

**Non-consolidated Financial Statements  
for the First Three Months of the Fiscal Year Ending March 31, 2009**

Company name:	Elmic Wescom, Inc.	Listing:	TSE Mothers Market
Stock code:	4770	URL:	<a href="http://www.elwsc.co.jp/">http://www.elwsc.co.jp/</a>
President:	Toshihiro Shimauchi		
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**(1) Balance Sheets**

(Thousands of yen)

	1Q FY2008 (As of June 30, 2008)	FY2007 selected data (As of March 31, 2008)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	290,935	351,915
Notes and accounts receivable - trade	323,639	592,173
Securities	807,860	807,031
Merchandise and finished goods	30,893	31,348
Work in process	134,345	35,535
Raw materials	8,477	11,998
Other current assets	64,693	50,640
Reserve for doubtful receivables	(100)	(100)
<b>Total current assets</b>	<b>1,660,745</b>	<b>1,880,543</b>
<b>Fixed assets</b>		
Property, plant and equipment	91,660	92,522
Intangible assets	72,558	81,833
<b>Investments and other assets</b>		
Investment securities	325,737	314,755
Other investments and other assets	54,299	48,901
Reserve for doubtful receivables	(5,279)	(5,279)
<b>Total other investments and other assets</b>	<b>374,757</b>	<b>358,378</b>
<b>Total fixed assets</b>	<b>538,976</b>	<b>532,733</b>
<b>Total assets</b>	<b>2,199,722</b>	<b>2,413,277</b>

(Thousands of yen)

	1Q FY2008 (As of June 30, 2008)	FY2007 selected data (As of March 31, 2008)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	54,349	72,032
Income tax payable	2,719	9,531
Reserve for accrued bonuses	18,947	34,850
Allowance for product warranty	12,662	13,441
Allowance for loss on order received	16,400	-
Other current liabilities	81,760	67,280
<b>Total current liabilities</b>	<b>186,838</b>	<b>197,136</b>
<b>Long-term liabilities</b>		
Reserve for employees' retirement benefits	31,622	32,214
Reserve for directors' retirement benefits	20,569	52,552
Other long-term liabilities	190	190
<b>Total long-term liabilities</b>	<b>52,381</b>	<b>84,956</b>
<b>Total liabilities</b>	<b>239,220</b>	<b>282,093</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	1,202,036	1,202,036
Capital surplus	1,031,862	1,031,862
Retained earnings	(89,714)	91,918
Treasury stock	(99,236)	(99,206)
<b>Total shareholders' equity</b>	<b>2,044,947</b>	<b>2,226,611</b>
<b>Valuation and translation adjustments</b>		
Net unrealized gain (loss) on other securities	(84,445)	(95,427)
<b>Total valuation and translation adjustments</b>	<b>(84,445)</b>	<b>(95,427)</b>
<b>Total net assets</b>	<b>1,960,501</b>	<b>2,131,183</b>
<b>Total liabilities and net assets</b>	<b>2,199,722</b>	<b>2,413,277</b>

**(2) Statements of Income**

(Thousands of yen)

	1Q FY2008 (April 1, 2008 – June 30, 2008)
Net sales	211,155
Cost of sales	181,536
Gross profit	29,619
SG&A expenses	177,105
Operating loss	(147,485)
Non-operating income	
Interest income	4,437
Dividend income	90
Foreign exchange gain	155
Others	1,243
Total non-operating income	5,927
Ordinary loss	(141,558)
Extraordinary loss	
Loss on removal of fixed assets	10
Total extraordinary loss	10
Net loss before income taxes	(141,568)
Income taxes –current	1,440
Income taxes –deferred	(657)
Total income taxes	782
Net loss	(142,351)

### (3) Statements of Cash Flows

(Thousands of yen)

	1Q FY2008 (April 1, 2008 – June 30, 2008)
Cash flows from operating activities	
Net loss before income taxes	(141,568)
Depreciation and amortization	7,078
Amortization of goodwill	4,181
Increase (decrease) in reserve for accrued bonuses	(15,902)
Increase (decrease) in allowance for product warranty	(779)
Increase (decrease) in allowance for loss on order received	16,400
Increase (decrease) in reserve for employees' retirement benefits	(592)
Increase (decrease) in reserve for directors' retirement benefits	(31,983)
Interest and dividend income	(4,527)
Foreign exchange loss (gain)	(214)
Loss on removal of fixed assets	10
Decrease (increase) in accounts receivable	268,533
Decrease (increase) in inventories	(94,834)
Increase (decrease) in accounts payable	(17,683)
Others	(7,227)
Subtotal	(19,108)
Interests and dividends received	4,495
Income taxes paid	(6,601)
Net cash used in operating activities	(21,214)
Cash flows from investing activities	
Payments for acquisition of property, plant and equipment	(961)
Payments for acquisition of intangible assets	(393)
Proceeds from collection of long-term loans	229
Payments for leasehold and security deposits	(5,482)
Net cash used in investing activities	(6,607)
Cash flows from financing activities	
Payments for acquisition of treasury stock	(30)
Cash dividends paid	(32,513)
Net cash used in financing activities	(32,544)
Effect of exchange rate changes on cash and cash equivalents	214
Increase (decrease) in cash and cash equivalents	(60,152)
Cash and cash equivalents at beginning of period	1,158,947
Cash and cash equivalents at end of period	1,098,795