

**Non-consolidated Financial Statements**  
**for the First Three Months of the Fiscal Year Ending March 31, 2013**

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

(Thousands of yen)

	FY2011 selected data (As of Mar. 31, 2012)	1Q of FY2012 (As of Jun. 30, 2012)
<b>Assets</b>		
Current assets		
Cash and deposits	274,998	296,332
Notes and accounts receivable - trade	457,411	326,447
Short-term investment securities	63,069	63,081
Finished goods	9,812	10,419
Work in process	39,346	60,952
Raw materials	1,610	1,525
Other current assets	53,522	66,185
Allowance for doubtful accounts	(513)	(443)
<b>Total current assets</b>	<b>899,257</b>	<b>824,499</b>
Noncurrent assets		
Property, plant and equipment	18,792	17,080
Intangible assets	32,574	32,004
Investments and other assets		
Investment securities	12,310	12,200
Real estate for investment	69,244	68,819
Other investments and other assets	11,619	11,200
Allowance for doubtful accounts	(6,649)	(6,649)
<b>Total investments and other assets</b>	<b>86,523</b>	<b>85,570</b>
<b>Total noncurrent assets</b>	<b>137,891</b>	<b>134,655</b>
<b>Total assets</b>	<b>1,037,148</b>	<b>959,155</b>

(Thousands of yen)

	FY2011 selected data (As of Mar. 31, 2012)	1Q of FY2012 (As of Jun. 30, 2012)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	86,955	105,153
Income taxes payable	8,278	2,304
Provision for bonuses	50,771	30,301
Provision for product warranties	53,569	48,756
Other current liabilities	132,530	129,031
<b>Total current liabilities</b>	<b>332,105</b>	<b>315,547</b>
<b>Noncurrent liabilities</b>		
Long-term accounts payable-other	3,431	3,431
Long-term unearned revenue	744	31
Provision for retirement benefits	2,998	2,998
Other long-term liabilities	7,226	7,228
<b>Total noncurrent liabilities</b>	<b>14,401</b>	<b>13,689</b>
<b>Total liabilities</b>	<b>346,506</b>	<b>329,236</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	1,202,036	1,202,036
Capital surplus	81,886	81,886
Retained earnings	(592,731)	(653,343)
<b>Total shareholders' equity</b>	<b>691,191</b>	<b>630,578</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	(550)	(660)
<b>Total valuation and translation adjustments</b>	<b>(550)</b>	<b>(660)</b>
<b>Total net assets</b>	<b>690,641</b>	<b>629,918</b>
<b>Total liabilities and net assets</b>	<b>1,037,148</b>	<b>959,155</b>

**(2) Statements of Income**

(Thousands of yen)

	1Q of FY2011 (Apr. 1, 2011 – Jun. 30, 2011)	1Q of FY2012 (Apr. 1, 2012 – Jun. 30, 2012)
Net sales	254,252	321,787
Cost of sales	148,343	214,528
Gross profit	105,908	107,258
SG&A expenses	144,329	167,586
Operating loss	(38,420)	(60,327)
Non-operating income		
Interest income	932	15
Dividends income	120	140
Subsidy income	375	1,155
Rent income	1,185	885
Other	1,590	138
Total non-operating income	4,203	2,334
Non-operating expenses		
Foreign exchange losses	1,111	1,010
Rent expenses	726	691
Total non-operating expenses	1,838	1,702
Ordinary loss	(36,055)	(59,695)
Extraordinary loss		
Loss on retirement of noncurrent assets	115	-
Total extraordinary losses	115	-
Net loss before income taxes	(36,170)	(59,695)
Income taxes –current	945	945
Income taxes-deferred	(150)	(27)
Total income taxes	794	917
Net loss	(36,965)	(60,612)