FISCICAL YEAR 2008

INFORMATION STATEMENT OF TRITON DISTRIBUTION SYSTEMS, INC.

Triton
Revolutionizing Global Distribution

Triton Distribution Systems, Inc.

A COLORADO CORPORATION

SYMBOL: TTDZ.PK **OCTOBER, 2009**

This Information Statement is submitted for publication on the Pink Sheets, LLC®

On October 5 2009 This Information Statement includes certain forward-looking information about the Triton Distribution Systems, Inc. (the ―Company) with respect to its anticipated future performance. Such information is based upon various assumptions by management of the Company that may not prove to be correct. In addition, the continuation and expansion of the Company's business is dependent upon the receipt of additional capital, of which there can be no assurance. All of such assumptions are inherently subject to significant economic and competitive uncertainties and contingencies beyond the control of the Company and upon assumptions with respect to future business decisions, which are subject to change. Accordingly, there can be no assurance that actual results will meet expectations and actual results may vary (perhaps materially) from certain of the results anticipated herein. Except for notice of Regulation D exempt filings, and certain state blue sky and corporate entity and doing business requirements, the Company does not file reports to the Securities and Exchange Commission or any state securities commission, nor has any such regulatory body reviewed or approved this Information Statement. This Information Statement is not an offering of securities. The Company’s securities are currently quoted on the Pink Sheets, LLC ®. Any investment in the Company involves a substantial degree of risk and is suitable for and should only be made by an investor who has no need for liquidity in his investments and who can afford to lose his entire investment.

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Special Note Regarding Forward-Looking Information

This Annual Report of Triton Distribution Systems, Inc. contains certain "forward-looking statements" All statements in this Annual Report other than statements of historical fact are "forward-looking statements" for purposes of these provisions, including any statements of the plans and objectives for future operations and any statement of assumptions underlying any of the foregoing. Statements that include the use of terminology such as "may," "will," "expects," "believes," "plans," "estimates," "potential," or "continue," or the negative thereof or other and similar expressions are forward-looking statements. Forward-looking statements in this report include, but are not limited to, statements regarding expanding the use of our technologies in existing and new markets; diversification of sources of; our expected profit margin from all product sales; the future impact of our critical accounting policies, including those regarding revenue recognition, allowance for doubtful accounts, accounting for income taxes, and stock-based compensation; statements regarding the sufficiency of our cash reserves; and our expected rate of return on investments, if any. Actual results may differ materially from those discussed in these forward looking statements due to a number of factors, including: the rate of growth of the markets for our technology; the accuracy of our identification of critical accounting policies and the accuracy of the assumptions we make in implementing such policies; the accuracy of our estimates regarding our taxable income and cash needs for the next twelve months; and fluctuations in interest rate and foreign currencies These forward-looking statements involve risks and uncertainties, and it is important to note that our actual results could differ materially from those projected or assumed in such forward-looking statements. Among the factors that could cause actual results to differ materially are the factors detailed under the heading "Risk Factors" as well as elsewhere in this Report. All forward-looking statements and risk factors included in this document are made as of the date hereof, based on information available to us as of the date hereof, and we assume no obligation to update any forward-looking statement or risk factor. You should consider the factors affecting results and risk factors listed from time to time in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and amendments to such reports. Such filings are available on our website, free of charge, at www.tritonds.com, but the information on our website does not constitute part of this Report.

As used herein, unless the context otherwise requires, Triton Distribution Systems, Inc., together with our Chinese subsidiary, Triton Distribution Systems (Beijing) and our Philippine subsidiary, Triton Distribution Systems Philippines Inc. are referred to in this Report as "Triton", "Company," "we," "us" and "our."

ITEM 1 – DESCRIPTION OF BUSINESS

Triton is a development stage Web-based electronic catalog primarily focused on travel services distribution. The travel marketplace is a global arena in which millions of "buyers" such as travel agents and consumers and "sellers" such as airlines, hotels, car rental agencies, cruise ship lines, tour operators and entertainment companies come together. Among the systems available to buyers in their search for travel options, availability and rates are Global Distribution Systems companies, known as "GDSs," which are accessed primarily by travel agents and Internet travel Web site companies such as Cendant Corp.'s Orbitz, Expedia, Inc.'s Expedia.com and Sabre Holdings Corp.'s Travelocity, which are accessed by consumers. These systems electronically connect a vast network of travel product sellers and globally dispersed travel agents and consumers.

Our core business is the electronic distribution of travel inventory from travel sellers to travel agencies and their clients. Unlike Orbitz, Expedia and Travelocity, which are targeted to consumers we operate solely as a vendor to travel agents through our business-to-business, or "B2B," Web-based distribution system. We favor the B2B market because we estimate that 80% of global airline tickets are issued by travel agents and an estimated 70% of all travel is booked through travel agents. Moreover, the Cruise Line International Association estimates that more than 90% of cruises are booked through travel agents.

Our target travel sellers are airlines, including air consolidators that purchase bulk seats on major carriers and resell air travel at reduced pricing; property management vendors and suppliers such as hotel chains, independent hotels, resorts, vacation lodgings and bed & breakfasts; car rental agencies; tour operators such as bus tours, expeditions, walking tours and adventure packages; cruise lines providing global sailing trips, scenic or specialty cruises within a region, and special custom cruises; and local transportation service providers such as limousines, shuttles, ferries and other local modes of transportation typically needed by travelers. Our target travel buyers are travel agencies around the world. Initially we are focusing on travel agencies in Southeast Asia and China.

We have had no revenue since inception (January 10, 2006) and have incurred operating losses of $19,077,247 since inception including $12,525,168 for the year ended December 31, 2008.

As a result of our lack of revenue and ongoing operating losses our independent registered public accounting firm has issued a going concern opinion in connection with their audit of our consolidated financial statements for the year ended December 31, 2008. Management has developed a plan to continue as a going concern for at least the next 12 months (see Part II, Item 5, "PLAN OF OPERATION"), however, if we are unable to raise additional funds or fund our operations through the execution of our business plans we may be forced to significantly reduce or cease our current activities.

Background

Triton, a Colorado corporation (the "Company", or "we") is the result of a merger between Petramerica Oil, Inc., a Colorado corporation, and Triton Distribution Systems, Inc., a Nevada corporation ("Triton Nevada"), in July 2006. Triton Nevada was organized in January 2006 to engage in the travel business.

As a result of the merger, Triton's stockholders owned approximately 95.6% of the combined company and the directors and executive officers of Triton became the directors and executive officers of Petra. Accordingly, the transaction has been accounted for as a reverse acquisition of Petra by Triton resulting in a recapitalization of Triton rather than as a business combination. Triton was deemed to be the purchaser and surviving company for accounting purposes. Accordingly, Tritons' assets and liabilities are included in the consolidated balance sheet at their historical book values with no goodwill recognized. The consolidated statement of stockholders' equity as of inception has been restated as if the above transaction took place on the first day for which the consolidated statement of stockholders' equity is presented. The historical cost of the net assets of Petra that were acquired was $0. In addition, on August 17, 2006, Petra changed its name to Triton Distribution Systems, Inc.

Since the merger, we have funded our operations through debt and equity financing arrangement with investors, including related parties. We have used significant resources developing and marketing our business and have experienced liquidity problems.

Our initial emphasis was on Southeast Asia and China. Unlike the travel industry in the United States, which is highly fragmented and decentralized, emerging countries in Asia have only one or two flagship airlines for international routes, the airlines are controlled by the government, their fleets have been modernized, the carriers are generally profitable, the travel agencies are clustered in large associations, and the government has considerable influence over decisions which affect bookings and the issuance of tickets to domestic and foreign travelers.

In accordance with our initial focus on markets in Southeast Asia and China we incorporated subsidiaries in the Philippines and the People's Republic of China.

Triton Distribution Systems Philippines Inc. was formed in May 2006 with an office in Manila, Philippines. During the initial discovery phase of our project conducted at Philippine Airlines we encountered certain internal issues. In August 2007, as a consequence of these internal issues with Philippine Airlines, we ceased our operations in the Philippines until these issues are resolved. In September 2007 we dissolved our Philippine subsidiary.

Triton Distribution Systems (Beijing) was formed in November of 2006. Since November 2006 operations have been primarily involved sales and marketing activities.

Products and Services

Triton will offer a broad array of proprietary products and services in various target markets. These products and service offerings can be divided into three categories: (1) B2B products, (2) portal products and (3) Web services.

PRINCIPAL PRODUCTS

B2B Products

Our principal B2B product offerings will consist of ReservationExpert™, CruiseExpert™ and TourExpert™. These proprietary products have the ability to translate the various command languages of the travel-based GDSs into one common command language for travel procurement agents. Previously, this command language communicated with Apollo/Galileo and the Worldspan GDS platform, but now communicates with the major airlines directly. With these products, a travel agent with little or no experience can execute travel-related transactions.

These products support B2B e-commerce, including agent-based activities for booking travel, as well as "back office" functions associated with the operation of a travel agency. We have developed a suite of user-friendly, point-and-click Internet-based B2B products for travel industry professionals (travel agencies, home-based agents and corporate travel departments) to easily access GDSs and to facilitate direct connections with travel sellers so they can, make travel arrangements and sell travel products and services to end customers.

Portal Products

Our portal products will support consumer-oriented portals linking Internet customers with travel sellers. In the Internet age, portals efficiently link buyers and suppliers. To address this, Triton positions three core products as "e-enablers": ResLink™, CruiseLink™ and TourLink™. These products allow customers to book travel and travel-related activities through a subscriber agency's Web site directly from the Internet in a user-friendly browser environment. Where applicable, these products are promoted for customizations and private-labeled for Triton subscribers. This solution allows subscribers to maintain their individual corporate or agency identity while providing their customers the convenience of Internet access for travel research and/or booking activities under Triton's or the agency's banner.

Triton will also market its XML Gateway as a generic portal e-enabling product. The XML Gateway provides customers the ability to establish communication links between their Web site and systems that exchange data such as a GDS or other major system repository. This unique product is leveraged heavily for use with legacy systems that have data elements with a common meaning, but which have dissimilar data structures or naming conventions within the respective systems. The XML Gateway supports effective translation of these disparate data elements such that each system can effectively exchange data with its counterpart.

Web Services

We intend to offer Web Services which will enable and drive the new generation of Internet-based applications. These services support application-to-application Internet communication, that is, applications at different network locations can be integrated to function as if they were part of a single, large system. Examples of applications that could take advantage of our Web Services product include automated business transactions, direct non-browser desktop, handheld device access to reservations and order-tracking systems.

Web Services, such as travel inventory warehouse services, provide travel sellers and suppliers a distribution channel through travel agents and Internet users. One of the competitive advantages of this service is the ability of travel sellers to have real-time inventory management capabilities. Our Tritontwist program assists travel sellers of travel-related inventory in storing and managing their travel merchandise. It also allows buyers to peruse and purchase this inventory. Tritontwist is designed to be the common focal point from which buyers and travel sellers of travel-related products meet to consummate a travel transaction. At present, a travel agent usually subscribes to no more than one GDS, and must lease equipment that is dedicated to that particular system. However, with the introduction of Tritontwist, an agent can subscribe to Tritontwist and immediately gain access to many direct-connect airlines and GDS systems. This access is achieved with only a personal computer, printer and Internet connection.

Other Products

Tritontwist will be offered to our current and anticipated subscriber base of travel agencies and other customers. Tritontwist is the platform we will use to offer direct-connect to large travel suppliers, such as airlines, and to consolidate the fragmented travel and entertainment inventory that is not currently available through GDSs. Upon loading their inventory, travel sellers immediately have a network of Triton professional travel agency subscribers through which their products and services can be sold. In addition to the growing number of Triton subscribers, travel sellers may be able to establish links from their own Web sites so their inventory will be available to Internet users seeking to purchase their travel products.

Distribution Agreements

In order to obtain and distribute travel products, Triton has entered into agreements with travel sellers, telecommunications services and infrastructure providers as described below. Each of these agreements may be terminated by either party on 30 days written notice to the other. Each agreement provides for the payment by travel sellers of customary travel commissions to our travel agent buyers and to us. All of the agreements are non-exclusive to us.

Galileo. Galileo is one of the four major GDSs and is significant due to Galileo's entrenched base of airline bookings, the number of countries in which it distributes (107), the number of locations (41,200) and terminals (173,300) connected to the system, and the number of vendors providing product over Galileo's system: 511 airline vendors, 257 airlines with direct links, 39 car rental companies, 224 hotel vendors covering 46,046 properties, 368 tour operators and nine cruise lines according to www.reserve.com/Galileo. Galileo also represents that, using marketing data derived from public sources, its market share, by region, for airline bookings is: Middle East and Africa 75%; Europe 30%; Asia Pacific 50%; Latin America 12% and North America 25%.

Another important aspect of the Galileo relationship is that it will enable Galileo's 43,500 travel agencies to directly access, in real time, the inventories of Triton's travel sellers. Beyond the Philippines and Malaysia, other Asian airlines and Asian travel companies are seeking exposure of their domestic travel products to international visitors, and with the Galileo relationship in place, new customers receive additional benefits from subscribing to Triton.

The service contract with Galileo includes a minimum volume requirement of 240,000 segments. Under the current amendment to the contract, to the extent that segments fall short of 240,000 by June 01, 2007, we would liable for $0.50 per segment.

Carnival Cruises. We have entered into an agreement with Carnival Cruises to develop a direct interface to access on a real-time basis Carnival's worldwide inventory of cabins. As of February 2006, Carnival was the largest cruise line with 77 ships in operation and a passenger capacity of 132,082 lower berths. Only two other GDSs, Sabre and Galileo, offer Carnival Cruise's inventory. When this direct interface is completed, we will offer travel agents the ability to access cruise inventory on a live basis, in real time.

China International Travel Service. CITS is China's largest travel consortium and includes 1,400 travel agents and their operators throughout China. Our September 2006 agreement with CITS allows CITS and its affiliates to book travel through our system both within and outside China.

Gulivers Travel Associate, (GTA). In July 2007, we entered into a distribution agreement with GTA, a leading wholesaler of hotels, tours, events - Part of the Travelport Group of companies - Has 30,000 travel suppliers for agents in 120 Countries - In 2006 received 16 million hotel bookings at over 23,000 hotels.

Destination Travel International, Co., Ltd. in China. In September 2007, we entered into a distribution agreement, the agreement will give travel agents around the world the ability to book DTI's one-day coach tours and tour packages through Red Dragon Express™

ACA Travel & Tours. In October 2007, we entered into a distribution agreement, ACA Travel & Tours is known in the industry as one of the largest wholesalers in the USA, specializing in Mexico as well as Central and South America.

Sky Bird Travel & Tours. In October 2007, we entered into a distribution agreement, Sky Bird Travel & Tours, Inc. is one of the leading national consolidator in North America for passengers originating in the U.S. and departing to international destinations Sky Bird Travel handles International Airline ticketing requirements for Europe, the Middle East, South Pacific, Africa, Asia, Latin America, Puerto Rico from all areas originating in the USA and also Domestic Airline ticketing requirements within USA.

Technology

Our products are distributed over the Internet from the Triton portal, lowering the cost of distribution. Travel inventory is made available to agencies through the Triton network. With only a personal computer, a broadband Internet connection and a printer, a travel agent can securely connect to a Triton operations center.

All back-end systems connect over the SITA network to individual airlines and other travel providers. Our products are built using the latest technologies, including Java, XML, Web Services and .Net. This choice of technology allows us to design operations centers that are scalable, highly secure and redundant, yet require a minimum of hardware investment compared with the mainframe-based cost structure of the traditional GDSs.

Although we may in the future license technology to enhance our products or services, we do not now license technology from any third parties. We protect our proprietary technology through a combination of contractual provisions, confidentiality procedures, trade secrets and trademark laws. Triton's trade secrets are being protected in several ways, such as requiring all people with access to proprietary information, including employees, consultants and customers, to execute confidentiality agreements. Triton also restricts access to its source codes, trade secrets and other intellectual property.

Marketing

The Company plans to promote itself through: (1) direct sales efforts using telephone sales, conventional media advertising, and internet marketing; (2) marketing and distribution agreements with regional or national travel associations. These marketing and distribution agreements will be focused on travel sellers and telecommunications service and infrastructure providers who we believe can provide sales and support in markets where we currently have a limited presence.

We currently employ one internal sales person to help customers and prospect business from various forms of lead generation. We may also engage independent sales agents in various geographic areas.

Our marketing strategy is to promote and enhance our brand by participating in targeted industry conferences and seminars, as well as engaging in a public relations campaign. This strategy is designed to strengthen our brand name and generate new agent users by increasing the awareness of our brand within the travel services industry. The extent of the sales and marketing of our products and services is dependent on our continued ability to raise capital and grow revenues, of which no assurances are given.

Our target markets for travel sellers are the three major market segments within the travel industry: travel carriers (airlines), travel vendors (charter yachts, executive jets, boutique hotels and bed & breakfasts, limos, etc.), and travel agencies, including independent and corporate travel agencies.

Travel Industry Background and Trends

The airline and general travel industries have dramatically changed since the 1960s. At that time, there was a virtual travel reservation monopoly controlled by the major United States and international airlines. These carriers had their own dedicated computer reservations systems with mainframe hardware and the generation of paper tickets. The computer reservation systems developed by American Airlines, TWA (Northwest and Delta), United Airlines, Lufthansa and Air France became the GDSs. After years of operation, the airlines ultimately sold their interests in the GDSs, principally for economic and antitrust reasons.

For decades, the B2B travel agent distribution industry has been dominated by the “big four” GDSs: Sabre Inc., wholly-owned by Sabre Holdings Corporation; Amadeus Global Travel Distribution S.A.; Galileo International Inc., owned by Cendant Corporation; and Worldspan, L.P. There are also several other smaller GDSs, all of which are mainframe-based, including Abacus, which operates solely in Asia.

The GDSs aggregate travel inventory from major airlines, hotels, auto rental companies and other travel sellers and distribute them to travel agents. Historically GDS's have maintained their inventory on mainframe computers which required them to install dedicated hardware at each travel agency location and connect this network worldwide with dedicated hard-wired telephone lines. These systems are very expensive, cumbersome to install and maintain, and they require training to use.

With the advent of the Internet and personal computers, the travel industry is experiencing greater transparency and there is generally increased access to travel industry data, a broader selection of inventories and more comprehensive service for corporate and leisure travelers.

Travel Industry Regulation

The United States and foreign governments heavily regulate certain segments of the travel industry, and Triton's services are affected by such regulations. Triton is subject to the United States Department of Transportation ("DOT") regulations prohibiting unfair and deceptive practices. In addition, DOT regulations concerning the display and presentation of information that are currently applicable to the GDSs could be extended to Triton in the future, as well as other laws and regulations aimed at protecting consumers accessing online travel services, including California's requirements. If required to register as a seller of travel, then Triton will need to comply with certain disclosure requirements and participate in California's restitution fund.

Triton is subject to regulations applicable to businesses generally and laws or regulations directly applicable to online commerce. Although there are currently few laws and regulations directly applicable to the Internet and commercial online services it is possible that a number of laws and regulations may be adopted covering issuers such as user privacy, pricing, content, copyrights, distribution, antitrust and characteristics and quality of products and services. Further, the growth and development of electronic commerce may lead to more stringent consumer protection laws that may impose additional burdens on companies conducting business online. The adoption of any additional laws or regulations may decrease the growth of the Internet or commercial online services, which could decrease the demand of Triton's services and increase the Company's cost of doing business. These events could significantly harm our operating results.

Competition

Triton has three primary groups of competitors each of whom operate in one or two of our product or service categories.

Web and Main Frame Based Providers

Triton competes with entities with offerings similar to Triton Web Services. These are the four major GDS providers, Sabre, Amadeus, Galileo and Worldspan, and some smaller ones such as Abacus, which is 35% owned by Sabre. Their product offerings are primarily mainframe based. G2Switchworks ("G2") is a start-up company that intends to offer Web-based distribution services. G2 is attempting to penetrate the United States market but it only has access to the inventory of a limited number of airlines for beta testing. We believe we will be able to offer greater breadth and depth of inventory with superior presentation at a lower cost. We believe Triton's Internet-based technology will enable us to provide comprehensive global distribution services at a lower cost than the four major GDSs, which rely on legacy mainframe technology.

Travel inventory as currently distributed is disaggregated and maintained in disparate inventory systems even within various distribution system providers. As a general practice, airlines do not provide their entire inventory of seats or best prices to the GDSs, and travel consolidators typically do not deal with GDSs because of their high charges. Similarly, other vendors, such as hotel chains and cruises ship operators, generally keep their best inventory and prices for direct sales. In addition, airlines, hotel and cruise ship operators do not provide their inventories or best prices to online travel Web sites such as Expedia, Travelocity, Priceline and Orbitz. We believe that we have a competitive advantage over GDSs and online travel Web sites because we will have access to the complete inventories and best fares and rates of several large operators.

Stand-Alone Software Providers

We also compete with B2B competitors. Several small companies provide software solutions that address certain aspects of the global travel distribution industry. But they are selling software and are not providing actual services. Companies in this category are Datalex, TRX Technology Services, GetThere.com, Journey and Genesis. Datalex's competency is its ability to develop Internet booking engines. TRX Technology Services sells software with an emphasis on quality control assurance, attempting to minimize transaction-processing time for users. GetThere.com markets corporate travel solution software. Both GetThere.com and Nexion have merged with Sabre, one of the four GDS's. Journey consists of an alliance of individual travel agencies banding together under one airline reporting corporation number to achieve favorable rates from travel sellers and GDSs. Genesis is planning to be a common Internet-based booking and ticketing platform.

Web Based Travel Agencies

The third group represents indirect competitors to the supplemental portal product suite offered to the Company's B2B subscribers. Representative competitors are Travelocity, Expedia, Priceline, Orbitz and WorldRes. These companies offer Web-based search engines that assist the consumer in making travel arrangements directly over the Internet. Triton offers Chinese domestic travel inventory through its agency subscribers as well as its Tritontwist inventory. This inventory includes tours, merchandise, travel insurance and travel services such as travelers' checks and visa services.

Letters of intent for European Acquisition and Chinese Acquisition.

In March 2008, our management team identified significant needs to accelerate our market penetration in China, and improve our overall market capitalization. Congruent with these needs, we are discussing with a Chinese company to acquire a Chinese online travel distributor (Target) for approximately $10 million. Due diligence related to this acquisition is expected to be completed in July 2008 and we intend to close the transaction shortly thereafter. The Target currently has 180,000 registered users, a 100-seat call center, and 22 agent partners. The acquisition will include both business to consumer and business to business platforms which currently generate revenue.

In March 2008 entered into a non-binding letter of intent to acquire a 51% ownership stake in a European Company that serves as the general sales agent for the German Railway System and has a network of over 25,000 travel agents in Germany, Switzerland, Austria, Russia, and Poland. The approximate cost of this acquisition is $5.0 million.

RISK FACTORS

Risks Related to Our Business

We have no revenue, are in an early stage of development and have a limited operating history, which makes evaluation of our business more difficult and increases the likelihood that we will not be successful.

We have no revenue, are in the early stage of development, and only a limited operating history on which to base an evaluation of our business and prospects. In addition, our operations and development are subject to all of the risks inherent in the growth of an early stage company, including a limited operating history. We may not succeed given the technological, marketing, strategic and competitive challenges we face. The likelihood of our success must be considered in light of the expenses, difficulties, complications, problems, delays and inherent risks frequently encountered in connection with the growth of a new business, the continuing development of new technology and the competitive environment in which we operate. Such risks include acceptance by users in an evolving and unpredictable business environment, the lack of a well developed brand identity and the difficulty of bringing our product to market on a timely basis.

You should not rely on our past results to predict our future performance because our operating results fluctuate due to factors which are difficult to forecast.

We have incurred operating losses since inception in January 10, 2006 and during this period, we have also consumed significant cash and other financial resources, and presently have minimal liquidity. In response to these conditions, we have focused all of our efforts on near term revenue opportunities to achieve break-even operating results. In addition, we intend to pursue outside debt and equity sources of financing that can provide Triton with a longer term source of capital and generally improve its balance sheet and financial stability.

Our past operating results may not be accurate indicators of our future performance. Our operating results have been subject to significant fluctuations in the past, and we expect this to continue in the future. The factors that may contribute to these fluctuations include:

- We are in an early stage of development and have a limited operating history, which makes evaluation of our business more difficult and increases the likelihood that we will not be
- our revenue is highly dependent on the travel and transportation industries, and particularly on airlines, and a prolonged decrease in travel booking volumes would reduce our revenue;
- we face competition from established as well as other emerging travel distribution channels, which could divert customers to our competitors and significantly reduce our revenue and
- some travel sellers are seeking alternative distribution models, and alternative models of travel distribution are emerging, which could reduce interest in our travel products;
- cancellation of our non-exclusive agreements with travel sellers could limit our access to travel products and our ability to develop our distribution channel;
- consolidation in the travel industry and increased competition for travel agency subscribers may result in increased expenses, lost bookings and reduced ability to develop a
- our success depends on maintaining the integrity of, and upgrading the quality of, our systems and infrastructure. If we are unable to do so, we will be unable to retain our travel agent
- doing business internationally poses special risks, which could increase our costs and require us to allocate significant management resources to address;
- the People's Republic of China's Economic Policies could affect our Business;
- we may face obstacles from the communist system in the People's Republic of China;
- we may have difficulty establishing adequate management, legal and financial

controls in the People's Republic of China and Southeast Asia;
- because our common stock may be classified as “penny stock,” trading may be limited, and the share price could decline;
- our directors, executive officers and affiliates will continue to exert significant control over our future direction, which could reduce the sale value or our Company;
- investors should not anticipate receiving cash dividends on our common stock; and
- there is a reduced probability of a change of control or acquisition of us due to the possible issuance of preferred stock. This reduced probability could deprive our investors of the opportunity to otherwise sell our stock in an acquisition of us by others.

In addition, our continued investments in research and development, capital equipment and ongoing customer service and support capabilities result in significant fixed costs that we cannot reduce rapidly. As a result, if our sales for a particular fiscal period are below expected levels, our operating results for the period could be materially adversely affected.

In the event that in some future fiscal quarter our net revenues or operating results fall below the expectations of public market analysts and investors, the price of our common stock may fall. We may not be able to increase or sustain our profitability on a quarterly or annual basis in the future.

Our anticipated revenue is highly dependent on the travel and transportation industries, and particularly on airlines, and a prolonged decrease in travel booking volumes would reduce our revenue.

Most of our anticipated revenue is anticipated to be derived from airlines, hotel operators, car rental companies, cruise operators and other suppliers in the travel and transportation industries. Our anticipated revenue will increase and decrease with the level of travel and transportation activity and is therefore highly subject to declines in or disruptions to travel and transportation due to factors entirely out of our control. Factors that may adversely affect travel and transportation activity include:

- Economic downturns and recessions;

- Global security issues, political instability, acts of terrorism, hostilities and war;

- Increased airport security that could reduce the convenience of air travel;

- Inclement weather, such as the recent tsunami which devastated parts of Southeast Asia;

- Increased occurrence of travel-related accidents;

- Travelers' concerns about exposure to contagious diseases such as SARS and avian bird flu;

- Economic and political issues in the Middle East, Asia, Latin America and elsewhere; and

- The financial condition of travel sellers.

The possibility of further terrorist attacks, hostilities and war, stringent security measures at airports, and the financial instability of many of the air carriers may continue to adversely affect the travel industry. Airlines may reduce the number of their flights, making fewer offerings available to us. We expect to depend on a relatively small number of airlines for a significant portion of our anticipated revenue. Several major airlines are experiencing liquidity problems, some have sought bankruptcy protection and still others may consider bankruptcy relief. Travelers' perceptions of passenger security or airlines' financial stability may have an adverse effect on demand. The financial instability of airlines or a prolonged substantial decrease in travel booking volumes could have an adverse impact on our anticipated revenue, financial performance in general, operations and liquidity and capital resources.

We face competition from established as well as other emerging travel distribution channels, which could divert customers to our competitors and significantly reduce our revenue and profitability.

Our business involves providing travel seller inventories to travel agents and we face significant competition in all aspects of this business. With respect to travel agencies, we compete primarily against large and well-established GDSs, but new GDS alternatives are also being developed in the marketplace. With the deregulation of the travel industry in the United States, we compete in a free-market system. Our current and potential customers may elect to use a GDS or a GDS alternative offering lower prices. Losing access to inventory from one or more major travel seller would make us less attractive to travel agencies and other travel buyers, which could reduce our booking fee revenue. In addition, we face increasing competition for travel agencies from travel sellers that distribute directly to travel agencies, as well as to consumers.

We expect existing competitors and new entrants to the travel business to constantly revise and improve their business models in response to challenges from competing businesses, including ours. If these or other travel industry participants introduce changes or developments that we cannot meet in a timely or cost-effective manner, our revenue and profitability could be reduced.

In addition, consolidation among our competitors may give them increased negotiating leverage with travel sellers and greater marketing resources, thereby providing corresponding competitive advantages over us. Consolidation among travel sellers, including airline mergers, may increase competition from distribution channels related to those travel sellers and place more leverage in the hands of those travel sellers to negotiate lower booking fees. If we are unable to compete effectively, competitors could divert our customers away from our travel distribution channels.

Some travel sellers are seeking alternative distribution models, and alternative models of travel distribution are emerging, which could reduce interest in our travel products.

Some travel sellers are seeking to decrease their reliance on distribution intermediaries, including GDSs. Travel sellers may give advantages to distribution intermediaries in which they have an economic stake or may create or expand commercial relationships with online and traditional travel agencies that work with travel sellers to directly book travel with them. Many airlines, hotels, car rental companies and cruise operators have established their own travel distribution Web sites. Several travel sellers have formed joint ventures that offer multi-supplier travel distribution Web sites. From time to time, travel sellers offer advantages, such as bonus miles, lower transaction fees, or discounted prices, when their products and services are purchased from these supplier-related Web sites. Some of these offerings are not available to unrelated intermediaries, or those intermediaries must provide lower distribution pricing in exchange for access to the offerings. In addition, a new breed of competitor is entering the online travel marketplace. Both well-established search engine companies as well as start ups are attempting to enter the online travel marketplace by leveraging search technology to aggregate travel search results across travel seller, travel agent and other travel-related Web sites. These search engines and alternative travel distribution channels have the potential to divert customers from our online sites thereby reducing interest in our travel products, which in turn could reduce our revenue and profitability.

Cancellation of our non-exclusive agreements with travel sellers could limit our access to travel products and reduce our revenue.

We rely on participating agreements with airlines, hotels, cruise lines and the like. None of these arrangements are exclusive and all may be cancelled by either party on 30 days notice to the other. Our travel sellers have entered into similar agreements with many other travel companies and competitors. We cannot assure that our arrangements with travel sellers will remain in effect, or that any of these sellers will continue to supply us with the any particular level of travel inventory in the future. Any loss of travel sellers by us would reduce our travel products and revenue.

Consolidation in the travel industry and increased competition for travel agency subscribers may result in increased expenses, lost bookings and reduced revenue.

We seek to attract and retain travel agencies as our customers. The number of bookings these travel agencies produce is an important factor in our success. Some travel sellers have reduced or eliminated commissions paid to travel agencies. The loss of commissions causes travel agencies to become more dependent on other sources of revenue, such as traveler-paid service fees and GDS-paid incentives. The reduction or elimination of travel seller-paid commissions has forced some smaller travel agencies to close or to combine with larger travel agencies. Consolidation of travel agencies may result in increased competition to acquire them as customers thereby increasing our costs. In order to compete effectively, we may need to increase incentives, pre-pay incentives, increase spending on marketing or product development, or make significant investments to purchase strategic assets. In addition, consolidation among travel sellers, such as airline and hotel mergers and alliances, may increase competition from their distribution channels or give them additional leverage to negotiate lower booking charges by us.

Our success depends on maintaining the integrity of, and upgrading the quality of, our systems and infrastructure. If we are unable to do so, we will be unable to retain our travel agent customers or attract travel products.

In order to be successful, we must provide reliable, real-time access to our systems for our travel agent customers and travel sellers while also pursuing a low-cost model. If our operations grow in both size and scope, we will continuously need to improve and upgrade our systems and infrastructure to offer an increasing number of customers and travel sellers enhanced products, services, features and functionality, all while maintaining the reliability and integrity of our systems and infrastructure and while pursuing the lowest cost per transaction. The expansion of our systems and infrastructure will require us to commit substantial financial, operational and technical resources before the volume of business increases, with no assurance that the volume of business will increase. Travel agents and travel sellers will not tolerate a service hampered by slow delivery times, unreliable service levels and service outages due to the installation of upgrades, or insufficient capacity, any of which could reduce the number of our travel agent customers or travel products.

Doing business internationally poses special risks, which could increase our costs and require us to allocate significant management resources to address.

We do most of our business internationally which requires management attention and special resources. Nevertheless, we face a number of risks associated with our international operations, including the following:

- Challenges caused by distance, language and cultural differences;
- Longer customer payment cycles in some countries;
- Increased credit risk and higher levels of payment fraud;
- Legal and regulatory restrictions;
- Foreign exchange controls that might prevent us from repatriating cash earned in other countries;
- Political and economic instability and export restrictions; and
- Potentially adverse tax consequences.

The People's Republic of China's Economic Policies could affect our Business.

While the People's Republic of China's economy has experienced significant growth in the past twenty years, such growth has been uneven, both geographically and among various sectors of the economy. The Chinese government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall economy of the People's Republic of China, but they may also have a negative effect on us. For example, operating results and financial condition may be adversely affected by the government control over capital investments or changes in tax regulations.

The economy of the People's Republic of China has been changing from a planned economy to a more market-oriented economy. In recent years the Chinese government has implemented measures emphasizing the utilization of market forces for economic reform and the reduction of state ownership of productive assets, and the establishment of corporate governance in business enterprises; however, a substantial portion of productive assets in the People's Republic of China are still owned by the Chinese government. In addition, the Chinese government continues to play a significant role in regulating industry development by imposing industrial policies. It also exercises significant control over the People's Republic of China's economic growth through the allocation of resources, the control of payment of foreign currency- denominated obligations, the setting of monetary policy and the provision of preferential treatment to particular industries or companies.

We may face obstacles from the communist system in the People's Republic of China.

Foreign companies conducting operations in the People's Republic of China face significant political, economic and legal risks. The Communist regime in the People's Republic of China, including a cumbersome bureaucracy, may hinder Western investment.

We may have difficulty establishing adequate management, legal and financial controls in the People's Republic of China and Southeast Asia.

The People's Republic of China and Southeast Asia historically have not adopted a Western style of management and financial reporting concepts and practices, modern banking, computer or other control systems. We may have difficulty in hiring and retaining a sufficient number of qualified employees to work in the People's Republic of China and Southeast Asia. As a result of these factors, we may experience difficulty in establishing management, legal and financial controls, collecting financial data and preparing financial statements, books of account and corporate records and instituting business practices that meet Western standards. Our CEO, Mr. Gregory Lykiardopoulos has been conducting business in Southeast Asia and China since the 1970s, and has traveled extensively throughout Asia. In addition, we have hired qualified personnel in the United States with professional and work experience in China and Southeast Asia that will oversee the operations in these countries.

Because our common stock may be classified as "penny stock," trading may be limited, and the share price could decline.

Because our common stock may fall under the definition of "penny stock," trading in the common stock, if any, may be limited because broker-dealers are required to provide their customers with disclosure documents prior to allowing them to participate in transactions involving the common stock. These disclosure requirements are burdensome to broker-dealers and may discourage them from allowing their customers to participate in transactions involving the common stock.

"Penny stocks" are equity securities with a market price below $5.00 per share other than a security that is registered on a national exchange, included for quotation on the NASDAQ system or whose issuer has net tangible assets of more than $2,000,000 and has been in continuous operation for greater than three years. Issuers who have been in operation for less than three years must have net tangible assets of at least $5,000,000.

Rules promulgated by the Securities and Exchange Commission under Section 15(g) of the Exchange Act require broker-dealers engaging in transactions in penny stocks, to first provide to their customers a series of disclosures and documents including:

- A standardized risk disclosure document identifying the risks inherent in investment in penny stocks;
- All compensation received by the broker-dealer in connection with the transaction;
- Current quotation prices and other relevant market data; and
- Monthly account statements reflecting the fair market value of the securities.

These rules also require that a broker-dealer obtain financial and other information from a customer, determine that transactions in penny stocks are suitable for such customer and deliver a written statement to such customer setting forth the basis for this determination.

The relative lack of public company experience of our management team may put us at a competitive disadvantage.

Other than our Chief Financial Officer, the rest of our management team lacks public company experience, which could impair our ability to comply with legal and regulatory requirements such as those imposed by the Sarbanes-Oxley Act of 2002. Such responsibilities include complying with Federal securities laws and making required disclosures on a timely basis. Our senior management may not be able to implement and affect programs and policies in an effective and timely manner that adequately responds to such increased legal, regulatory compliance and reporting requirements. Our failure to do so could lead to the imposition of fines and penalties and further result in the deterioration of our business.

New rules, including those contained in and issued under the Sarbanes-Oxley Act of 2002, may make it difficult for us to retain or attract qualified officers and directors, which could adversely affect the management of our business and our ability to obtain or retain listing of our common stock.

We may be unable to attract and retain qualified officers, directors and members of board committees required to provide for our effective management as a result of the recent and currently proposed changes in the rules and regulations which govern publicly-held companies, including, but not limited to, certifications from executive officers and requirements for financial experts on the board of directors. The perceived increased personal risk associated with these recent changes may deter qualified individuals from accepting these roles. The enactment of the Sarbanes-Oxley Act of 2002 has resulted in the issuance of a series of new rules and regulations and the strengthening of existing rules and regulations by the SEC. Further, certain of these recent and proposed changes heighten the requirements for board or committee membership, particularly with respect to an individual’s independence from the corporation and level of experience in finance and accounting matters. We may have difficulty attracting and retaining directors with the requisite qualifications. If we are unable to attract and retain qualified officers and directors, the management of our business could be adversely affected.

Our internal controls over financial reporting may not be effective, and our independent auditors may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business.

We are subject to various regulatory requirements, including the Sarbanes-Oxley Act of 2002. We, like all other public companies, would then incur additional expenses and, to a lesser extent, diversion of our management’s time in our efforts to comply with Section 404 of the

Sarbanes-Oxley Act of 2002 regarding internal controls over financial reporting. We have not evaluated our internal controls over financial reporting in order to allow management to report on, and our independent auditors to attest to, our internal controls over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC. We have never performed the system and process evaluation and testing required in an effort to comply with the management assessment and auditor certification requirements of Section 404, which will initially apply to us as of January 1, 2007. Our lack of familiarity with Section 404 may unduly divert management's time and resources in executing the business plan. If, in the future, management identifies one or more material weaknesses, or our external auditors are unable to attest that our management's report is fairly stated or to express an opinion on the effectiveness of our internal controls, this could result in a loss of investor confidence in our financial reports, have an adverse effect on our stock price and/or subject us to sanctions or investigation by regulatory authorities.

If we are unable to obtain adequate insurance, our financial condition could be adversely affected in the event of uninsured or inadequately insured loss or damage. Our ability to effectively recruit and retain qualified officers and directors could also be adversely affected if we experience difficulty in obtaining adequate directors' and officers' liability insurance.

Although we currently have property insurance, and liability insurance, we may not be able to obtain all insurance policies that would adequately insure our business and property against damage, loss or claims by third parties from adverse judgments against us. To the extent our business or property suffers any damages, losses or claims by third parties, which are not covered or adequately covered by insurance, our financial condition may be materially adversely affected. We may be unable to maintain sufficient insurance as a public company to cover liability claims made against our officers and directors. If we are unable to adequately insure our officers and directors, we may not be able to retain or recruit qualified officers and directors to manage the Company.

Limitations on director and officer liability and indemnification of our officers and directors by us may discourage stockholders from bringing suit against a director.

Our articles of incorporation and bylaws provide, with certain exceptions as permitted by governing state law, that a director or officer shall not be personally liable to us or our stockholders for breach of fiduciary duty as a director, except for acts or omissions which involve intentional misconduct, fraud or knowing violation of law, or unlawful payments of dividends. These provisions may discourage stockholders from bringing suit against a director for breach of fiduciary duty and may reduce the likelihood of derivative litigation brought by stockholders on our behalf against a director. In addition, our articles of incorporation and bylaws may provide for mandatory indemnification of directors and officers to the fullest extent permitted by governing state law.

MARKET RISKS

Our common stock may be thinly traded, so you may be unable to sell at or near ask prices or at all if you need to sell your shares to raise money or otherwise desire to liquidate your shares.

Prior to and since the Share Exchange, our common shares have had little and no trading volume on the OTC Bulletin Board. Through this Share Exchange, Triton essentially became public without the typical initial public offering procedures which usually include a large selling group of broker-dealers who may provide market support after going public. Thus, we will be required to undertake efforts to develop market recognition for us and support for our shares of common stock in the public market. The price and volume for our common stock sufficient for public companies cannot be assured. The number of persons interested in purchasing our common stock at or near ask prices at any given time may be relatively small or non-existent. This situation may be attributable to a number of factors, including the fact that we are a small company which is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk-averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our shares until such time as we became more seasoned and viable. As a consequence, there may be periods of several days, weeks, months, or more when trading activity in our shares is minimal or non-existent, as compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. We cannot give an investor any assurance that a broader or more active public trading market for our common stock will develop or be sustained. While we are trading on the OTC Bulletin Board, the trading volume we will develop may be limited by the fact that many major institutional investment funds, including mutual funds, as well as individual investors follow a policy of not investing in Bulletin Board stocks and certain major brokerage firms restrict their brokers from recommending Bulletin Board stocks because they are considered speculative, volatile and thinly traded.

The market price for our common stock may be particularly volatile given our status as a relatively unknown company with a small and thinly traded public float, limited operating history and lack of revenue which could lead to wide fluctuations in our share price.

The market for our common stock may be characterized by significant price volatility when compared to seasoned issuers, and we expect that our share price could continue to be more volatile than a seasoned issuer for the indefinite future. The potential volatility in our share price is attributable to a number of factors. First, as noted above, our shares of common stock may be sporadically and thinly traded. As a consequence of this lack of liquidity, the trading of relatively small quantities of shares by our stockholders may disproportionately influence the price of those shares in either direction. The price for our shares could, for example, decline precipitously in the event that a large number of our shares of common stock are sold on the market without commensurate demand, as compared to a seasoned issuer which could better absorb those sales without adverse impact on its share price. Second, we are a speculative or "risky" investment due to our limited operating history and lack of profits to date, and uncertainty of future market acceptance for our potential products. As a consequence of this enhanced risk, more risk averse investors may, under the fear of losing all or most of their investment in the event of negative news or lack of progress, be more inclined to sell their shares on the market more quickly and at greater discounts than would be the case with the stock of a seasoned issuer. Many of these factors will be beyond our control and may decrease the market price of our common shares, regardless of our operating performance. We cannot make any predictions or projections as to what the prevailing market price for our common stock will be at any time.

In addition, the market price of our common stock could be subject to wide fluctuations in response to:

- quarterly variations in our operating expenses;
- announcements of new products or services by us;
- fluctuations in interest rates;
- significant sales of our common stock, including "short" sales;
- the operating and stock price performance of other companies that investors may deem comparable to us; and
- news reports relating to trends in our markets or general economic conditions.

The stock market in general, and the market prices for penny stock companies in particular, have experienced volatility that often has been unrelated to the operating performance of such companies. These broad market and industry fluctuations may adversely affect the price of our stock, regardless of our operating performance.

Stockholders should be aware that, according to SEC Release No. 34-29093, the market for penny stocks has suffered in recent years from patterns of fraud and abuse. Such patterns include (1) control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer; (2) manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases; (3) boiler room practices involving high-pressure sales tactics and unrealistic price projections by inexperienced sales persons; (4) excessive and undisclosed bid-ask differential and markups by selling broker-dealers; and (5) the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the resulting inevitable collapse of those prices and with consequent investor losses. Our management is aware of the abuses that have occurred historically in the penny stock market. Although we do not expect to be in a position to dictate the behavior of the market or of broker-dealers who participate in the market, management will strive within the confines of practical limitations to prevent the described patterns from being established with respect to our securities. The occurrence of these patterns or practices could increase the volatility of our share price.

Shares eligible for future sale may adversely affect the market.

From time to time, certain of our stockholders may be eligible to sell all or some of their shares of Common Stock by means of ordinary brokerage transactions in the open market pursuant to Rule 144, promulgated under the Securities Act, subject to certain limitations. In general, pursuant to amended Rule 144, non-affiliate stockholders may sell freely after six months subject only to the current public information requirement (which disappears after one year). Affiliates may sell after six months subject to the Rule 144 volume, manner of sale (for equity securities), current public information and notice requirements. Any substantial sale of our Common Stock pursuant to Rule 144 may have a material adverse effect on the market price of our Common Stock.

We do not expect to pay dividends for the foreseeable future, and we may never pay dividends.

We currently intend to retain any future earnings to support the development and expansion of our business and do not anticipate paying cash dividends in the foreseeable future. We have never paid dividends in the past. Our payment of any future dividends will be at the discretion of our board of directors after taking into account various factors, including but not limited to our financial condition, operating results, cash needs, growth plans and the terms of any credit agreements that we may be a party to at the time. In addition, our ability to pay dividends on our common stock may be limited by state law. Accordingly, investors must rely on sales of their Common Stock after price appreciation, which may never occur, as the only way to realize their investment.

Our operating results may fluctuate significantly, and these fluctuations may cause our common stock price to fall.

Our quarterly operating results may fluctuate significantly in the future due to a variety of factors that could affect our revenues or our expenses in any particular quarter. You should not rely on quarter-to-quarter comparisons of our results of operations as an indication of future performance. Factors that may affect our quarterly results include:

- market acceptance of our products and technologies and those of our competitors;
- speed of commercialization of our early stage, state-of-the-art designs and developments;
- our ability to attract and retain key personnel; and
- our ability to manage our anticipated growth and expansion.

Future sales of our equity securities could put downward selling pressure on our securities, and adversely affect the stock price. There is a risk that this downward pressure may make it impossible for an investor to sell his securities at any reasonable price, if at all.

Future sales of substantial amounts of our equity securities in the public market, or the perception that such sales could occur, could put downward selling pressure on our securities, and adversely affect the market price of our common stock.

Our directors, executive officers and affiliates will continue to exert significant control over our future direction, which could reduce the sale value or our Company.

Members of our Board of Directors and our executive officers, together with their affiliates, own a majority of the outstanding common stock. Accordingly, these stockholders, if they act together, will be able to control all matters requiring approval of our stockholders, including the election of directors and approval of significant corporate transactions. The concentration of ownership, which could result in a continued concentration of representation on our Board of Directors, may delay, prevent or deter a change in control and could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our assets.

Investors should not anticipate receiving cash dividends on our common stock.

We have never declared or paid any cash dividends or distributions on our common stock and intend to retain future earnings, if any, to support our operations and to finance expansion. Therefore, we do not anticipate paying any cash dividends on the common stock in the foreseeable future.

There is a reduced probability of a change of control or acquisition of us due to the possible issuance of preferred stock. This reduced probability could deprive our investors of the opportunity to otherwise sell our stock in an acquisition of us by others.

Our Articles of Incorporation authorize our Board of Directors to issue up to 2,000,000 shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, liquidation preferences and the number of shares constituting any series or designation of such series, without further vote or action by stockholders. As a result of the existence of "blank check" preferred stock, potential acquirers of our company may find it more difficult to, or be discouraged from, attempting to effect an acquisition transaction with, or a change of control of, our company, thereby possibly depriving holders of our securities of certain opportunities to sell or otherwise dispose of such securities at above-market prices pursuant to such transactions.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRITON DISTRIBUTION SYSTEMS, INC.

By: /s/ Gregory Lykiardopoulos
Gregory Lykiardopoulos
Chief Executive Officer