795	\$ 28,820	\$ (38,874)	\$ (7,259)
Net loss for period	--	--	--	(1,725)	(1,725)
Balance - December 31, 1998	2,795,171	2,795	28,820	(40,599)	(8,984)
Conversion of loan payable to additional paid-in capital	--	--	9,530	--	9,530
Net loss for year	--	--	--	(1,000)	(1,000)
Balance - December 31, 1999	2,795,171	2,795	38,350	(41,599)	(454)
Stock issuance for cash	1,000,000	1,000	--	--	1,000
Stock issued for services	4,000,000	4,000	--	--	4,000
Net loss for year	--	--	--	(7,254)	(7,254)
Balance - December 31, 2000	7,795,171	7,795	38,350	(48,853)	(2,708)
Net loss for year	--	--	--	(7,051)	(7,051)
Balance - December 31, 2001	7,795,171	7,795	38,350	(55,904)	(9,759)
Net loss for year	--	--	--	(9,226)	(9,226)
Balance - December 31, 2002	7,795,171	7,795	38,350	(65,130)	(18,985)
Net loss for year	--	--	--	(6,313)	(6,313)
Balance - December 31, 2003	7,795,171	7,795	38,350	(71,443)	(25,298)
Net loss for period	--	--	--	(11,471)	(11,471)
Balance - March 31, 2004	7,795,171	\$ 7,795	\$ 38,350	\$ (82,914)	\$ (36,769)

See accompanying notes and accountant's review report.

HOUSTON OPERATING COMPANY, INC.
 STATEMENTS OF CASH FLOWS
 (Unaudited)

	Three months ended March 31,	
	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (Loss)	\$ (11,258)	\$ --
Adjustments to reconcile net loss to net cash used in operating activities:		
Changes in assets and liabilities:		
Decrease in prepaid expenses	1,140	--
Increase in accounts payables	1,154	--
	-----	-----
	2,294	--
	-----	-----
Net Cash Used in Operating Activities	(8,964)	--
	-----	-----
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	--	--
Sale of stock	--	--
Advances from shareholders	8,964	--
	-----	-----
Net Cash Provided By Financing Activities	8,964	--
	-----	-----
Increase (Decrease) in Cash	--	--
Cash and Cash Equivalents - Beginning of period	149	429
	-----	-----
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$ 149	\$ 429
	=====	=====
Supplemental Cash Flow Information:		
Cash paid during period for:		
Interest paid	\$ --	\$ --
	=====	=====
Taxes paid	\$ --	\$ --
	=====	=====

See accompanying notes and accountant's review report.

HOUSTON OPERATING COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS

1. PRESENTATION OF INTERIM INFORMATION

In the opinion of the management of Houston Operating Company, Inc., the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of March 31, 2004, and the results of operations and cash flows for the three months ended March 31, 2004 and 2003. Interim results are not necessarily indicative of results for a full year.

The financial statements and notes are presented as permitted by Form 10-QSB, and do not contain certain information included in the Company's audited financial statements and notes for the fiscal year ended December 31, 2003.

2. CHANGE IN CONTROL OF REGISTRANT

As of April 28, 2003, J.R. Nelson, a majority shareholder, officer and director of Houston Operating Company, Inc. a Delaware corporation (the "Registrant") sold 7,030,000 shares of common stock of the Registrant to Speed Action Limited, a British Virgin Islands corporation pursuant to the Share Purchase Agreement, dated as of April 25, 2003, by and among J.R. Nelson, the Registrant and Speed Action Limited (the "Closing"). There are 7,795,172 share of the Registrant common stock issued and outstanding as of the date hereof. As a result of the stock sale, Speed Action Limited became the majority shareholder of the Registrant holding approximately 90% of the Registrant's common stock.

Upon closing J.R. Nelson resigned as President of the Registrant and Chin Sin Low has been appointed as a director and President and Chief Financial Officer of the Registrant.

Item 2. MANagements Discussion and Analysis or Plan of Operations Preliminary
Note Regarding Forward-Looking Statements

Statements contained in this Plan of Operation of this Quarterly Report on Form 10-QSB include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause the actual results of the Company (sometimes referred to as "we", "us" or the "Company"), performance (financial or operating) or achievements expressed or implied by such forward-looking statements not to occur or be realized. Such forward-looking statements generally are based upon the Company's best estimates of future results, general merger and acquisition activity in the marketplace, performance or achievement, based upon current conditions and the most recent results of operations. Forward-looking statements may be identified by the use of forward-looking terminology such as "may," "will," "project," "expect," "believe," "estimate," "anticipate," "intends," "continue," "potential," "opportunity" or similar terms, variations of those terms or the negative of those terms or other variations of those terms or comparable words or expressions. (See the Company's Form 10SB for a description of certain of the known risks and uncertainties of the Company.)

RESULTS OF OPERATION FOR THE QUARTER ENDED MARCH
31, 2004 COMPARED TO QUARTER ENDED MARCH 31, 2003.

The Company had no revenues or operations for the three month period in 2004 or 2003. The Company incurred \$10,686 in miscellaneous expenses in the period in 2004 and no expenses in the period in 2003. The net loss for the three month period was (\$11,258) in 2004 and \$0 in 2003. Loss per share was nominal in 2004 and none in 2003 for the period.

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have capital sufficient to meet the Company's cash needs, including the costs of compliance with the continuing reporting requirements of the Securities and Exchange Act of 1934. The Company will have to seek loans or equity placements to cover such cash needs. In the event the Company is able to complete a business combination during this period, lack of its existing capital may be a sufficient impediment to prevent it from accomplishing the goal of completing a business combination. There is no assurance, however, that without funds it will ultimately allow registrant to complete a business combination. Once a business combination is completed, the Company's needs for additional financing are likely to increase substantially.

Irrespective of whether the Company's cash assets prove to be inadequate to meet the Company's operational needs, the Company might seek to compensate providers of services by issuances of stock in lieu of cash.

ITEM 3. CONTROLS AND PROCEDURES.

The Company has disclosure controls and procedures (as defined in Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended) to ensure that material information contained in its filings with the Securities and Exchange Commission is recorded, processed, summarized and reported on a timely and accurate basis. Based on such evaluation as of March 31, 2004, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures are effective at ensuring that material information is recorded, processed, summarized and reported on a timely and accurate basis in the Company's filings with the Securities and Exchange Commission. Since such evaluation there have not been any significant changes in the Company's internal controls, or in other factors that could significantly affect these controls

PART II - OTHER INFORMATION

PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS- NONE

ITEM 2 - CHANGES IN SECURITIES AND USE OF PROCEEDS-NONE

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES- NONE

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS- NONE

ITEM 5 - OTHER INFORMATION- NONE

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits	Exhibit No.	Description
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Exhibit 31		CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT
Exhibit 32		CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT

(b) No Reports were filed during the quarter ended March 31, 2004.

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.

HOUSTON OPERATING COMPANY
Date: May 24, 2004

By /s/ Low Chin Sin

President and Chief Financial Officer
(PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER)

CERTIFICATION

I, Low Chin Sin, President and Chief Financial Officer of Houston Operating Company(the "Company" or the "registrant") certify that:

1. I have reviewed this quarterly report on Form 10-QSB of the Company;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers 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 Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within Company, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of the end of the period covered by this report 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

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the Company's most recent quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a. all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

Date: May 24, 2004

/s/ Low Chin Sin

President and Chief Financial Officer

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

In connection with the Report of Houston Operating Company (the "Company") on Form 10-QSB for the period ended March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Low Chin Sin Martin, President and Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The 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 the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Low Chin Sin

Low Chin Sin
President and CFO
May 24, 2004