RELM HOLDINGS INC.

Second Quarter Report

Quarter End June 30, 2009

Unaudited Financial Statements

NOTICE TO READER

The Company's management has prepared the accompanying unaudited interim financial statements. Independent auditors have not performed a review of these financial statements.

RELM Holdings Inc.
Second Quarter Report - June 30, 2009
Unaudited

Item I. **NAME OF ISSUER**

Relm Holdings Inc.

Mailing Address: P.O. Box 270 – Wilmington, DE 19899

Office: 302-824-7064

Web: www.relmholdingsinc.com

Item II. **SHARES OUTSTANDING**

Our common shares are traded on the Pink OTC Markets under the symbol "RELM."

A. Common Shares

	June 30, 2009	December 31, 2008	December 31, 2007
Shares authorized	1,000,000,000	1,000,000,000	100,000,000
Shares outstanding	911,785,132	578,356,125	97,875,000
Freely tradable shares	34,422,823	11,903,799	11,903,799
No. of beneficial shareholders	(NA)	(NA)	(NA)
No. of shareholders of record	176	176	98

B. Preferred Shares

	June 30, 2009	December 31, 2008	December 31, 2007
Shares authorized	5,000,000	5,000,000	5,000,000
Shares outstanding	742,200	3,742,200*	742,200
Freely tradable shares	0	0	0
No. of beneficial shareholders	1	1	1
No. of shareholders of record	1	2	1

*Note: The 3,000,000 shares of Preferred shares issued, were canceled in exchange for a $500,000 Note.

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ITEM III. – INTERIM FINANCIAL STATEMENT

RELM Holdings Inc.
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Management Report

To the Stockholders

RELM Holdings Inc.

The accompanying unaudited consolidated statement of operations and the related unaudited consolidated balance sheet for the 6 months ended June 30, 2009 of RELM Holdings Inc. (the Company) have been prepared by company management and by outside consultants from information maintained by the management and staff of RELM Holdings Inc. and by outside consultants for RELM Holdings Inc. and may not comply in all respects with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects except for the possible **non-compliance** in all respects with generally accepted accounting principles, the financial position of RELM Holdings Inc. as of June 30, 2009 and the results of operations for the 6 months ended June 30, 2009.

Management

RELM Holdings Inc.
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Balance Sheet	RELM HOLDINGS INC.	Consolidation or Adjustments	RELM Consolidated Balance Sheet, with Valuations to be Determined
	Unaudited		Unaudited
	6/30/2009		6/30/2009
CURRENT ASSETS			
Cash/Cash Equivalent	**$ -**	$ (6,826,673)	$ 31,257
Investment in Equity Securities - Available for Sale, Cash Equiv	**$ -**	$ (86,666.00)	$ 4,500,000
Accounts Receivable		$ (20,479,118)	$ 282,477
Allowance for Bad Debts			$ (91,878)
Prepaid Expenses			$ 15,250
Software License Fee Receivable			$ -
Convertible Preferred Stock dividend receivable		$ (8,775,000)	$ 142
Investment in Equity Securities - Available for Sale, less than 1 yr			$ -
Due from Related Party		$ 1,500	$ 1,500
Total Current Assets	$ -	$ (36,167,457)	$ 4,738,748
LONG TERM ASSETS			
Investment in Common Equity Securities - Available for Sale, within than 1 yr	$ -	$ (675,799,050)	$ 6,000,000
Deferred Tax Asset	$ 602,278.00		$ 762,465
Property and Equipment			$ 711,932
Investment in Real Estate Subsidiary	$(3,423,962.00)	(3,423,962)	$ -
Accumulated Amortization		(791,443)	
Accumulated Depreciation		(680,773)	$ -
Debt issued for Canceling Preferred	$ 500,000.00	(500,000)	$ -
Other Assets	$ 2,000.00		$ 763,817
Goodwill in Subsidiaries	$ 6,620,763.00	-	$ 6,620,763
Convertible Preferred Stock of Public		-	$ 6,000,000
	$ 4,301,079 .00		$ 20,858,977
TOTAL ASSETS	**$ 4,301,079.00**		**$ 25,597,725**
CURRENT LIABILITIES			
Software License Fee Payable		$ (2,566,667)	$ -
Software License Fee Receivable paid in advance		$ (117,000)	$ -
Accrued Int. Exp Promissory Note due to Related Party		$ (445)	$ -
Deferred Income			$ 67,520
Payroll Taxes Payable			$ 21,681
Accounts Payable and accrued expenses	$ 2,375.00		$ 425,720
Accrued 401k			$ 38,883
	$ 2,375.00		**$ 553,804**

RELM Holdings Inc.
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OTHER LIABILITIES			
Due to Shareholder	$ 3,620.00		$ 3,620
Due to Related Party for Management Fee	$ 42,533.00	$ (108,834.88)	$ -
Due to Related Party for Canceling of Preferred stock	$ 500,000.00	$ (500,000.00)	$ -
Interest Payable	$ -		
Due to Related Party for expenses paid	$ 102,086.00	$ (411,622.38)	$ 309,536
Accrued Salaries Payable	$ 1,769,519.00		$ 1,769,519
Bank Term Loan			$ 3,763,851
Long Term Liabilities with affiliate		$ (675,940,568)	$ -
Promissory Note with affiliate		$ (33,190,604)	$ 6,000,000
Income Taxes Payable		$ -	$ 816,449
	$ 2,417,758.00	$ (710,151,629)	$ 12,662,975
TOTAL LIABILITIES	$ 2,420,133.00	$ (710,151,629)	$ 13,216,779
SHAREHOLDERS' EQUITY			
Common Stock	$ 691,081.00	$ -	$ 691,081.00
Paid in Capital (New Common Stock Issued)	$ 3,196,800.00	$ (413,734)	$ 3,196,800.32
Unrealized Equity Securities from affiliate - Available for Sale within 12 months	$ -	$ (11,850,000)	$ 10,500,000.00
Net Income			
Retained Earnings	$(2,006,935.00)	(3,266,559)	$ (2,006,935.00)
	$ 1,880,946.00		$ 12,380,946.32
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 4,301,079.00**		**$ 25,597,725.61**
Common Stock - shares outstanding	911,785,132		911,785,132
		Book Value	**$ 0.0136**

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Statement of Operations	RELM Unaudited 6/30/2009	AVI Unaudited 6/30/2009	Consolidation and Adjustments	RELM Unaudited Consolidated 6/30/2009
REVENUES				
Services		$ 903,080		$ 903,080
Product		$ 220,184		$ 220,184
Software License Fee Related Party	$ 97,500		$ (97,500)	$ -
TOTAL REVENUES	$ 97,500	$ 1,123,264		$ 1,123,264
COST OF GOODS	$ 100,000	$ 185,885	$ (100,000)	$ 185,885
GROSS MARGIN	$ (2,500)	$ 937,379		$ 937,379
EXPENSES				
Salaries		$ 592,638		$ 592,638
General and Administrative	$	$ 220,171		$ 220,171
TOTAL EXPENSES	$	$ 812,809		$ 812,809
OPERATING INCOME (LOSS)	$ (2,500)	$ 124,570		$ 124,570
Interest Exp 3 party Bank Debt		$ 100,324		$ 100,324
Interest Exp PCSO Debt to affiliate		$ 80,100	$ (80,100)	$ -
PER TAX INCOME	$ (2,500)	$ (55,855)		$ 24,245
OTHER REVENUE OR (EXPENSE)				
Interest Exp Related Party	$ (40,547)		$ (40,547)	$ -
Management Fee Related Party	$ (48,310)		$ (48,310)	$ -
Financing Fee Promissory Note	$ (1,875)		$ (1,875)	$ -
TOTAL OTHER (EXPENSE)	$ (90,731)	$ -	$ (90,731)	$ -
EDBITA	$ (93,231)	$ 124,570	$ -	$ 124,570
ONE TIME WRITE OFF NON CASH		$ 18,110		$ 18,110
TOTAL EDBITA	**$ (93,231)**	**$ 142,680**		**$ 142,680**
Taxes	$	$ -		$ -
Per Tax income	$ (93,231)	$ (55,855)	$ -	$ 24,245
INCOME (loss) per share	$ (0.004662)			$ 0.000027
EDBITA		$ 142,680	$ -	$ 142,680
EDBITA PER SHARE				$ 0.0002

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. **Basis of Presentation**

The accompanying unaudited interim financial statements have been prepared by the Company's management with the guidelines of Pink OTC Markets for providing adequate current information. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the Unites States for complete financial statements. Independent auditors have not performed a review of these financial statements.

2. **Recent Developments**

On July 8, 2009, RELM met all of the contractual obligations and completed the acquisition of Access Versalign in a share exchange. Because of the AVI acquisition, RELM approved the issuance of an additional 315 million shares of restricted RELM stock to AVI shareholders. Each AVI shareholder of record before the acquisition by RELM will receive 14.2 shares of RELM for each share of AVI that they received in the spin-off from RELM. The shares are scheduled to be delivered before year-end 2009.

AVI is in talks to acquire four information technology services companies. These acquisitions are intended to increase AVI's geographic reach, expand the suite of service offerings and provide organizational scale and operational efficiency.

Relm Real Estate Holdings (RREH) has reopened talks with a new property owner to purchase a major real estate asset. Further, RREH has executed a letter of intent and are in talks with multiple parties to purchase several multi-family apartments buildings.

A major shareholder has entered into a Debt Wrap Agreement with an accredited investor and this arrangement could help provide additional liquidity for the Company's operations.

Gwendolyn Carol Johnson resigned from the Board of Directors and currently serves as a consultant in the role of staff Executive Administrator, until additional staff members are hired.

3. **Fair Value Measurements**

Effective January 1, 2008, the Company adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements" as required for financial assets and liabilities. The adoption of SFAS No. 157 had no material impact on the Company's financial position, results of operations or cash flows during the year ended December 31, 2008. SFAS No. 157 was effective January 1, 2008 for financial assets and liabilities and January 1, 2009 for non-financial assets and liabilities. On January 1, 2009, the Company adopted the remaining provisions of SFAS No. 157, as permitted by FASB Staff Position 157-2. FAS 157-2 delayed the effective date of SFAS No. 157 for all non-financial assets and non-financial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). Non-financial assets for the Company include finite-lived tangible and intangible assets measured at fair value during the performance of impairment testing or assets acquired and liabilities assumed in a business combination should such a transaction occur in the future. The adoption of the required provisions of SFAS No. 157-2 on January 1, 2009 did not have a material impact on the Company's condensed consolidated financial statements as all finite-lived assets were not deemed to be impaired using an undiscounted cash flow analysis. The standard provides guidance for establishing a framework for measuring fair values of assets and liabilities. Under the standard, fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The standard clarifies the principle that fair value should be based on the assumptions or inputs market participants would use when pricing the asset or liability. In support of this principle, SFAS No. 157 establishes a three level hierarchy for fair value measurements based on the quality or transparency of inputs used to measure the fair value of an asset or liability at the measurement date.

The three levels are defined as follows:

• **Level 1** (the highest priority) — inputs to the valuation methodology are quoted market prices (unadjusted) for identical financial assets or liabilities in active markets.

• **Level 2** — inputs to the valuation methodology include quoted market prices for similar assets and liabilities in active markets, and inputs that are observable for an asset or liability, either directly or indirectly, for substantially the full term of a financial instrument.

• **Level 3** (the lowest priority) — inputs to the valuation methodology are unobservable and significant to the fair value measurement. These inputs reflect management’s own assumptions about the assumptions a market participant would use in pricing a financial instrument. A financial instrument’s categorization within the valuation hierarchy is based upon the lowest level or priority of input that is significant to the fair value measurement of the financial asset or liability. The Company’s only financial assets or liabilities subject to SFAS No. 157 as of June 30, 2009 were investments in cash equivalents and short term investments. As of December 31, 2008 the Company’s only financial assets or liabilities subject to SFAS No. 157 were investments in cash equivalents and short-term investment instruments consisting primarily of public stock of an affiliate (Public Stock) and **corporate obligations of an affiliate**. Following is a description of the valuation methodologies used to determine the fair value of the Company’s financial assets including the general classification of such instruments pursuant to the valuation hierarchy.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level or priority of input that is significant to the fair value measurement of the financial asset or liability.

The Company's only financial assets or liabilities subject to SFAS No. 157 as of June 30, 2009 were investments in cash equivalents. As of December 31, 2008 the Company's only financial assets or liabilities subject to SFAS No. 157 were investments in cash equivalents and short-term investment instruments consisting primarily of Public Stock and corporate obligations in the affiliate. Following is a description of the valuation methodologies used to determine the fair value of the Company's financial assets including the general classification of such instruments pursuant to the valuation hierarchy.

Cash equivalents — The Company considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Company's cash equivalents consist of Public Stock in **an affiliate company.** The Public Stock is recorded based on quoted market prices in limited markets were the Public Stock must be sold under Rule 144 for cash. The Public Stock is classified in Level 3 of the valuation hierarchy.

Short-term investments — The Company's short-term investments consist primarily of corporate obligations in the form of Public Stock, which should be able to be sold after one year or less. There is a limited market for the Public Stock at the quoted market prices. The short-term investments are classified in Level 3 of the valuation hierarchy.

The following table presents the Public Stock carried at fair value as of June 30, 2009 by caption on the consolidated balance sheet and by SFAS No. 157 valuation hierarchy as described above.

Fair Value Measurements at Reporting Date

Description	**June 30, 2009**	**Quoted Prices in Active Markets for Identical Assets**	**Significant Other Observable Inputs**	**Significant Unobservable Inputs**
		(Level 1)	(Level 2)	(Level 3)
Cash Equivalents	$4,500,000			$4,500,000
Short-term Investments--12 Months or less	$12,000,000			$12,000,000
Total	$16,500,000			$16,500,000

4. **Income Results**

RELM has consolidated AVI and Relm Real Estate Holdings and management has made some adjustments. RELM financials include the acquisition of AVI and the merger with Versalign on February 20, 2009.

The second quarter 2009 results were primarily driven by government and private sector contracts for technology services and products that produced total revenue of $1,123,264. These transactions allowed the company to finish the second quarter with EBITDA of $142,696, and a pretax income of $24,246.

5. **Non-Bank and Bank Financing**

AVI received a long-term loan, which was funded with the non-bank affiliate's Public Stock. The loan from the non- bank affiliate was at a 2.67% interest rate in an amount of $6 million, for 34.5 years. The funds from the sale of Public Stock are scheduled to pay-off the $3.7 million in bank financing at the end of 36 months, plus provide $2.3 million for operations.

6. **Off Balance Sheets Assets**

AVI issued a 36-month Note to pay the $195,000 Note to one of two original Versalign Stockholders pursuant to the Versalign "Acquisition Agreement." The $195,000 Note is collateralized with 109,000,000 shares of RELM Public Stock and held in an Off Balance Sheet Attorney Escrow Account, which was established on February 20, 2009. The Public Stock must be sold in compliance with SEC Rule 144, whereby after a 1-year holding period, 1% of the issued and outstanding shares (9,100,000) may be sold each rolling 90 days. The proceeds from the sales of the RELM Stock must be used to pay the $195,000 Note to the original Versalign Stockholder. The RELM shares must sell at a minimum price of ($.0017385 over time) to fully discharge the Note and if sold at a higher price, the surplus cash must be returned to AVI. As of June 30, 2009, AVI has paid $6,000 to the original Versalign Stockholder and is currently late with payments on the Note held in escrow under the term of the Note agreement. Once the AVI to RELM share conversion and/or the SEC Rule 144 holding period expiration has occurred, AVI anticipate that this obligation will be brought current.

ITEM IV – MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information set forth and discussed below for the six-month period ended June 30, 2009 is derived from, and should be read in conjunction with, the condensed consolidated financial statements included elsewhere herein. The financial information set forth and discussed below is unaudited, but in the opinion of management, reflects all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of such information. The accompanying unaudited interim financial statements have been prepared by the Company's management and independent auditors have not performed a review of these financial statements. The Company's results of operations for a particular quarter may not be indicative of results expected during the other quarters or for the entire year.

General

The RELM Holdings Inc. business model is to acquire operating businesses. The Company currently has two active subsidiaries, Relm Real Estate Holdings Inc. (RREH) and Access Versalign Inc. (AVI) and two inactive subsidiaries, which ceased doing business in 2001. A third subsidiary was spun-off at the beginning of October 2008. Relm Real Estate Holdings Inc. focuses on real estate acquisitions and Access Versalign Inc. provides information technology services.

Liquidity and Capital Resources

Financial Performance Improvement

The Company has chosen to include its earnings before interest, taxes, depreciation and amortization (EBITDA) to provide the reader a more accurate picture of cash flow and what the company can produce before the cost of financing. EBITDA for the second quarter of 2009 was $142,680 before making first and second loan payments. With the addition of $60,000 in principal payments the cash flow decreases to ($35,755) for the period. To maintain liquidity and improve cash flow the Company MUST liquidate its Public Stock held to fund the debt payoff to the bank as required by the Versalign Acquisition Agreement. This will result in a decrease in its cost of interest and increase in the EBITDA.

The Company's subsidiary (RREH) received a dividend in the form of Public Stock from an affiliate at year-end December 2008, but did not consolidate the dividend with the Company's financials. In June 2009, the Company has chosen to consolidate and make certain adjustments in the consolidation to reflect the value of the company.

In the consolidations and adjustments, the shareholders' equity section has been adjusted to $12,380,946, which includes recognition of the Public Stock received from an affiliate as a dividend payment. In addition, the acquisition of AVI, which was valued by management at $3,196,000 together, has brought the assets to $25,597,725 and the equity to $12,380,946 after adjustments and using Fair Value Measurements and consolidations of the Public Stock.

RELM Assets consist of Goodwill in Affiliates and Equity (Public Stock) in One Affiliate

Relm's assets are based on a consolidation of financial statements as of June 30, 2009, which state an asset base of $25,597,725, primarily attributable to i) Goodwill: $3,423,963 in RREH and $3,196,963 in AVI, ii) $1,526,282 in intangible assets, iii) $16,500,000 in Public Stock issued by an affiliate company valued at current market of $16,500,000, (iv) $282,447 in account receivables, and (v) $768,202 in other assets. The bulk of the consolidated assets in the affiliate are held by RREH in an escrow account that has been valued on June 30, 2009, at $435,000,000 against a Promissory Note of $675,940,568 that carries a rate of 50 basis points over 3 month U.S. Treasuries. These assets and debt are consolidated in the financial statements through June 30, 2009.

- ***Access Versalign Inc.***

The AVI net worth is consolidated with the Company, however the public shares of an affiliate that are reflected on the books of AVI are concentrated in one issuer and have a **Limited Market.** This Public Stock is used as collateral for a $3.7 million Bank Loan as of June 30, 2009. Once the shares are sold, the proceeds are expected to provide additional liquidity, increase cash flow, reduce our interest expense, increase our cash reserves, and allow AVI to purchase more assets in the near future. These public shares are held in escrow by the Bank and on June 30, 2009, had a market value of approximately $8.1 million. However, this value may not be realized because the price could vary significantly in future periods due to changes in market and credit conditions and other factors and thus change the actual cash received.

AVI in these current market conditions from time to time receives a low volume of large dollar receipts and our account receivables fluctuate due to the timing and size of cash receipts. Any increase our “day’s sales outstanding” for these large receivables may negatively impact our cash flow from operations and our working capital. As of June 30, 2009, our days sales outstanding were approaching 90 days as compared to our cash flow, which was 30 days. This increase was due to extended contract renewals and timing issues related to governmental fiscal year end. Our cash equivalent assets of marketable securities are expected to improve liquidity and cash reserves.

- ***Relm Real-Estate Holdings Inc***.

RREH received a dividend in the form of Public Stock (valued at $10,500,000 on June 30, 2009), issued by an affiliate. $4,500,000 of this dividend is considered cash equivalent assets and $6,000,000 is considered assets that are expected be sold in 12 months or less. Management has decided not to consolidate these assets in the financial statements, but these assets for accounting consideration because the SEC Rule 144 allows an affiliate company after a 12-month holding period the ability to sell up to 1% of the issued and outstanding shares into cash within any rolling 90-day period. However, because the shares are issued by an affiliate and they have a limited secondary market and it may take RREH longer than 90 days to convert the shares into cash. If so, the adjustment will be made on subsequent quarterly reports until the shares are converted into cash. This non-consolidation of the dividends in the Company Balance Sheet is reflected in the **unrealized equity securities available for sale which makes up significantly all** of the Company net worth.

Although at First Quarter End March 31, 2009, the Company presented in its financials RREH as consolidated with an affiliate. The Company is **CORRECTING** the First Quarter report because the affiliate shares owned by RREH are held under the voting control of the affiliate in a restricted escrow account. RREH cannot effectuate control of the affiliate, nor maintain voting rights over the affiliate, or control the scheduled liquidation of the Public Stock. Therefore, RREH cannot exercise control of the common shares that would warrant the affiliate serving as a subsidiary of RREH. Management believes that the affiliate is not a subsidiary of RREH, but should be only referenced as an affiliate because of the common ownership control of beneficial shareholders of both companies. In addition, the obligation of RREH to the affiliate and the assets against the affiliate debt offset each other and are adjusted due to the consolidation of the affiliate debt and Public Stock. Because of the Dividend Payment from the affiliate, Management has determined to treat a portion of the dividend as cash equivalents that can be liquidated in less than 12 months. However, the ability to liquidate these shares is conditioned upon RREH obtaining a legal opinion, which would allow RREH to sell the shares under SEC Rule 144. If such a legal opinion can be obtained, RREH is expected to realize $4,500,000 in cash from the sales, and over the next 12 months and RREH could realize an additional $6,500,000 in cash, under the current market price, which is expected to increase the liquidity of RREH.

Consolidation and Adjustments of RREH

The proceeds from the sale of the Public Stock are expected to be sufficient to purchase assets which should allow RREH to repay the $682,000,000 in Loans to the affiliate. The interest rate on the Loan to RREH was priced at 50 basis points over the three-month U.S. Treasuries and schedule to reset to 7.50% on March 11, 2010. Nevertheless, due to the SEC Rule 144 Limitation on resale the Public Stock, RREH may be required to seek third party financing to assist in funding the acquisition of new projects.

Management Changes

On July 21, 2009, RELM announced that Senior Management had expanded to include Marc Greenberg as the company's chief operating officer who oversees RELM's management along with Randall Burton the current President. RELM expects to appoint a Board of Directors soon who will oversee RELM's policies.

ITEM V. LEGAL PROCEEDINGS

We are not involved in legal proceedings.