

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

Company name:	Elmic Wescom, Inc.	Listing:	TSE Mothers Market
Stock code:	4770	URL:	http://www.elwsc.co.jp/
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(1) Balance Sheets

(Thousands of yen)

	First half of FY2008 (As of Sep. 30, 2008)	FY2007 selected data (As of Mar. 31, 2008)
Assets		
Current assets		
Cash and deposits	208,996	351,915
Notes and accounts receivable - trade	543,823	592,173
Securities	808,695	807,031
Merchandise and finished goods	49,099	31,348
Work in process	96,970	35,535
Raw materials	3,216	11,998
Other current assets	66,625	50,640
Reserve for doubtful receivables	(100)	(100)
Total current assets	1,777,327	1,880,543
Fixed assets		
Property, plant and equipment	89,363	92,522
Intangible assets	63,227	81,833
Investments and other assets		
Investment securities	277,516	314,755
Other investments and other assets	54,319	48,901
Reserve for doubtful receivables	(5,279)	(5,279)
Total other investments and other assets	326,556	358,378
Total fixed assets	479,148	532,733
Total assets	2,256,475	2,413,277

(Thousands of yen)

	First half of FY2008 (As of Sep. 30, 2008)	FY2007 selected data (As of Mar. 31, 2008)
Liabilities		
Current liabilities		
Accounts payable - trade	83,431	72,032
Income tax payable	6,778	9,531
Reserve for accrued bonuses	37,894	34,850
Allowance for product warranty	14,115	13,441
Allowance for loss on order received	7,540	-
Other current liabilities	62,938	67,280
Total current liabilities	212,698	197,136
Long-term liabilities		
Reserve for employees' retirement benefits	31,622	32,214
Reserve for directors' retirement benefits	21,889	52,552
Other long-term liabilities	190	190
Total long-term liabilities	53,702	84,956
Total liabilities	266,400	282,093
Net assets		
Shareholders' equity		
Common stock	1,202,036	1,202,036
Capital surplus	1,031,862	1,031,862
Retained earnings	(43,364)	91,918
Treasury stock	(99,236)	(99,206)
Total shareholders' equity	2,091,297	2,226,611
Valuation and translation adjustments		
Net unrealized gain (loss) on other securities	(101,221)	(95,427)
Total valuation and translation adjustments	(101,221)	(95,427)
Total net assets	1,990,075	2,131,183
Total liabilities and net assets	2,256,475	2,413,277

(2) Statements of Income
(For the Six-month Period)

(Thousands of yen)

	First half of FY2008 (Apr. 1, 2008 – Sep. 30, 2008)
Net sales	790,098
Cost of sales	542,492
Gross profit	247,606
SG&A expenses	357,617
Operating loss	(110,011)
Non-operating income	
Interest income	8,999
Dividend income	90
Foreign exchange gain	57
Others	1,916
Total non-operating income	11,063
Non-operating expenses	
Loss on investments in partnership	1,349
Total non-operating expenses	1,349
Ordinary loss	(100,297)
Extraordinary income	
Gain on sales of fixed assets	246
Gain on sales of investment securities	359
Total extraordinary income	605
Extraordinary loss	
Loss on removal of fixed assets	27
Total extraordinary loss	27
Net loss before income taxes	(99,719)
Income taxes –current	2,881
Income taxes –deferred	(6,598)
Total income taxes	(3,717)
Net loss	(96,001)

(For the Three-month Period)

(Thousands of yen)

	2Q FY2008 (Jul. 1, 2008 – Sep. 30, 2008)
Net sales	578,942
Cost of sales	360,955
Gross profit	217,987
SG&A expenses	180,512
Operating income	37,474
Non-operating income	
Interest income	4,561
Others	672
Total non-operating income	5,233
Non-operating expenses	
Loss on investments in partnership	1,349
Foreign exchange loss	98
Total non-operating expenses	1,447
Ordinary income	41,260
Extraordinary income	
Gain on sales of fixed assets	246
Gain on sales of investment securities	359
Total extraordinary income	605
Extraordinary loss	
Loss on removal of fixed assets	16
Total extraordinary loss	16
Net income before income taxes	41,849
Income taxes –current	1,440
Income taxes –deferred	(5,940)
Total income taxes	(4,500)
Net income	46,349

(3) Statements of Cash Flows

(Thousands of yen)

	First half of FY2008 (Apr. 1, 2008 – Sep. 30, 2008)
Cash flows from operating activities	
Net loss before income taxes	(99,719)
Depreciation and amortization	14,561
Amortization of goodwill	8,363
Increase (decrease) in reserve for accrued bonuses	3,044
Increase (decrease) in allowance for product warranty	673
Increase (decrease) in allowance for loss on order received	7,540
Increase (decrease) in reserve for employees' retirement benefits	(592)
Increase (decrease) in reserve for directors' retirement benefits	(30,662)
Interest and dividend income	(9,089)
Foreign exchange loss (gain)	(115)
Loss (gain) on investments in partnership	1,349
Loss (gain) on sales of fixed assets	(246)
Loss on removal of fixed assets	27
Loss (gain) on sales of investment securities	(359)
Decrease (increase) in accounts receivable	48,349
Decrease (increase) in inventories	(70,404)
Increase (decrease) in accounts payable	11,399
Others	(15,927)
Subtotal	(131,808)
Interests and dividends received	9,211
Income taxes paid	(3,570)
Net cash used in operating activities	(126,166)
Cash flows from investing activities	
Payments for acquisition of property, plant and equipment	(1,218)
Proceeds from sales of property, plant and equipment	929
Payments for acquisition of intangible assets	(1,129)
Proceeds from sales of investment securities	30,453
Proceeds from collection of loans receivable	393
Payments for leasehold and security deposits	(5,532)
Net cash provided by investing activities	23,896
Cash flows from financing activities	
Payments for acquisition of treasury stock	(30)
Cash dividends paid	(39,070)
Net cash used in financing activities	(39,101)
Effect of exchange rate changes on cash and cash equivalents	115
Increase (decrease) in cash and cash equivalents	(141,255)
Cash and cash equivalents at beginning of period	1,158,947
Cash and cash equivalents at end of period	1,017,691