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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 June 30, 2004

[ ] Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File No. 0-27039

PROTEO, INC.
(Name of Small Business Issuer in Its Charter)

NEVADA	88-0292249
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification Number)

3206 WEST WIMBLEDON DRIVE
AUGUSTA, GA 30909
(Address of Principal Executive Offices) (Zip Code)

(706) 737-6600
(Issuer's Telephone Number)

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:
(None)

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT:

Common Stock, par value $0.0001

(Title of Class)

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.

Yes [X] No [ ]

Indicate the number of shares outstanding of each of the issuer's class of common stock as of the latest practicable date:

Title of each class of Common Stock	Outstanding as June 30, 2004
Common Stock, $0.001 par value	21,667,101

Transitional Small Business Disclosure Format (check one):

Yes [ ] No [X]

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PROTEO, INC.

AND SUBSIDIARIES

(A DEVELOPMENT STAGE COMPANY)

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PROTEO, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED BALANCE SHEET
JUNE 30, 2004
UNAUDITED

ASSETS

<TABLE>
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CURRENT ASSETS

Cash. . . . . $ 372,727

Inventory 46,236

Prepaid expenses and other current assets 32,413

451,376

PROPERTY AND EQUIPMENT, NET . . . . . .

400,463

$ 851,839

==========

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable and accrued liabilities. . . . . $ 36,909

Accrued licensing fees. 465,000

501,909

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS' EQUITY

Preferred stock, par value $0.001 per share; 10,000,000 shares authorized; no shares issued and outstanding . . . --

Common stock, par value $0.001 per share; 300,000,000 shares authorized; 21,667,101 shares issued and outstanding 21,667

Additional paid-in capital. 3,653,447

Stock subscriptions receivable. . . . . (1,039,955)

Accumulated other comprehensive income. 225,870

Deficit accumulated during development stage. . . . . .

(2,511,099)

349,930

	$ 851,839
	==========

</TABLE>

Page 1 See accompanying notes to these condensed consolidated financial statements.

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PROTEO, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE LOSS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2004 AND 2003
AND FOR THE PERIOD FROM NOVEMBER 22, 2000 (INCEPTION) THROUGH JUNE 30, 2004
UNAUDITED

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<S>	<C> THREE-MONTHS ENDED JUNE 30, 2004	<C> THREE-MONTHS ENDED JUNE 30, 2003	<C> SIX-MONTHS ENDED JUNE 30, 2004	<C> SIX-MONTHS ENDED JUNE 30, 2003	<C> NOVEMBER 22, 2000 (INCEPTION) THROUGH JUNE 30, 2004
REVENUES.	$ -	$ -	$ -	$ -	$ -
EXPENSES					
General and Administrative.	100,245	139,422	188,112	259,782	1,976,089
Research and Development, net of grants	85,696	65,283	185,355	121,229	558,188
	185,941	204,705	373,467	381,011	2,534,277
INTEREST AND OTHER INCOME.	7,749	2,846	22,328	44,870	23,178

NET LOSS (AVAILABLE TO COMMON STOCKHOLDERS) . .	(178,192)	(201,859)	(351,139)	(336,141)	(2,511,099)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS.	(6,819)	48,417	(34,093)	83,530	225,870
COMPREHENSIVE LOSS.	$ (185,011)	$ (153,442)	$ (385,232)	$ (252,611)	$(2,285,229)
BASIC AND DILUTED LOSS AVAILABLE TO COMMON STOCKHOLDERS PER COMMON SHARE	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING . . .	21,667,101	21,635,000	21,667,101	21,617,000	

</TABLE>

Page 2 See accompanying notes to these condensed consolidated financial statements.

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PROTEO, INC. AND SUBSIDIARIES

(A DEVELOPMENT STAGE COMPANY)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2004 AND 2003, AND

FOR THE PERIOD FROM NOVEMBER 22, 2000 (INCEPTION) THROUGH JUNE 30, 2004

UNAUDITED

<TABLE>

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<S>	<C>	<C>	<C>
			NOVEMBER 22, 2000

	SIX-MONTHS ENDED JUNE 30, 2004	SIX-MONTHS ENDED JUNE 30, 2003	(INCEPTION) THROUGH JUNE 30, 2004
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$ (351,139)	$ (336,141)	$(2,511,099)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	24,369	22,451	91,044
Unrealized foreign transaction loss (gain)	(15,000)	-	64,000
Changes in operating assets and liabilities:			
Inventory	1,805	(2,977)	(46,236)
Prepaid expenses and other current assets	2,095	49,441	(28,751)
Accounts payable and accrued liabilities	(11,279)	(39,607)	28,717
Accrued licensing fees	66,000	76,000	401,000
NET CASH USED IN OPERATING ACTIVITIES	(283,149)	(230,833)	(2,001,325)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	(1,313)	(63,166)	(506,106)
Cash of reorganized entity	-	-	27,638
NET CASH USED IN INVESTING ACTIVITIES	(1,313)	(63,166)	(478,468)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of common stock	-	40,000	1,627,610
Proceeds for subscribed stock	200,000	127,800	999,040
NET CASH PROVIDED BY FINANCING ACTIVITIES	200,000	167,800	2,626,650
FOREIGN CURRENCY TRANSLATION ADJUSTMENT	(34,093)	83,530	225,870

NET (DECREASE) INCREASE IN CASH.	(118,555)	(42,669)	372,727
CASH - beginning of period	491,282	448,868	-
CASH - end of period	$ 372,727	$ 406,199	$ 372,727

</TABLE>

Page 3 See accompanying notes to these condensed consolidated financial statements.

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PROTEO, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
JUNE 30, 2004

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

BASIS OF PRESENTATION

The management of Proteo, Inc. ("Proteo" or the "Company") and its wholly owned subsidiaries Proteo Marketing, Inc. and Proteo Biotech, AG, without audit, prepared the condensed consolidated financial statements for the three-month and six-month periods ended June 30, 2004 and 2003 and for the period from November 22, 2000 (Inception) through June 30, 2004. In the opinion of management, all adjustments necessary to present fairly, in accordance with accounting principles generally accepted in the United States of America, the Company's financial position as of June 30, 2004, and the results of operations and cash flows for the three-month and six-month periods ended June 30, 2004 and 2003 and for the period from November 22, 2000 (Inception) through June 30, 2004, have been made. Such adjustments consist only of normal recurring adjustments.

Certain note disclosures normally included in our annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to instructions

for Form 10-QSB. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto which are included in Proteo, Inc.'s Form 10-KSB filed with the Securities and Exchange Commission on April 14, 2004.

The results of operations for the three-month and six-month periods ended June 30, 2004 are not necessarily indicative of the results to be expected for the full year.

NATURE OF BUSINESS

Proteo Marketing, Inc. ("PMI") was incorporated in the State of Nevada and began operations on November 22, 2000. In December 2000, PMI entered into a reorganization and stock exchange agreement with Proteo Biotech AG, ("PBAG"), a German corporation, incorporated in Kiel, Germany. As a result, PBAG is a wholly owned subsidiary of PMI. On April 25, 2002, PMI completed a reverse merger with the Company. The Company's common stock is currently quoted on the OTC Bulletin Board of the National Association of Securities Dealers under the symbol "PTEO".

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PROTEO, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
JUNE 30, 2004

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION (continued)

NATURE OF BUSINESS (continued)

The Company and its subsidiary intend to develop, manufacture, promote and market pharmaceuticals and other biotech products. The Company is focused on the development of pharmaceuticals based on the human protein Elafin. Elafin is a human protein that naturally occurs in human skin, lungs, and mammary glands. The Company believes Elafin may be useful in the treatment of cardiac infarction, serious injuries caused by accidents, post surgery damage to tissue and complications resulting from organ transplantations.

Since its inception, the Company has primarily been engaged in the research and development of its proprietary product Elafin. Once the research and development phase is complete, the Company will begin to manufacture and obtain the various governmental regulatory approvals for the marketing of Elafin. The Company is in the development stage and has not generated any significant revenues from any product sales. The Company believes that none of its planned products will produce sufficient revenues in the near future. As a result, the Company plans to identify and develop other potential products. There are no assurances, however, that the Company will be able to produce such products, or if produced, that they will be accepted in the marketplace.

DEVELOPMENT STAGE AND GOING CONCERN CONSIDERATIONS

The Company has been in the development stage since it began operations on November 22, 2000, and has not generated any significant revenues from operations, and there is no assurance of any future revenues.

The Company will require substantial additional funding for continuing research and development, obtaining regulatory approval and for the commercialization of its product. There can be no assurance that the Company will be able to obtain sufficient additional funds when needed, or that such funds, if available, will be obtainable on terms satisfactory to the Company.

Management has taken action to address these matters. They include:

- Retention of experienced management personnel with particular skills in the commercialization of such products.
- Attainment of technology to develop additional biotech products.
- Raising additional funds through the sale of debt and equity securities.
- Applying for additional research grants.

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1. NATURE OF BUSINESS AND BASIS OF PRESENTATION (continued)

DEVELOPMENT STAGE AND GOING CONCERN CONSIDERATIONS (continued)

The Company's products, to the extent they may be deemed drugs or biologics, are governed by the Federal Food, Drug and Cosmetics Act and the regulations of State and various foreign government agencies. The Company's proposed pharmaceutical products to be used with humans are subject to certain clearance procedures administered by the above regulatory agencies. There can be no assurance that the Company will receive the regulatory approvals required to market its proposed products elsewhere or that the regulatory authorities will review the product within the average period of time.

Management plans to obtain revenues from product sales, but there is no commitment by any persons for purchase of any of the proposed products. In the absence of significant sales and profits, the Company may seek to raise additional funds to meet its working capital requirements through the additional sales of debt and equity securities. There is no assurance that the Company will be able to obtain sufficient additional funds when needed, or that such funds, if available, will be obtainable on terms satisfactory to the Company.

These circumstances, among others, raise concerns about the Company's ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

PRINCIPLES OF CONSOLIDATION

The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

RECENT ACCOUNTING PRONOUNCEMENTS

Recent accounting pronouncements discussed in the Notes to the December 31, 2003 consolidated financial statements filed previously with the Securities and Exchange Commission in Form 10-KSB that were required to be adopted during the year ended December 31, 2004 did not have a significant impact on the Company's financial statements.

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PROTEO, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
JUNE 30, 2004

2. INVENTORY

Inventory is stated at the lower of cost (first-in, first-out) or estimated market value. Inventories are entirely comprised of research supplies and materials.

3. STOCK SUBSCRIPTIONS RECEIVABLE AND OTHER STOCK ISSUES

During the three-month and six-month periods ended June 20, 2004, the Company received approximately $50,000 and $200,000, respectively in connection with stock subscriptions receivable. Management expects the outstanding balance of the stock subscription receivable to be received in installments through August 2005.

There have been no issuances of preferred stock during the six-month period ended June 30, 2004, nor have any stock options been granted.

The Company previously entered into a common stock purchase agreement with FID-Esprit to purchase up to 1,000,000 shares of the Company's restricted common stock. Under the agreement, the Company will sell its common stock at a price per share equal to 40% of the average ask price for the 20 trading days previous to the date of subscription, as quoted on a public market. However, the price per share will be no less than $0.40. The agreement shall expire upon the earlier of the purchase of 1,000,000 or December 31, 2004. The Company issued no shares under this agreement during the six-month period ended June 30, 2004.

4. LOSS PER SHARE

The Company computes loss per common share using Statement of Financial Accounting Standards ("SFAS") No. 128 "Earnings Per Share." Basic loss per common share is computed based on the weighted average number of shares outstanding for the period. Diluted loss per share is computed by dividing net loss by the weighted average shares outstanding assuming all dilutive potential common shares were issued. There were no dilutive potential common shares at June 30, 2004 and 2003.

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PROTEO, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
JUNE 30, 2004

5. FOREIGN CURRENCY TRANSLATION

Assets and liabilities of the Company's German operations are translated into U.S. dollars at period-end exchange rates; equity transactions are translated at historical rates; and income and expenses are translated at weighted average exchange rates for the period. Net exchange gains or losses resulting from such translation are excluded from net earnings but are included in comprehensive income and accumulated in a separate component of stockholders' equity. Accumulated comprehensive income approximated $226,000 at June 30, 2004.

6. FOREIGN CURRENCY TRANSACTIONS

The Company records payables related to a certain licensing agreement, in accordance with SFAS No. 52, "Foreign Currency Translation." Quarterly commitments under such agreement are denominated in Euros. At each quarter-end, the Company translates the quarterly amount to US Dollars at the exchange rate effective on that date. If the exchange rate changes between the time incurred and the time actual payment is made, a foreign exchange gain or loss results. The Company has made no payments under this licensing agreement, and, therefore, the Company has not realized any exchanges losses during the six-month periods ended June 30, 2004 and 2003.

Additionally, the Company computes a foreign exchange gain or loss at each balance sheet date on all recorded foreign transactions that have not been settled. The difference between the exchange rate that could have been used to settle the transaction at the date it occurred, and the exchange rate at the balance sheet date, is the unrealized gain or loss recognized in current net income. The Company recorded an unrealized exchange loss of approximately $15,000 for the six-months ended June 30, 2004. There were no significant unrealized exchange gains or losses during the six-month period ended June 30, 2003.

7. SEGMENTS OF AN ENTERPRISE AND RELATED INFORMATION

The Company adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." SFAS No. 131 establishes standards for the way public companies report information about segments of their business in their annual financial statements and requires them to report selected segment information in their quarterly reports issued to shareholders. It also requires entity-wide disclosures about the products and services an entity provides, the material countries in which it holds assets and reports revenues and its major customers. The Company considers itself to operate in one segment and has not generated significant revenues since its inception. All fixed assets are located in Germany.

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8. GRANTS

Proteo Biotech AG's previous research grant from the German state of Schleswig-Holstein expired during the three-month period ended March 31, 2004. No grant funds were received during such period. In May 2004, the German State of Schleswig-Holstein granted Proteo Biotech AG approximately 760,000 Euros for further research and development of the Company's pharmaceutical product Elafin.

The new grant covers the period from April 1, 2004 to March 31, 2007 if certain milestones have been reached by September 30 of each year, with a possible extension as defined in the agreement. The new grant covers 49.74% of eligible research and development costs and is subject to the Company's ability to cover the remaining 50.26 % of the costs.

The Company has qualified to receive approximately 150,000 Euros (approximately $180,000) of the new grant in 2004. No funds have been received from the new Grant during the three-month period ended June 30, 2004. Grant funds approximating 107,000 Euros were received and recorded as a reduction of research and development expenses for the six-month period ended June 30, 2003. As of June 30, 2004, management believes that all milestones required by the new grant have been satisfied.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

CAUTIONARY STATEMENTS:

This Quarterly Report on Form 10-QSB contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The Company intends that such forward-looking statements be subject to the safe harbors created by such statutes. The forward-looking statements included herein are based on current expectations that involve a number of risks and uncertainties. Accordingly, to the extent that this Quarterly Report contains forward-looking statements regarding the financial condition, operating results, business prospects or any other aspect of the Company, please be advised that the Company's actual financial condition, operating results and business performance may differ materially from that projected or estimated by the Company in forward-looking statements. The differences may be caused by a variety of factors, including but not limited to adverse economic conditions, intense competition, including intensification of price competition and entry of new competitors and products, adverse federal, state and local government regulation, inadequate capital, unexpected costs and operating deficits, and increases in general and administrative costs, and other specific risks that may be alluded to in this Quarterly Report or in other reports issued by the Company. In addition, the

business and operations of the Company are subject to substantial risks that increase the uncertainty inherent in the forward-looking statements. The inclusion of forward looking statements in this Quarterly Report should not be regarded as a representation by the Company or any other person that the objectives or plans of the Company will be achieved.

The Company does not currently generate any significant revenue from its operations and does not expect to report any significant revenue until the successful development and marketing of its planned pharmaceutical and other biotech products. Additionally, after the launch of the Company's products, there can be no assurance that the Company will generate positive cash flow and there can be no assurances as to the level of revenues, if any, the Company may actually achieve from its planned operations.

PLAN OF OPERATIONS

The Company intends to specialize in the research, development and marketing of drugs for inflammatory diseases with Elafin as its first project. The Company's management deems Elafin to be one of the most prospective substances in the treatment of serious tissue and muscle damage. Independently conducted animal experiments have indicated that Elafin may have benefits in the treatment of tissue and muscle damage caused by insufficient oxygen supply and therefore may be useful in the treatment of heart attacks, serious injuries and in the course of organ transplants. Other applications, if any, have yet to be determined.

The Company intends to implement Elafin as a drug in the treatment of serious tissue and muscle damage, e.g. due to traffic accidents and intends to achieve governmental approval in Europe first. Currently, management assumes that it will take at least five years to achieve first governmental approval for the use of Elafin as a drug in the treatment of serious tissue and muscle damage. In order to conduct clinical trials, the Company must first complete the research and development of an efficient production process in accordance with GMP (Good Manufacturing Practices) standards.

The Company's success will depend on its ability to implement an efficient production process in accordance with GMP standards, and to prove that Elafin is well tolerated by humans and its efficiency in the indicated treatment. There can be no assurance that the Company will be able to develop feasible production

procedures in accordance with GMP standards, or that Elafin will receive any governmental approval for the use as drug in any of the intended applications.

In collaboration with a non-affiliated third party company in 2003, the Company identified the yeast to be utilized in the production of Elafin and ordered the third party to develop efficient clones of such yeasts. Further, the Company has optimized the yeast expression systems to increase efficient production of such yeasts. Also, the Company has equipped its facilities to scale up its fermentation abilities, and is now able to produce sufficient amounts of Elafin for its research and development.

In collaboration with another non-affiliated third party in 2003, the Company successfully completed animal studies about the acute toxicity of a single dose intravenous application of Elafin in mice and rats as well as continuos intravenous application of Elafin in rats over two weeks.

LIQUIDITY AND CAPITAL RESOURCES

Since Inception, the Company has raised a total of approximately $3,666,000 from the sale of 17,853,179 shares of restricted common stock, of which 5,085,487 shares have been sold at $0.40 per share under a stock subscription agreement in the amount of approximately $2,035,000. As of June 30, 2004, the Company has received approximately $999,000 related to the stock subscription agreement.

Previously, the Company's wholly owned German subsidiary Proteo Biotech AG had received a grant from the German State Schleswig-Holstein in the amount of approximately $994,000 (790,000 Euros). That grant covered 47.95% of related costs and expenses of research and development of the Company's Elafin project during the period from 2001 to March 2004. The grant depended on the Company's ability to cover 52.05% of such costs and expenses, and from the achievement of research project milestones. We received no funds during the quarter ended June 30, 2004.

During the quarter ended June 30, 2004, the German State of Schleswig-Holstein granted Proteo Biotech AG an additional 760,000 Euros under a new grant for further research and development of the Company's pharmaceutical product Elafin. The new Grant covers the period from April 1, 2004 to March 31, 2007 based on certain milestones which have to be achieved by September 30 of each year, with a possible extension as defined in the agreement. The new Grant covers 49.74 % of eligible research and development costs and is subject to the Company's

ability to cover the remaining 50.26 % of the costs. No grant funds were received during the six-months ended June 30, 2004, but we have qualified to receive approximately 150,000 Euros (approximately $180,000) from the new grant in 2004. We believe that Proteo Biotech AG is on track to meet required milestones.

The Company's cash was approximately $373,000 as of June 30, 2004. The decrease compared to approximately $491,000 as of December 31, 2003 is primarily due to research and development expenditures, net of cash received for subscribed stock.

The Management of the Company believes that the Company will not generate any significant revenues in the next few years, nor will it have sufficient cash to fund operations. As a result, the Company's success will largely depend on its ability to secure additional funding through the sale of its restricted common stock and/or the sale of other debt securities. There can be no assurance, however, that the Company will be able to consummate debt or equity financing in a timely manner, or on a basis favorable to the Company, at all.

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CAPITAL EXPENDITURES

The Company intends to purchase capital equipment over the next twelve months to meet the Company's research and development requirements. The costs are estimated to total approximately $150,000. Further, the Company intends to utilize third party services in its research and development over the next twelve months. Such costs are estimated to total approximately $120,000.

ITEM 3. CONTROLS AND PROCEDURES

Walter J. Thomsen, the Company's new principal executive and financial officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(c) of the Securities Exchange Act of 1934). Based on his most recent evaluation, he has concluded that the Company's disclosure controls and procedures were effective as of June 30, 2004. There have been no significant changes in the Company's internal control over financial reporting during the quarter ended June 30, 2004 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 5. OTHER INFORMATION

Appointment of new Directors and Officers

Ulrich Glaeser resigned as Director, and the Company's Secretary, as well as the CEO of the Company's wholly owned German subsidiary Proteo Biotech AG as of April 30, 2004. Furthermore Joerg Alte has resigned as the Company's President, CEO and CFO as of July 15, 2004. Such resignations were due only to personal reasons and were not caused by any dissent to the Company, its management or its policies. The Company and its Board are grateful for the valuable services rendered by Ulrich Glaeser and Joerg Alte.

Walter J. Thomsen, age 40, has joined the Company and succeeded Ulrich Glaeser as CEO of the Company's wholly owned subsidiary Proteo Biotech AG. Further Walter J. Thomsen has been appointed as a new member of the Board of Directors and as the Company's new President, CEO and CFO effective as of July 20th, 2004.

Walter J. Thomsen was born in San Francisco, California and grew up in the USA and Germany. He holds a Masters degree in business administration from the Christian-Albrechts-University in Kiel, Germany. Mr. Thomsen has gained international management experience in a multinational Industry service corporation, of which he served 5 years as managing director within affiliated companies. Before joining the Company, Mr. Thomsen topped off his broad experience in an international business consultancy as a management consultant.

Dr. Barbara Kahlke, a Director, has been appointed as the Company's new Secretary also effective as of July 20th, 2004, the date of the resolution of the Board of Directors.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

31.1 Rule 13a-14(e) and 15d-14(a) Certification of Chief Executive Officer

31.2 Rule 13a-14(e) and 15d-14(a) Certification of Chief Financial Officer

32 Section 1350 Certification

(b) Reports on Form 8-K

None

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SIGNATURES

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

PROTEO, INC.

By: / s / Walter Thomsen

Walther Thomsen
Principal Executive Officer

Dated: August 12, 2004

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