FUJITEC

Annual Report 2009

Year ended March 31, 2009

Regeneration
for
Quality

» Profile

Fujitec Co., Ltd. was established in 1948 as a specialized elevator manufacturer. Today, Fujitec builds upon its years of expertise and experience as an integrated manufacturer of a wide variety of people-moving systems including: elevators, escalators and autowalks (moving walkways). These state-of-the-art products are a result of Fujitec's integrated operations covering every phase of the product's lifecycle from development to sales and installation to maintenance.

With the establishment of a base in Hong Kong in 1964, Fujitec became one of the first in the industry to expand overseas. With additional operations established in Singapore, Venezuela, the United States, Argentina and elsewhere, we now have bases in 20 countries and areas, including 10 manufacturing plants in seven different nations. Our global network enables us to supply the world with safe, reliable and comfortable people-moving systems that have set the industry standard.

To effectively cope with an ever-changing global marketplace and economy, Fujitec is divided into six economic blocks: the Americas, Japan, Europe, South Asia, East Asia and China. The management of these blocks is consolidated under the leadership of the Big Wing (the headquarters in Japan). This structure allows Fujitec to respond quickly to market needs and engage in its finely-tuned business activities dedicated to each region.

Fujitec understands the value of both people and technology and remains committed to contributing to the development of advanced cities worldwide.

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Forward-looking Statements

This annual report contains forecasts and projections concerning the plans, strategies and performance of Fujitec Co., Ltd. and its consolidated subsidiaries. These forecasts and projections constitute forward-looking statements that are not historical facts, but are based on assumptions and beliefs in accordance with data currently available to management. These forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the "forward-looking statements" and that include, but are not limited to, factors, fluctuation, uncertainty of economic conditions, competitions in the construction industry, demand, foreign exchange rates, tax systems, laws and regulations. In conclusion, Fujitec wants to caution readers that actual results may differ materially from those projected.

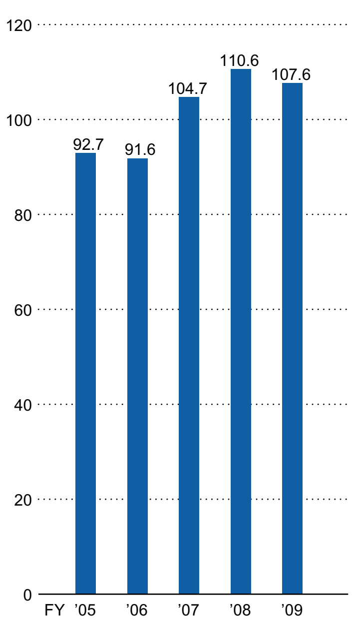
Consolidated Financial Highlights

Fujitec Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

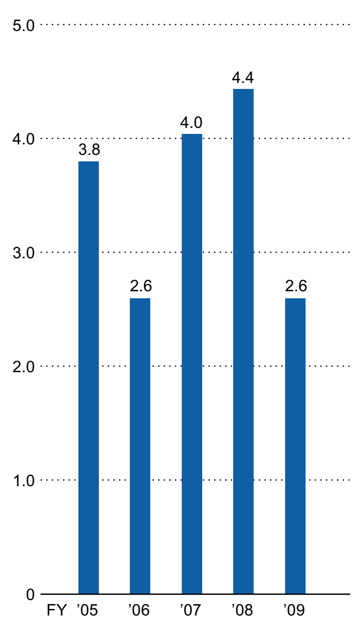
	Millions of yen		Thousands of U.S. dollars	Percent change
	2009	2008	**2009**	2009/2008
For the year				
Net sales	**¥ 107,609**	¥ 110,632	**$ 1,098,051**	-2.7%
Operating income	**2,569**	4,428	**26,214**	-42.0%
Net (loss) income	**(649)**	2,219	**(6,622)**	–
At year-end				
Total assets	**¥ 100,823**	¥ 112,043	**$ 1,028,806**	-10.0%
Net assets	**59,810**	68,356	**610,306**	-12.5%
	Yen		U.S. dollars	
Per share of common stock				
Net (loss) income	**¥ (6.94)**	¥ 23.66	**$ (0.07)**	–
Cash dividends	**10.00**	12.00	**0.10**	-16.7%

Notes: 1. U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥98 to U.S.$1.
2. Net (loss) income per share amounts are computed based on the weighted average number of shares outstanding during each year.

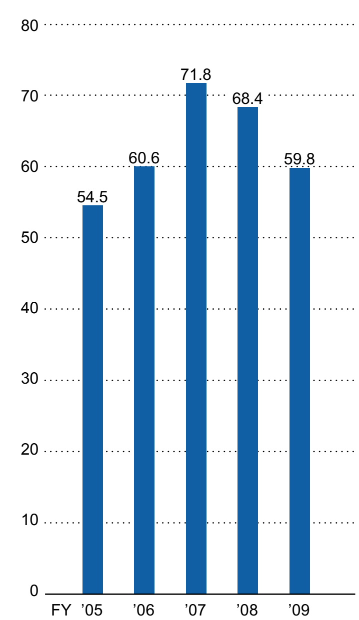
Net sales
(Billion ¥)



Operating income
(Billion ¥)



Net assets
(Billion ¥)



To Our Shareholders

Summary

Report on the 2nd year of the Company's mid-term business plan "Regeneration for Quality" and specific targets for this year.

By completing our re-organization activities and through active deployment of bold global strategies, we aim at further business growth.

Takakazu Uchiyama President and Chief Executive Officer

Management policies and issues

Fujitec was founded in 1948. Last year we commemorated our 60th anniversary. Since its foundation, the Company has been a manufacturer dedicated to elevator and escalator systems, and has been expanding its market not only in Japan but also in East Asia, South Asia, North America, South America, Europe and the Middle East. Currently the Company maintains business and production bases in twenty countries and regions around the world.

It has been the global mission statement of Fujitec to collaborate with people from nations around the world to develop beautiful and functional cities that meet the needs of a new age. Based on this creed, the Company has been conducting its corporate activities deeply rooted in the local communities of its host countries. With this continuing drive to promote "coexistence and co-prosperity" and the ability to constantly accommodate changes in society, the Company will focus all its resources on its further development.

However, due to the unprecedented damage caused to the global economy in last year's financial crises, a so-called "once-in-a-century event," the outlook remains uncertain.

In spite of this, perceiving times of challenge as times of opportunity, the Company has been quick to hammer out all possible measures and strategies for further reinforcing its corporate structure.

Although the surrounding business environment remains extremely challenging, the Group will make concerted efforts and take aggressive steps toward the next stage.

Global overview and management environment in fiscal year ended March 31, 2009

Beginning in last fall, the global economy was hit by the ripple effects from the financial market turmoil triggered in the U.S. reaching the real economy, leading to a rapid recessionary chain reaction across key industrialized nations. Emerging economies including China also suffered economic downturns due to deteriorating conditions in export markets. The Japanese economy, too, saw a rapid slowdown in demand with a further deepening recession.

Amid these circumstances, the elevator and escalator industry, in which we are principally involved, saw demand from North America tumble not only for apartment buildings, but also for office buildings and commercial facilities.

The Chinese market, after steady demand growth thus far, experienced a slowdown in real estate development due to the global recession, which added to the economic woes.

Meanwhile in South Asia, after a phase of steady expansion, real estate investment in Singapore started showing signs of a downturn, with demand continuing to diminish also in neighboring markets.

In Japan, both the public and private sector demand remains weak, and the rapidly worsening real estate market saw a dramatic reduction in condominium sales and commercial facility development.

These factors led to intense price competition reflecting the global recession, and, in combination with persistent high material prices, kept earnings low.

Business performance in fiscal year 2009

Consolidated net sales for the last fiscal year declined 2.7% on the year to ¥107,609 million. Of the total, domestic net sales were ¥45,781 million (-5.4%). Including the effects from the yen appreciation, overseas net sales amounted to ¥61,828 million (-0.7%).

In terms of profit for this period, operating income totaled ¥2,569 million (-42.0%). Although increased earnings in South Asia and East Asia lifted operating income in regions outside Japan by ¥360 million, this was offset by a substantial profit decline in Japan. Other income/expenses resulted in a negative balance of ¥25 million. This was due to reduced financial income from lower interest received and ¥514 million in foreign currency exchange loss from the rapidly appreciating yen.

Special items included a loss from revaluation of inventories of ¥915 million, loss on disposal of property, plant and equipment from the re-development of the former head office site in Ibaraki, Osaka Prefecture and from the re-organization of the escalator production base in Toyooka, Hyogo Prefecture, as well as write-down of investment securities. As a result, income before income taxes and minority interests declined 71.1% on the year to ¥1,264 million.

Tax expenses totaled ¥1,271 million, partly due to a reversal of deferred income tax assets. After a deduction of ¥642 million of minority interests, net loss for the term came to ¥649 million.

To Our Shareholders

Management policy and initiatives for fiscal year 2010

In fiscal year 2008, the Company started a three-year mid-term business plan called “Regeneration for Quality,” which ends in the current fiscal year. Under this plan, the Company is working to complete its re-organization activities, launch new products and further expand sales at its Service and Modernization operations.

Specifically, under the re-organization of operations, the Company aims to successfully complete the escalator production and field engineering bases. The escalator business base is located in Toyooka, Hyogo Prefecture. To further expand production capabilities and to reinforce R&D functions, new office and plant facilities at this site are under construction. Under the “Big Step” initiative, the objective is to expand the business scope by establishing an integrated system from development to production with faster processes.

At the same time, at the former head office site in Ibaraki, Osaka Prefecture, the Company will, in addition to the Field Engineering Research Institute and Field Training Center currently in use, integrate the Service and Modernization Division, the “Safenet Center” elevator remote monitoring center and the Parts Center, capable of supplying to markets around the globe. In this way, the former head office site is slated to re-emerge transformed and dubbed “Big Fit.” This initiative will contribute to further enhancing our field engineering capabilities and ability to respond promptly and reliably in case of natural disaster across a wider geographical area.

In regards to product development, in line with the forthcoming enforcement in September of this year of the Revised Building Standards Act concerning improved elevator safety, the Company was first in the industry to acquire official certification and will continue to develop products that assure higher levels of safety and confidence.

In the after-sales market, demand is strong for maintenance and repair services at the Service Division and for equipment updating services at the Modernization Division. Sales and marketing functions in these divisions will be further strengthened to expand earnings.

Global strategies for global markets

In global markets, Fujitec Group leverages its global collaboration capabilities and implements bold sales and business strategies attuned to local markets and communities, and in so doing aims to further improve Group performance.

In East Asia and South Asia, markets remain relatively solid, with particularly strong demand in China, prompting the Company to further strengthen the production and sales systems. Elevator production capabilities will be reinforced at the elevator production base near Beijing, Huasheng

Fujitec, which has received orders for a series of large-scale residential building projects. In addition, Shanghai Huasheng Fujitec, the escalator production base in Shanghai, has doubled its production volume and is meeting buoyant demand in global markets including China.

Furthermore, since July of last year, new plant construction has been under way at the Shanghai Sourcing Center, which will serve as an equipment supply base. Construction was recently completed, with the plant going into full operation this October. With the Sourcing Center in operation, we are now equipped with a global supply system capable of rapidly and stably supplying equipment superior in quality and cost competitiveness to markets around the world. Expectations are for significant contributions to earnings.

Furthermore, sales activities will be made to increase market share in India, another market alongside China with potentially substantial future demand for elevators.

Outlook

During the current year, which concludes our three-year mid-term business plan, the Fujitec Group will make concerted efforts to attain management targets, strive to achieve an early earnings recovery and to further enhance corporate value.

To accomplish this, the Company will complete the rebuilding of the escalator and field engineering bases currently under construction, so that, together with the elevator base, the three major bases in Japan will work together to provide products and services of excellence. At the same time, in global markets, proactive and bold sales initiatives will be implemented to further expand sales and maximize earnings.

Moving forward, we will continue to further build our strengths as a manufacturer dedicated to elevator and escalator systems, engage in the development of original new technologies and products, and provide services founded on safety and quality. Through these activities, we aim to contribute to further enhance and advance urban functionality. We sincerely request our shareholders' continued support.

June 26, 2009

Takakazu Uchiyama
President and Chief Executive Officer

Outline of Major Activities

North & South Americas

Currently under construction in Denver, Colorado, USA, is the Four Seasons Private Residences Denver, a complex consisting of a world-renowned hotel and luxury residences. The building, with 45 stories above ground, will use nine Fujitec elevators including high-speed units capable of traveling 300 meters per minute.

As another order from the U.S., Fujitec was asked to supply seven elevators including high-speed model units for the Tower 111, a super high-rise complex building with 47 floors above ground in New York City, NY, USA.

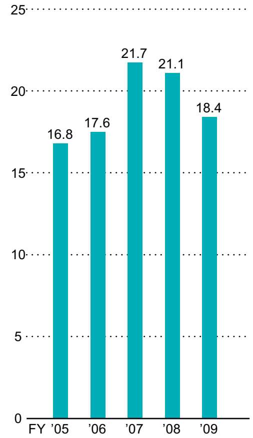
In Canada, the Livingston Place Twin Towers luxury office buildings were completed in Calgary with a total of 28 Fujitec elevators and escalators. Furthermore, 13 elevators, including super high-speed models, have been installed at a complex building in Vancouver, encompassing a Shangri-La Hotel as well as luxury condominiums.


Livingstone Place Twin Towers

In Buenos Aires, Argentina, the Torre Repsol YPF luxury office building designed by renowned architect Cesar Pelli was completed, with 16 luxury elevators in operation. Moreover, Fujitec received an order for 20 elevators for the Madero Office in the Puerto Madero district.


Torre Repsol YPF

Sales in North America
(Billion ¥)



Japan

In Tokyo, the Tachikawa No. 2 Homu Sogo Building was completed, where seven Fujitec elevators are in operation. The building is a core judicial services center in the Tama region.

For the redevelopment project around the south exit of the Musashi-Koganei Station, a total of ten elevators and escalators have been delivered for the Proud Tower Musashi-Koganei condominium high-rise and adjacent commercial facilities.

In Osaka, the Keihan Railway Nakanoshima Line, with 21 Fujitec elevators and escalators at Oebashi Station and Naniwabashi Station, was put into operation last October. Additionally, in March this year, the Hanshin Namba Line went into operation with 13 Fujitec elevators and escalators installed at the Dome-Mae Station.

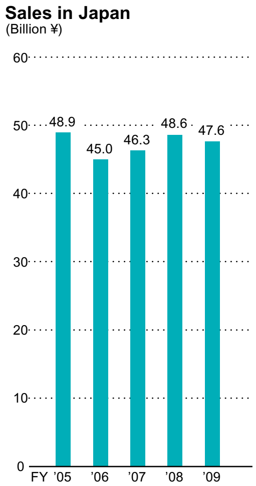
In Nagoya, the Nagoya Building complex consisting of offices and commercial facilities saw its completion at a prime location facing Nagoya station, with ten elevators and escalators in operation, including observation model elevators. Five high-end elevators were installed at the 47-story Mid Capital Tower, a condominium high-rise.


Mid Capital Tower

In Hyogo Prefecture, Hankyu Nishinomiya Gardens opened, a facility with 20 elevators built on the former site of the Hankyu Nishinomiya Stadium.

Moreover, in Yamanashi Prefecture, resort hotel XIV Yamanakako Sanctuary Villa, which offers outstanding views on Mt. Fuji and Lake Yamanaka, was completed with six high-class Fujitec elevators.


Hanshin Namba Line Dome-Mae Station



» Outline of Major Activities

East Asia

In Hong Kong, Fujitec received a bulk order for a total of 83 elevators and escalators for the Central Government Complex, which is planned to be built in a prime central location on Hong Kong Island.

Also in Hong Kong, 30 Fujitec high-speed elevators and escalators are in operation at The Cullinan, a super high-rise compound building with 72 stories above ground.

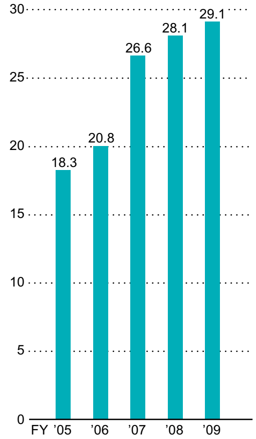
In Wuxi city in Jiangsu province, China, Fujitec has installed a total of 156 elevators and escalators for a large-scale residential and commercial facility development project undertaken by Wanda Group. Another user of Fujitec elevators in China is The Peninsula Shanghai, a 5-star hotel in Shanghai city, where 28 high-class elevators will be installed.

In Taiwan, Fujitec has installed ten elevators at the main stadium in Kaohsiung, the venue for the World Games to be held in July of this year. An additional 28 elevators and escalators are scheduled to be delivered and installed at the Sheraton Hsinchu Hotel under construction in Hsinchu.

In Korea, Fujitec has received an order for 57 elevators and escalators for Raemian, a large-scale residential project to be built in Seoul.

The Cullinan

Sales in East Asia
(Billion ¥)



Main stadium for World Games

South Asia

In Singapore, Resort World at Sentosa is currently under construction on Sentosa Island, comprised of Universal Studios, six hotels and other facilities. A total of 159 Fujitec elevators and escalators will be installed there.

Also in Singapore, Fujitec received an order for 68 elevators and escalators for Alexandra Business Park, a complex consisting of four buildings including offices and commercial facilities. Additionally, a super high-rise condominium, The Sail, is served by 27 Fujitec elevators and escalators.

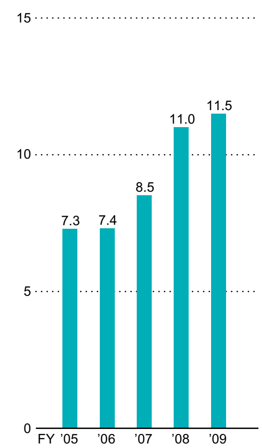
In Malaysia, Fujitec supplied a total of 79 elevators, escalators and autowalks (moving walkways) to the Aeon Bukit Tinggi Shopping Center, one of the largest commercial complexes in Southeast Asia, followed by an order for 55 elevators and escalators for Aeon Malacca, a significant commercial facility to be built in Malacca.

In India, eight luxury elevators are in use at the Four Seasons Hotel Mumbai.


The Sail


Four Seasons Hotel Mumbai

Sales in South Asia
(Billion ¥)



Europe & The Middle East

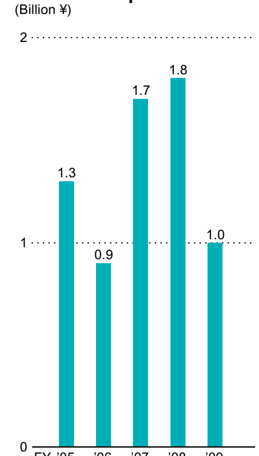
Dubai International Airport in the United Arab Emirates, the biggest international airport in the Middle East, saw its Terminal 3 completed last October. Equipped with eight Fujitec observation elevators, the world's largest with a maximum capacity of 120 people, the installation attracted considerable attention.

Also in Dubai, Fujitec supplied a total of 32 elevators and escalators for the monorail stations built on the man-made island Palm Jumeirah. An additional 98 autowalks will be installed at the Dubai Metro, an urban railway project.

In Syria's second-largest city Aleppo, the 5-star Sheraton Aleppo Hotel opened with eight of Fujitec's luxury elevators in operation.


Monorail Station in Palm Jumeirah

Sales in Europe
(Billion ¥)



New Products

New Products

Evolving "XIOR" Series – from standard to custom-order elevators

"XIOR," Fujitec's standard machine-room-less elevator series, was launched in April of last year. With triple door sensors that enhance safety around the door and hall LCD indicator display – both standard features – and featuring LED ceiling lighting, this series is regarded as industry-leading and has proved popular with customers.

To better meet customers' wide ranging needs, this series has recently been expanded to include custom-order models.

Custom-order models can accommodate larger sizes up to a maximum load of 2,000kg or a maximum capacity of 30 people. Applications include passenger elevators, freight elevators, and passenger-and-freight elevators.

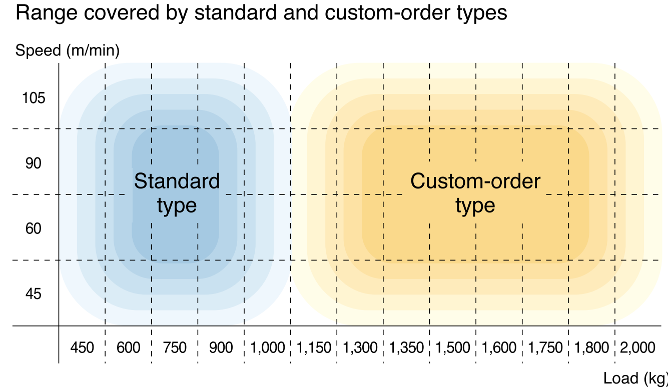
A noteworthy new product is the car-type that utilizes glass cloth for the ceiling lighting. While enveloping the space in soft, natural light, the LED lighting contributes to longer service life and energy conservation.

Although the elevator itself is large, making the most of the machine-room-less aspect offers increased freedom of design.

Custom-order elevators retain the ease-of-use, comfort and sense of security inherent to the "XIOR" series. Customers can now choose according to their needs from a wider range of "XIOR" elevators, both standard and custom-order types.

LED glass cloth adopted for ceiling lighting

Range covered by standard and custom-order types



Fujitec's standard escalators – people-friendly and compatible with buildings

The "GS-NX Series" standard escalator product range was launched in April of last year, along with the launch of the elevator product series. Many units from this series have already been delivered to sites all over Japan, mainly for commercial and public facilities.

While enhancing basic escalator performance in terms of ride comfort, safety, functionality and quietness, these advanced people-friendly escalators integrate harmoniously with the surrounding building.

For either end of an escalator an innovative newel design has been adopted, with an additional arrow light indicating the direction of operation for enhanced user friendliness. This series also comes equipped with standard features that include a skirt guard safety device (detects caught items) and a comb safety device, thereby ensuring a higher level of safety.

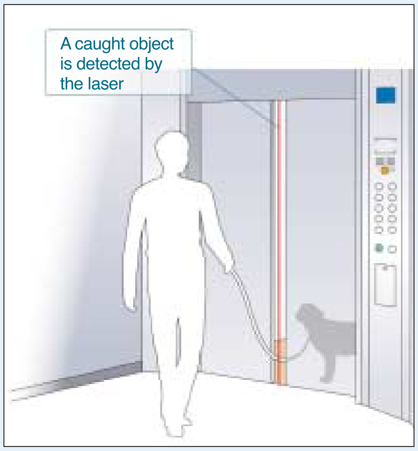
This GS-NX Series was developed jointly with Shanghai Huasheng Fujitec to comply with various standards in different countries. Many units from this global standard product range have been installed at sites in Japan and around the globe.

Door-Edge Sensor developed to prevent a string or cord from getting caught

With the "Door-Edge Sensor" Fujitec was the first in the industry to develop a laser system for detecting thin objects. Sales started on June 1 of this year.

If a string or a cord remaining caught in the closing elevator doors is spotted, the doors open again before the elevator starts to move.

Adding this Door-Edge Sensor (optional spec with charge) to the triple door sensors, a standard feature on "XIOR" units, will provide users with a further enhanced sense of security.



New Products

» Topics

Topics

New plant completed at the Shanghai Sourcing Center in China

Fujitec has two production sites in China, the world's largest elevator and escalator market. The first is Huasheng Fujitec, an elevator production site in Langfang city, Hebei province, near Beijing. The second is Shanghai Huasheng Fujitec, which is an escalator production base in Shanghai city in which many products are supplied to markets around the world including the Chinese market.

At the Shanghai Sourcing Center, which serves as an equipment supply base for elevators and escalators for both global and local production bases, construction has been completed for a new plant slated to take up full operation this October.

The Shanghai Sourcing Center is located on a site called "Shanghai Fujitec Castle," approximately 150,000m^2 in size, which houses the Shanghai Huasheng Fujitec escalator production base and the Shanghai R&D Center. Moving forward, processes will be integrated across development, production, and procurement, for products of high performance and high quality.


Shanghai Sourcing Center

Fujitec America head office and plant relocated in preparation for further business growth

Fujitec America, established in 1977, maintains bases across the US and engages in active business operations supplying products for office buildings, hotels, commercial facilities, stations and airport terminals nationwide.

Elevator production was initially located at a plant built in 1982 in Lebanon, Ohio. Recently a new head office building and plant facilities were completed near the former head office and this past March all head office functions and production activities were transferred to the new facility.

The new plant includes a technical center in which Fujitec America will provide the best products and services.


Fujitec America's New Head Office and Plant

» Financial Section

» Financial Section

Consolidated Financial Review

(Japanese yen amounts have been translated into U.S. dollars using the exchange rate of ¥98 to U.S.$1.)

Operating Results

During the fiscal year ended March 31, 2009, consolidated net sales decreased 2.7% from the previous fiscal year to ¥107,609 million (U.S.$1,098 million). This was due to a 5.4 % downturn in domestic net sales, a 0.7 % decline in overseas net sales mainly attributed to the Japanese yen's appreciation during the year.

By geographic segment, net sales in Japan contracted 3.0 % to ¥51,039 million (U.S.$521 million), reflecting the decline in new building construction. In North America, a drop in the installation of new elevators and appreciation in the value of the Japanese yen led to a 12.7 % decrease in net sales to ¥18,429 million (U.S.$188 million). Turning to the Continent, net sales in Europe fell 42.4 % to ¥1,042 million (U.S.$11 million). In South Asia, signs of a slowdown in construction investment, centering on housing and commercial facilities in Singapore, began to emerge from the second half of the year. This was more than offset, however, by contributions from public housing and modernization projects. Consequently, net sales in the region were up 4.0 % to ¥11,776 million (U.S.$120 million). East Asia, meanwhile, saw net sales climb 8.3 % to ¥31,986 million (U.S.$326 million). This was attributable to growth primarily in China, where demand for housing developments remained vigorous, robust sales of the "Excel GLVF-II" and an upswing in "GS Type" escalator export activity. Taking the aforementioned factors into consideration, the ratio of overseas sales to consolidated net sales rose 1.2 % from 56.3 % in the previous fiscal year to 57.5 %.

From a profit perspective, operating income declined 42.0 % year on year to ¥2,569 million (U.S.$26 million). Despite positive contributions from South and East Asia, and an overall increase in overseas operating income totaling ¥360 million, this downturn was largely the result of the operating loss posted in Japan. In specific terms, Fujitec incurred a domestic operating loss of ¥960 million (U.S.$10 million) due mainly to the drop in production volumes below levels forecasted at the beginning of the period and an upswing in fixed costs charged to new installation. Turning to other regions, North America reported an operating loss of ¥21 million (U.S.$0.2 million), compared with operating income of ¥39 million in the previous fiscal year. This reflected such factors as the amortization of goodwill totaling ¥107 million following changes in the accounting treatment for consolidation. In similar fashion to North America, Fujitec posted an operating loss in Europe of ¥18 million (U.S.$0.2million), down from operating income of ¥65 million in the previous fiscal year. This was primarily the result of a drop in new construction net sales. In South Asia, operating income surged 33.0 % to ¥1,505 million (U.S.$15 million), reflecting significant improvements in new construction profitability. In East Asia, the increase in operating income was held to 6.8 % for a total of ¥2,066 million (U.S.$21 million), mainly in response to raw material prices, which continued to hover at a high level.

Other income (expenses) resulted in net expenses of ¥25 million (U.S.$0.3 million). Major components were interest and dividend income, which declined ¥373 million to ¥767 million (U.S.$8 million), interest expense, which contracted ¥50 million to ¥369 million (U.S.$4 million) and foreign currency exchange loss, which grew ¥116 million to ¥514 million (U.S.$5 million), reflecting sharp appreciation in the value of the Japanese yen towards the fiscal year-end.

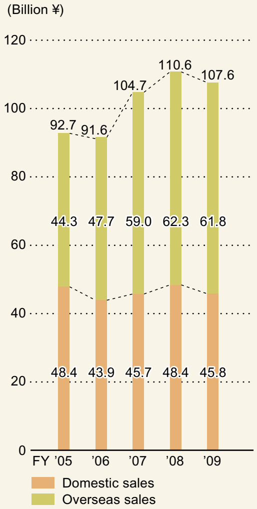
In special items, the Group incurred a net loss of ¥1,280 million (U.S.$13 million). In addition to a loss on disposal and sales of property, plant and equipment totaling ¥694 million (U.S.$7 million), due to re-development of the site of the Company's former head office in Ibaraki, Osaka, and re-organization of an escalator production facility in Toyooka, Hyogo, the Company recorded a loss from revaluation of inventories amounting to ¥915 million (U.S.$9 million). Owing to the sharp decline in stock prices, the Company also recorded a write-down of investment securities of ¥350 million (U.S.$4 million).

Taking into consideration the aforementioned factors, income before income taxes and minority interests decreased ¥3,117 million compared with the previous fiscal year to ¥1,264 million (U.S.$13 million).

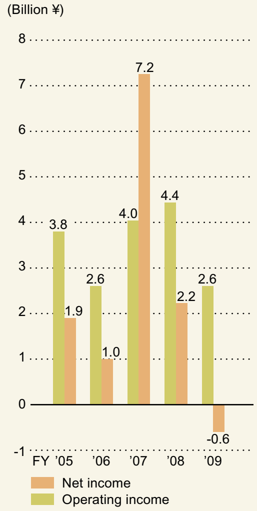
In the fiscal year under review, income taxes declined ¥384 million to ¥1,271 million (U.S.$13 million), reflecting the year-on-year drop in earnings and reversal of a portion of Fujitec's deferred income tax assets. Minority interests in net income of consolidated subsidiaries climbed ¥135 million to ¥642 million (U.S.$7 million).

As a result, the Group posted a net loss of ¥649 million (U.S.$7 million) compared with net income of ¥2,219 million in the previous fiscal year.

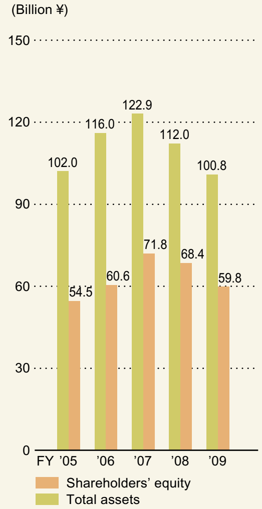
Domestic sales and overseas sales
(Billion ¥)



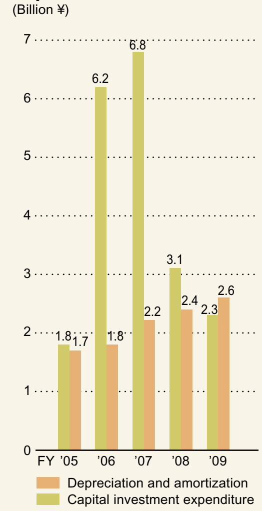
Operating income and net income
(Billion ¥)



Total assets and net assets
(Billion ¥)



Capital investment expenditure, depreciation and amortization
(Billion ¥)



Financial Position

Total assets as of March 31, 2009 stood at ¥100,823 million (U.S.$1,029 million), representing a 10.0 % decrease compared with the previous fiscal year-end, due largely to the Yen's appreciation towards the fiscal year-end. Current assets were ¥60,644 million (U.S.$619 million), down 9.5 % year on year. Despite an increase in the total of cash and cash equivalents and time deposits, this was primarily due to the decrease in trade notes and accounts receivable as well as inventories. Non-current assets declined 10.8 % to ¥40,179 million (U.S.$410 million) owing largely to the decrease in property, plant and equipment following relocation of a U.S. subsidiary, the drop in goodwill reflecting amortization and the decline in investment securities due to the drop in share prices.

Total liabilities as of the end of the fiscal year under review were ¥41,013 million (U.S.$419 million), down 6.1 % from a year ago. This was largely the result of a 12.1 % decline in current liabilities to ¥31,659 million (U.S.$323 million) caused by the decrease in trade notes and accounts payable as well as short-term debt. Non-current liabilities increased 22.0 % year on year to ¥9,354 million (U.S.$95 million), which primarily reflected the surge in long-term debt.

Net assets declined 12.5 % compared with the previous fiscal year-end to ¥59,810 million (U.S.$610 million). This decline was mainly due to the drop in retained earnings reflecting the net loss for the period and the payment of dividends, and the substantial impact of foreign currency translation adjustments.

Accounting for these factors, the net assets ratio excluding minority interests contracted 1.5 % year on year to 54.9 %. As of the end of the fiscal year under review, net assets per share was ¥591.87 (U.S.$6.04), down ¥83.48.

Analysis of Capital Sources and Liquidity

The Fujitec Group's operating and capital investment needs are generally met through internal or debt financing. Debt finance for the Group's operating funds is limited to short-term debt due within one year. In principal, consolidated subsidiaries will finance operating funds in their respective local currencies. As of March 31, 2009, the balance of outstanding short-term debt stood at ¥6,339 million (U.S.$65 million). The Group's long-term funding requirements encompassing such expenditure items as property, plant and equipment are met through the finance of long-term debt. The outstanding balance of long-term debt including the current portion as of the end of the fiscal year under review was ¥4,671 million (U.S.$48 million).

The Fujitec Group is confident that cash flows from operating activities, debt and, where necessary, the funding from capital market, will be adequate to provide the operating funds required to maintain sustainable growth as well as the long-term finance essential for such capital investment as property, plant and equipment.

The Company maintains a Japanese shelf registration for the offering of straight bonds to a maximum limit of ¥10 billion.

Cash Flows

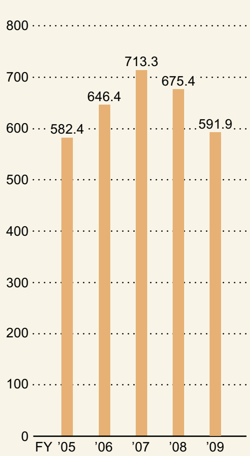
Net cash provided by operating activities was ¥8,431 million (U.S.$86 million), ¥4,977 million more than the previous fiscal year. This primarily reflected cash inflows comprising income before income taxes and minority interests of ¥1,264 million (U.S.$13 million), depreciation and amortization of ¥2,600 million (U.S.$27 million), decrease in trade notes and accounts receivable of ¥2,821 million (U.S.$29 million) and decrease in inventories of ¥1,373 million (U.S.$14 million).

Net cash used in investing activities was ¥14,185 million (U.S.$145 million), a turnaround from net cash provided by investing activities of ¥2,676 million in the previous fiscal year. In the fiscal year under review, principal cash inflows comprising proceeds from sale of property, plant and equipment of ¥1,968 million (U.S.$20 million) and proceeds from interest and dividend income of ¥750 million (U.S.$8 million) were more than offset by major cash outflows including increase in time deposits, net totaling ¥13,132 million (U.S.$134 million), acquisitions of property, plant and equipment of ¥2,313 million (U.S.$24 million) and investments in unconsolidated subsidiaries of ¥1,306 million (U.S.$13 million).

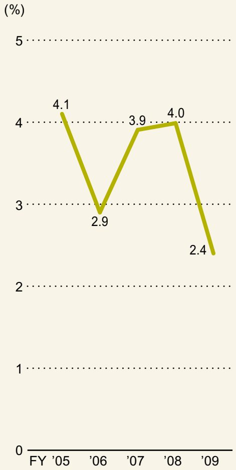
Net cash used in financing activities amounted to ¥782 million (U.S.$8 million), down ¥5,812 million from the previous fiscal year. Principal cash inflow was increase in long-term debt, net of ¥2,896 million (U.S.$30 million). The main uses of cash were a ¥1,698 million (U.S.$17 million) net decrease in short-term debt, payment of interest of ¥385 million (U.S.$4 million) and cash dividends paid of ¥1,123 million (U.S.$11 million).

Accounting for the aforementioned activities, cash and cash equivalents as of March 31, 2009 totaled ¥9,389 million (U.S.$96 million), ¥7,477 million less than as of the previous fiscal year-end.

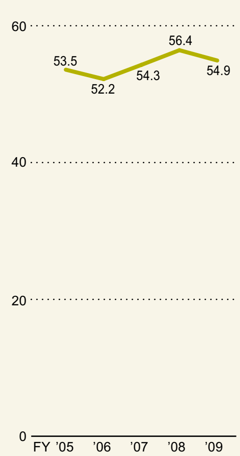
Net assets per share (*1)
(¥)



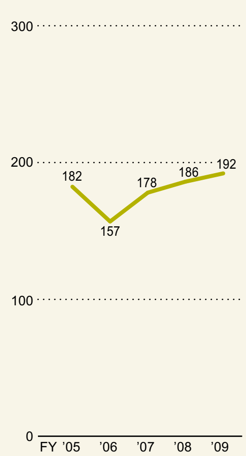
Operating income to net sales
(%)



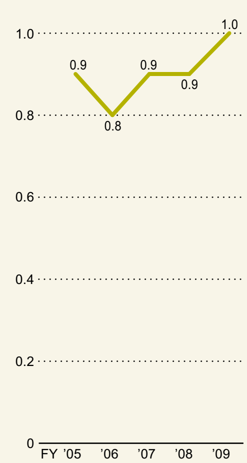
Net assets ratio (*2)
(%)



Current ratio
(%)



Asset turnover
(Times)



**1. Net assets per share is calculated excluding minority interests and appropriation of staff and workers' bonus and welfare fund.*

**2. Net assets ratio is calculated excluding minority interests.*

Consolidated Balance Sheets

Fujitec Co., Ltd. and Consolidated Subsidiaries
March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
ASSETS	**2009**	2008	**2009**
Current assets:			
Cash and cash equivalents	**¥ 9,389**	¥ 16,866	**$ 95,806**
Time deposits	**12,033**	795	**122,786**
Trade notes and accounts receivable:			
Unconsolidated subsidiaries and affiliates	**531**	164	**5,419**
Other	**23,930**	29,885	**244,184**
Allowance for doubtful accounts	**(321)**	(377)	**(3,276)**
	24,140	29,672	**246,327**
Inventories (Note 4)	**13,507**	17,211	**137,826**
Deferred income taxes (Note 6)	**151**	981	**1,541**
Other current assets	**1,424**	1,457	**14,530**
Total current assets	**60,644**	66,982	**618,816**
Investments and long-term loans:			
Investments in Unconsolidated subsidiaries and affiliates	**3,435**	2,129	**35,051**
Investment securities (Note 3)	**4,322**	6,074	**44,102**
Long-term loans	**1,925**	1,928	**19,643**
	9,682	10,131	**98,796**
Property, plant and equipment, at cost:			
Buildings	**19,573**	23,292	**199,724**
Machinery and equipment	**14,551**	16,891	**148,480**
Lease assets	**211**	—	**2,153**
	34,335	40,183	**350,357**
Accumulated depreciation	**(16,311)**	(19,107)	**(166,439)**
	18,024	21,076	**183,918**
Land	**6,748**	6,914	**68,857**
Construction in progress	**1,063**	414	**10,847**
	25,835	28,404	**263,622**
Other assets:			
Deferred income taxes (Note 6)	**53**	58	**541**
Goodwill	**946**	1,944	**9,653**
Intangible assets	**1,668**	1,872	**17,021**
Other	**1,995**	2,652	**20,357**
	¥100,823	¥112,043	**$ 1,028,806**

The accompanying notes are an integral part of these statements.

LIABILITIES AND NET ASSETS	Millions of Yen 2009	2008	Thousands of U.S. Dollars (Note 1) 2009
Current liabilities:			
Short-term debt (Note 7)	¥ 6,339	¥ 8,273	$ 64,684
Current portion of long-term debt (Note 7)	113	800	1,153
Lease obligations	86	—	878
Trade notes and accounts payable:			
Unconsolidated subsidiaries and affiliates	42	30	429
Other	10,655	11,657	108,724
Advances from customers	6,116	6,394	62,408
Accrued income taxes (Note 6)	555	486	5,663
Accrued bonuses	954	1,355	9,735
Provision for losses on contracts	1,225	909	12,500
Deferred income taxes (Note 6)	21	—	214
Other current liabilities	5,553	6,114	56,663
Total current liabilities	31,659	36,018	323,051
Long-term debt (Note 7)	4,558	1,003	46,510
Lease obligations	26	—	265
Deferred income taxes (Note 6)	318	1,781	3,245
Accrued pension and severance payments (Note12)	4,246	4,450	43,327
Retirement benefits for directors and corporate auditors	206	406	2,102
Other long-term liabilities	—	29	—
Total liabilities	41,013	43,687	418,500
Contingent liabilities (Note 8)			
Net assets:			
Shareholders' equity (Note 11)			
Common stock, no par value; Authorized: 300,000,000 shares Issued: 93,767,317 shares at March 31, 2009 and 2008	12,534	12,534	127,898
Additional paid-in capital	14,566	14,566	148,632
Retained earnings	46,162	48,710	471,041
Treasury stock at cost: 179,601 shares at March 31, 2009 and 166,824 shares at March 31, 2008	(123)	(116)	(1,255)
	73,139	75,694	746,316
Valuation and translation adjustments			
Net unrealized gains on securities	215	1,404	2,194
Deferred gain on hedge transactions	—	1	—
Foreign currency translation adjustments	(17,963)	(13,882)	(183,296)
	(17,748)	(12,477)	(181,102)
Minority interests	4,419	5,139	45,092
Total net assets	59,810	68,356	610,306
	¥100,823	¥112,043	$1,028,806

Consolidated Statements of Operations

Fujitec Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Net sales	**¥ 107,609**	¥ 110,632	**$ 1,098,051**
Cost and expenses:			
Cost of sales	**88,586**	90,213	**903,939**
Selling, general and administrative expenses	**16,454**	15,991	**167,898**
	105,040	106,204	**1,071,837**
Operating income	**2,569**	4,428	**26,214**
Other income (expenses):			
Interest and dividend income	**767**	1,140	**7,827**
Interest expense	**(369)**	(419)	**(3,765)**
Foreign currency exchange loss	**(514)**	(398)	**(5,245)**
Other, net	**91**	(26)	**928**
	(25)	297	**(255)**
Special items:			
Gain on sales of property, plant and equipment	**682**	3	**6,959**
Loss on disposal and sales of property, plant and equipment	**(694)**	(54)	**(7,081)**
Loss on impairment of long-lived assets	**(111)**	—	**(1,133)**
Write-down of investment securities	**(350)**	(10)	**(3,571)**
Loss from revaluation of inventories	**(915)**	—	**(9,337)**
Loss from reinforcement work for products	**—**	(397)	**—**
Other, net	**108**	114	**1,102**
	(1,280)	(344)	**(13,061)**
Income before income taxes and minority interests	**1,264**	4,381	**12,898**
Income taxes (Note 6)**:**			
Current	**915**	928	**9,337**
Deferred	**356**	727	**3,632**
	1,271	1,655	**12,969**
(Loss) income before minority interests	**(7)**	2,726	**(71)**
Minority interests in net income of consolidated subsidiaries	**642**	507	**6,551**
Net (loss) income	**¥ (649)**	¥ 2,219	**$ (6,622)**

	Yen		U.S. Dollars (Note 1)
Per share:			
Net (loss) income, based on the weighted average number of shares outstanding	**¥ (6.94)**	¥ 23.66	**$ (0.07)**
Cash dividends, applicable to the year	**10.00**	12.00	**0.10**

The accompanying notes are an integral part of these statements.

Consolidated Statements of Changes in Net Assets

Fujitec Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

	Thousands	Millions of Yen								
	Number of shares of common stock issued	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Net unrealized gains on securities	Deferred gain on hedge transactions	Foreign currency translation adjustments	Minority interests	Total net assets
Balance at April 1, 2007	93,767	¥12,534	¥ 14,566	¥47,622	¥ (106)	¥ 2,917	¥ —	¥(10,756)	¥ 5,009	¥71,786
Net income	—	—	—	2,219	—	—	—	—	—	2,219
Cash dividends	—	—	—	(1,123)	—	—	—	—	—	(1,123)
Staff and workers' bonus and welfare fund	—	—	—	(6)	—	—	—	—	—	(6)
Treasury stock acquired, net	—	—	—	—	(10)	—	—	—	—	(10)
Decrease by a newly consolidated subsidiary	—	—	—	(2)	—	—	—	—	—	(2)
Other changes	—	—	—	—	—	(1,513)	1	(3,126)	130	(4,508)
Balance at March 31, 2008	93,767	12,534	14,566	48,710	(116)	1,404	1	(13,882)	5,139	68,356
Net loss	**—**	**—**	**—**	**(649)**	**—**	**—**	**—**	**—**	**—**	**(649)**
Cash dividends	**—**	**—**	**—**	**(1,123)**	**—**	**—**	**—**	**—**	**—**	**(1,123)**
Staff and workers' bonus and welfare fund	**—**	**—**	**—**	**(5)**	**—**	**—**	**—**	**—**	**—**	**(5)**
Treasury stock acquired, net	**—**	**—**	**—**	**—**	**(7)**	**—**	**—**	**—**	**—**	**(7)**
Other changes	**—**	**—**	**—**	**(771)**	**—**	**(1,189)**	**(1)**	**(4,081)**	**(720)**	**(6,762)**
Balance at March 31, 2009	**93,767**	**¥12,534**	**¥14,566**	**¥46,162**	**¥ (123)**	**¥ 215**	**¥ —**	**¥(17,963)**	**¥ 4,419**	**¥59,810**

	Thousands	Thousands of U.S. Dollars (Note 1)								
	Number of shares of common stock issued	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Net unrealized gains on securities	Deferred gain on hedge transactions	Foreign currency translation adjustments	Minority interests	Total net assets
Balance at March 31, 2008	93,767	$127,898	$148,632	$497,040	$(1,184)	$14,327	$ 10	$(141,653)	$52,439	$697,509
Net loss	**—**	**—**	**—**	**(6,622)**	**—**	**—**	**—**	**—**	**—**	**(6,622)**
Cash dividends	**—**	**—**	**—**	**(11,459)**	**—**	**—**	**—**	**—**	**—**	**(11,459)**
Staff and workers' bonus and welfare fund	**—**	**—**	**—**	**(51)**	**—**	**—**	**—**	**—**	**—**	**(51)**
Treasury stock acquired, net	**—**	**—**	**—**	**—**	**(71)**	**—**	**—**	**—**	**—**	**(71)**
Other changes	**—**	**—**	**—**	**(7,867)**	**—**	**(12,133)**	**(10)**	**(41,643)**	**(7,347)**	**(69,000)**
Balance at March 31, 2009	**93,767**	**$127,898**	**$148,632**	**$471,041**	**$(1,255)**	**$ 2,194**	**$ —**	**$(183,296)**	**$ 45,092**	**$610,306**

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows

Fujitec Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Cash flows from operating activities:			
Income before income taxes and minority interests	**¥ 1,264**	¥ 4,381	**$ 12,898**
Depreciation and amortization	**2,600**	2,375	**26,531**
Loss on impairment of long-lived assets	**111**	-	**1,133**
(Benefit) provision for bonuses to employees	**(382)**	121	**(3,898)**
Provision (benefit) for losses on contracts	**266**	(75)	**2,715**
Loss from revaluation of inventories at the beginning of period	**915**	-	**9,337**
Write-down of investment securities	**350**	10	**3,571**
Interest and dividend income	**(767)**	(1,140)	**(7,827)**
Interest expense	**369**	419	**3,765**
Gain on sales of property, plant and equipment	**(682)**	(3)	**(6,959)**
Loss on disposal and sales of property, plant and equipment	**694**	54	**7,081**
Decrease (increase) in trade notes and accounts receivable	**2,821**	(1,555)	**28,786**
Decrease (increase) in inventories	**1,373**	(631)	**14,010**
Increase (decrease) in trade notes and accounts payable	**261**	(373)	**2,663**
Increase in advances from customers	**615**	385	**6,276**
Other, net	**(682)**	669	**(6,959)**
Sub-total	**9,126**	4,637	**93,123**
Payment of income taxes	**(695)**	(1,183)	**(7,092)**
Net cash provided by operating activities	**8,431**	3,454	**86,031**
Cash flows from investing activities:			
(Increase) decrease in time deposits, net	**(13,132)**	3,560	**(134,000)**
Acquisitions of property, plant and equipment	**(2,313)**	(3,050)	**(23,602)**
Proceeds from sale of property, plant and equipment	**1,968**	3,340	**20,082**
Payment for purchase of investment securities	**(605)**	(482)	**(6,173)**
Investments in unconsolidated subsidiaries	**(1,306)**	(737)	**(13,327)**
Proceeds from interest and dividend income	**750**	1,162	**7,653**
Other, net	**453**	(1,117)	**4,622**
Net cash (used in) provided by investing activities	**(14,185)**	2,676	**(144,745)**
Cash flows from financing activities:			
Decrease in short-term debt, net	**(1,698)**	(4,584)	**(17,327)**
Proceeds from long-term debt	**3,760**	-	**38,367**
Repayment of long-term debt	**(864)**	-	**(8,816)**
Repayment of lease obligation	**(114)**	-	**(1,163)**
Payment of interest	**(385)**	(430)	**(3,929)**
Cash dividends paid	**(1,123)**	(1,123)	**(11,459)**
Cash dividends paid to minority shareholders	**(352)**	(447)	**(3,592)**
Other, net	**(6)**	(10)	**(61)**
Net cash used in financing activities	**(782)**	(6,594)	**(7,980)**
Effect of exchange rate changes on cash and cash equivalents	**(941)**	(1,523)	**(9,602)**
Net decrease in cash and cash equivalents	**(7,477)**	(1,987)	**(76,296)**
Cash and cash equivalents at beginning of year	**16,866**	18,836	**172,102**
Cash and cash equivalents increased by a newly consolidated subsidiary	**-**	17	**-**
Cash and cash equivalents at end of year	**¥ 9,389**	¥ 16,866	**$ 95,806**

The accompanying notes are an integral part of these statements.

Notes to Consolidated Financial Statements

Fujitec Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of Fujitec Co., Ltd. (the "Company") and its consolidated subsidiaries have been prepared from the consolidated financial statements filed with the Director of the Kanto Local Finance Bureau, as required by the Financial Instruments and Exchange Act of Japan, in conformity with accounting principles and practices generally accepted in Japan.

For the purpose of this Annual Report, certain reclassifications have been made to the consolidated financial statements issued domestically, in order to present these statements in a form which is more familiar to readers of these statements outside Japan. However, such reclassifications have no effect on net income or retained earnings.

The United States dollar amounts included in the consolidated financial statements and notes thereto represent the arithmetical results of translating Japanese yen into United States dollars on a basis of ¥98=U.S.$1, the approximate effective rate of exchange at March 31, 2009. The inclusion of such United States dollar amounts is solely for convenience and is not intended to imply that Japanese yen, and assets and liabilities originating in Japanese yen, have been or could be readily converted, realized or settled in United States dollars at ¥98=U.S.$1 or at any other rate.

2. Summary of Significant Accounting Policies

(A) Principles of consolidation

The consolidated financial statements include the accounts of the Company and the following 17 significant subsidiaries (together the "Companies").

Fujitec America, Inc. (U.S.A.)
Fujitec Canada, Inc. (Canada)
Fujitec UK Ltd. (United Kingdom)
Fujitec Deutschland GmbH (Germany)
Fujitec Singapore Corpn. Ltd. (Singapore)
FSP Pte. Ltd. (Singapore)
P.T. Fujitec Indonesia (Indonesia)
Fujitec (Malaysia) Sdn. Bhd. (Malaysia)
Fujitec India Private Ltd. (India)
Fujitec Vietnam Co., Ltd. (Vietnam)
Fujitec, Inc. (Philippines)
Huasheng Fujitec Elevator Co., Ltd. (China)
Shanghai Huasheng Fujitec Escalator Co., Ltd. (China)
Fujitec (HK) Co., Ltd. (Hong Kong)
Rich Mark Engineering Limited (Hong Kong)
Fujitec Taiwan Co., Ltd. (Taiwan)
Fujitec Korea Co., Ltd. (Korea)

The closing date of the above consolidated subsidiaries is December 31.

In preparing the consolidated financial statements, using consolidated subsidiaries' accounts, based on their own closing dates, the necessary adjustments were made for the significant intercompany transactions incurred from the consolidated subsidiaries' closing date to the consolidated balance sheet date.

Starting from April 1, 2008, the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006) has been applied and necessary modifications have been made for consolidation. As a result of this application, compared with the previous method, operating income and income before income taxes and minority interests decreased by ¥101 million (U.S.$1,031 thousand) and ¥89 million (U.S.$908 thousand), respectively, for the year ended March 31, 2009.

All significant intercompany transactions and accounts have been eliminated. Investments in unconsolidated subsidiaries (more than 50% owned) and affiliates (20% to 50% owned) are carried at cost due to their immateriality as a whole. If a decline in value below the cost of an individual security is judged to be material, and other than temporary, the carrying value of the individual security is written down.

(B) Translation of foreign currency transactions

The Company adopted the Accounting Standards for Foreign Currency Transactions issued by the Business Accounting Council. Under the method, every monetary asset and liability denominated in foreign currency is translated into Japanese yen at the rate of exchange in effect at the balance sheet date.

(C) Translation of consolidated foreign subsidiaries' accounts

The accounts of foreign consolidated subsidiaries are translated into Japanese yen in accordance with the statements issued by the Business Accounting Council. As specified by the statements, assets and liabilities of foreign consolidated subsidiaries are translated into Japanese yen at the exchange rates in effect at their balance sheet date. When a significant change in exchange rate occurs between the foreign consolidated subsidiaries' balance sheet date and the consolidated balance sheet date, their assets and liabilities are translated into Japanese yen at the exchange rates in effect at the consolidated balance sheet date. The items of shareholders' equity are translated at the historical rates at the dates of acquisition, and profit and loss accounts are translated into Japanese yen at the annual average rates.

Any resulting foreign currency translation differences are stated as "Foreign currency translation adjustments" in the accompanying consolidated financial statements.

(D) Revenue recognition

Generally, most of the contracts are on a short-term basis and the Company records profits or losses on the completed contract method. Foreign subsidiaries record income from construction contracts on the percentage-of-completion method. Maintenance services not covered by warranty are provided on a fee basis and revenues from such services are included in net sales.

Foreign subsidiaries recognize the total estimated loss currently when estimates indicate that a loss will be incurred on a contract.

(E) Marketable securities, investment securities and investments in unconsolidated subsidiaries and affiliates

The Companies classify their securities into trading securities, held-to-maturity debt securities, equity investments in unconsolidated subsidiaries and affiliates, or other securities that are not classified in any of the above categories, in accordance with the Accounting Standards for Financial Instruments, which was issued by the Business Accounting Council.

Held-to-maturity debt securities are stated at amortized cost. Investments in unconsolidated subsidiaries and affiliates are valued at cost, as determined by the moving average method. Marketable equity securities and debt securities not classified as held-to-maturity are classified as other securities. Other securities with a fair market value are carried at fair value with unrealized gains and losses, net of tax, reported as a separate component of net assets. Realized gains and losses, and significant declines in value judged to be other than temporary on those securities, are charged to income. Securities without a fair market value have been stated at cost, as determined by the moving average method.

(F) Inventories

Inventories are stated at cost, which is determined primarily by the specific identification method for finished goods and work in process, and by the average method for all other inventories, except for certain foreign subsidiaries' inventories which are all stated at the lower of cost determined by FIFO method or market.

Previously inventories of the Company were stated at cost, which is determined primarily by the specific identification method for finished goods and work in process, and by the average method for all other inventories. Effective from April 1, 2008, however, the Company has adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, July 5, 2006). Accordingly, inventories are stated at cost determined primarily by the specific identification method or the average method, which writes off the book value of balance sheet amounts based on decreases in profitability. As a result of this adoption, compared with the previous method, operating income decreased by ¥473 million (U.S.$4,827 thousand) and income before income taxes and minority interests decreased by ¥1,388 million (U.S.$14,163 thousand), respectively.

(G) Property, plant and equipment, and depreciation

Property, plant and equipment, including significant renewals and additions, are carried at cost.

Depreciation is principally computed by the declining-balance method over the estimated useful lives of the assets, except for certain foreign subsidiaries which adopt the straight-line method.

Until the year ended March 31, 1998, the depreciation for buildings of the Company was computed by the declining-balance method. Buildings which were acquired on or after April 1, 1998 are depreciated by the straight-line method, according to the revision in Japanese Corporate Tax Law.

In accordance with the amendment of Japanese Corporate Tax Law, the Company reviewed useful lives of machinery and equipment and depreciated machinery and equipment using the amended useful lives for the year ended March 31, 2009. As a result of this change, compared with the previous method, operating income and income before income taxes and minority interests decreased by ¥89 million (U.S.$908 thousand) for the year ended March 31, 2009.

Maintenance and repairs, including minor renewals and improvements, are charged to income as incurred.

(H) Goodwill and other intangible assets

Previously, the U.S. and Canadian subsidiaries adopted an accounting standard of goodwill, which requires that goodwill be tested, at least, annually for impairment. Starting from April 1, 2008, however, goodwill is amortized on a straight-line basis over the period of 20 years for consolidation in accordance with adoption of the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006) .

Amortization of other intangible assets is calculated by the straight-line basis over their estimated useful lives.

The Company reviews the carrying amount of intangible assets for impairment whenever events or circumstances indicate that the carrying amounts may not be recoverable.

(I) Impairment of long-lived assets

The Company has adopted the Japanese accounting standard "Accounting Standard for Impairment of Fixed Assets" and evaluates the carrying value of long-lived assets to be held for use in the business. If the carrying value of a long-lived asset is impaired, a loss is recognized based on the amount by which the carrying value exceeds its recoverable amount. The recoverable amount is the higher of the net selling price or the value in use of the assets, which is determined as the discounted cash flows generated from continuing use of the individual asset or the assets group.

(J) Severance payments and pension plan

The Company has two retirement benefit plans, an unfunded lump-sum severance payment plan and a defined benefit pension plan, which cover substantially all employees of the Company. Upon retirement or termination of employment, employees are generally entitled to a lump-sum payment or annuity, in addition to a certain lump-sum payment, and the amount of the benefit is determined by their current basic rate of pay, length of service and conditions under which the termination occurs. The accrued pension and severance payments for employees at the balance sheet dates represents the estimated present value of projected benefit obligation in excess of the fair value of the plan assets.

The U.S. subsidiary has a defined contribution pension plan covering substantially all its employees.

The Korean subsidiary accrues annually the liability for employees' severance benefits at 100% of the amounts that would be required if all its employees were to terminate their employment under voluntary conditions at the balance sheet dates.

In the past, the Company has accrued the unfunded retirement liability for a lump-sum benefit for directors and corporate auditors of the Company based on the established guidelines and the payment of such benefits was subject to approval at the shareholders' meeting. The annual meeting of shareholders held on June 27, 2007 abolished the retirement benefit plan for directors and corporate auditors as of the meeting date, and further resolved to make payments corresponding to their terms of office up to June 27, 2007 to all directors and corporate auditors currently in office at the time of their retirement.

Notes to Consolidated Financial Statements

(K) Leases

Finance leases other than those which are deemed to transfer the ownership of leased assets to the lessees have previously been accounted for by a method similar to that applicable to operating leases. However, the Company adopted the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13) and the "Implementation Guidance on the Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16) for the year ended March 31, 2009. Under these accounting standards, finance leases other than those which are deemed to transfer the ownership of leased assets to the lessees are accounted for in a similar way to purchases, and depreciation for lease assets is computed under the straight-line method with zero residual value over the lease term. Finance leases other than those which are deemed to transfer the ownership of leased assets to the lessees, which commenced before April 1, 2008, are capitalized with the balance of future minimum lease payments as of April 1, 2008. This change has no effect on profit and loss.

(L) Research and development costs

Research and development costs are charged against income as incurred.

(M) Income taxes

The Company adopts the asset and liability method of tax effect accounting, in accordance with the Financial Accounting Standard on Accounting for Income Taxes, issued by the Business Accounting Council.

Under the standard, the deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

(N) Derivative and hedging activities

The Companies use derivative financial instruments to manage their exposure to foreign exchange and interest rate fluctuations. Forward foreign exchange contracts, foreign currency swap contracts and interest rate swap contracts are utilized by the Companies to reduce foreign currency exchange risk and interest rate risk. The Companies do not enter into derivatives for trading or speculative purposes.

The Companies adopted an accounting standard for derivative financial instruments and an accounting standard for foreign currency transactions. These standards require that: a) all derivatives be recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions be recognized in the income statement and b) if a derivative qualifies for deferral hedge accounting because of a high correlation and effectiveness between the hedging instrument and the hedged item, the gains or losses are deferred until maturity of the hedged transaction.

Time deposits denominated in foreign currencies for which forward foreign exchange contracts are used to hedge the foreign currency fluctuations are translated at the contracted rate if the forward contract qualifies for deferral hedge accounting.

Interest rate swap contracts are utilized to hedge interest rate exposure of long-term debt. The interest rate swap contracts, which qualify for deferral hedge accounting and meet specific matching criteria, are not remeasured at market value rather the differential paid or received under the swap agreements is recognized and included in interest expense or income as incurred.

(O) Net (loss) income and cash dividends per share

Net (loss) income per share of common stock is based upon the weighted average number of shares of common stock outstanding during each year.

Cash dividends per share represent actual amounts applicable to the respective years for which the dividends were proposed by the Board of Directors of the Company. Dividends are charged to retained earnings in the year which they are paid.

(P) Cash and cash equivalents

For the purposes of reporting on the consolidated statement of cash flows, the Companies consider all cash accounts and all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

(Q) Reclassification of accounts

Certain reclassifications have been made in the 2008 financial statements to conform to the presentation for 2009.

3. Marketable Securities and Investment Securities

At March 31, 2009 and 2008, investment securities were as follows:

Investment securities:

	Millions of Yen							
	2009				2008			
	Cost	Gross unrealized gains	Gross unrealized losses	Book value (Estimated fair value)	Cost	Gross unrealized gains	Gross unrealized losses	Book value (Estimated fair value)
Equity securities	**¥ 3,745**	**¥ 922**	**¥ 559**	**¥ 4,108**	¥ 3,483	¥ 2,536	¥ 174	¥ 5,845
Other	**1**	**—**	**—**	**1**	1	1	—	2
	¥ 3,746	**¥ 922**	**¥ 559**	**¥ 4,109**	¥ 3,484	¥ 2,537	¥ 174	¥ 5,847

	Thousands of U.S. Dollars (Note1)			
	2009			
	Cost	Gross unrealized gains	Gross unrealized losses	Book value (Estimated fair value)
Equity securities	**$ 38,214**	**$ 9,408**	**$ 5,704**	**$ 41,918**
Other	**10**	**—**	**—**	**10**
	$ 38,224	**$ 9,408**	**$ 5,704**	**$ 41,928**

The carrying amounts of equity securities whose fair value is not readily determinable were ¥213 million (U.S.$2,174 thousand) and ¥227 million for the years ended March 31, 2009 and 2008, respectively.

For the year ended March 31, 2009 and 2008, losses of ¥350 million (U.S.$3,571 thousand) and ¥10 million, respectively, were recognized on write-downs of investment securities to reflect the significant decline in market value judged to be other than temporary.

4. Inventories

Inventories at March 31, 2009 and 2008 are comprised of the following:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Finished goods and semi-finished goods	**¥ 3,126**	¥ 3,508	**$ 31,898**
Work in process	**5,351**	8,000	**54,602**
Raw materials and supplies	**5,030**	5,703	**51,326**
	¥ 13,507	¥ 17,211	**$ 137,826**

5. Impairment of Fixed Assets

For impairment testing of long-lived assets, the Company generally groups fixed assets used for normal operations at the business unit level for which profits are reasonably controllable. Also, the Company assesses the recoverability of individual assets not used in normal operations or that are idle. The Company reviews its long-lived assets for impairment annually. Losses on impaired assets during the year ended March 31, 2009 are as follows and during the year ended March 31, 2008, no impairment was recognized.

Location	Use	Type
Field's Training Center, Field's Technical Center and Safe Net Center (Ibaraki, Osaka)	Assets to be retired	Buildings
Escalator Business HQ. (Toyooka, Hyogo)	Assets to be retired	Buildings, machinery and equipments

With respect to the assets to be retired, their use is not expected in the future due to re-development at both locations. The impairment loss was recorded as a special item. The details are as follows;

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
Buildings	¥ 88	$ 898
Machinery and equipments	23	235
Total	¥ 111	$ 1,133

The recoverable value of the assets which are to be retired, is deemed to be zero because no future cash flow is expected.

6. Income Taxes

The Company is subject to corporate income tax, inhabitant tax and enterprise tax, based on income which, in the aggregate, indicates a normal statutory tax rate of approximately 40.69% for the years ended March 31, 2009 and 2008.

Income of the consolidated foreign subsidiaries is taxed at the rate of corporate income taxes, ranging from 16.5% to 25.0% for the year ended March 31, 2009 and 17.5% to 31.5% for the year ended March 31, 2008.

At March 31, 2009 and 2008, a reconciliation of the Company's statutory tax rate and the effective income tax rate is as follows:

	2009	2008
Statutory tax rate	40.69%	40.69%
Non-deductible expenses	2.57	0.64
Per capita inhabitant tax	9.44	2.76
Effect of foreign tax rate differences	(16.80)	(8.87)
Dividend income from subsidiaries	(25.35)	(2.76)
Non-taxable interest income	(6.57)	(2.89)
Valuation allowance for deferred tax assets	100.56	—
Others	(3.97)	8.21
Effective tax rate	100.57%	37.78%

The tax effects of temporary differences that give rise to significant deferred tax assets and liabilities at March 31, 2009 and 2008 are as follows:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Deferred tax assets:			
Accrued pension and severance payments	**¥ 1,566**	¥ 1,634	**$ 15,980**
Accrued bonuses	**—**	401	**—**
Allowance for doubtful accounts	**67**	56	**684**
Tax loss carryforwards	**779**	110	**7,949**
Foreign tax credits	**—**	585	**—**
Others	**238**	315	**2,428**
Total deferred tax assets	**2,650**	3,101	**27,041**
Deferred tax liabilities:			
Depreciation	**(45)**	(69)	**(459)**
Unrealized gain on securities	**(147)**	(959)	**(1,500)**
Deferred gains on sales and acquisition of fixed assets	**(2,362)**	(2,452)	**(24,102)**
Others	**(231)**	(363)	**(2,357)**
Total deferred tax liabilities	**(2,785)**	(3,843)	**(28,418)**
Net deferred tax assets	**¥ (135)**	¥ (742)	**$ (1,377)**

The deferred tax assets for the year March 31, 2009 are after deduction of valuation allowance ¥2,690 million (U.S.$27,449 thousand).

7. Short-term Debt and Long-term Debt

Short-term debt represents notes payable mainly to banks with the weighted average interest rate of 2.04% per annum at March 31, 2009 and 2.75% per annum at March 31, 2008.

Long-term debt at March 31, 2009 and 2008 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Without collateral:			
Loans, mainly from banks and insurance companies due through 2014 at interest rates ranging from 1.078% to 4.56% per annum	**¥ 4,670**	¥ 1,800	**$ 47,653**
Other	**1**	3	**10**
	4,671	1,803	**47,663**
Less, portion due within one year	**113**	800	**1,153**
	¥ 4,558	¥ 1,003	**$ 46,510**

The aggregate annual maturities of long-term debt outstanding as of March 31, 2009 are as follows:

Year ending March 31,	Millions of Yen	Thousands of U.S. Dollars (Note 1)
2010	¥ 113	$ 1,153
2011	1,058	10,796
2012	2,300	23,469
2013	-	-
2014	1,200	12,245
	¥4,671	$ 47,663

At March 31, 2009, the following assets are pledged as collateral for transactions with a bank:

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
Property, plant and equipment (at net book value)	¥ 352	$ 3,592

8. Contingent Liabilities

At March 31, 2009 and 2008, contingent liabilities were as follows:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Guarantees of bank loans	**¥ 13**	¥ 14	**$ 133**

9. Derivative Financial Instruments

For the year ended March 31, 2008, certain consolidated subsidiary entered into derivative financial instruments ("derivatives"), including forward foreign exchange contracts and currency swap contracts, to hedge foreign currency exchange risks associated with certain assets and liabilities denominated in foreign currencies. Additionally, the Company entered into interest rate swap agreements to manage its interest rate exposure on certain liabilities.

It is the Companies' policy to use derivatives only for the purpose of reducing market risks associated with assets and liabilities. The Company does not hold or issue derivatives for trading purposes.

Because the counter parties to the derivatives are limited to major international financial institutions, the Companies do not anticipate any losses arising from credit risk.

Under the Companies' guidelines, the execution and control of derivatives are controlled by Finance Headquarters of the Company. And each derivative transaction is reported to the General Manager of Finance Headquarters, where evaluation and analysis of derivatives are made.

The fair value of the Companies' derivative financial instruments at Mach 31, 2008 was as follows:

	Millions of Yen					
	2009			2008		
	Contract amount	Fair value	Unrealized gain (loss)	Contract amount	Fair value	Unrealized gain (loss)
Foreign currency swap contracts	**¥ —**	**¥ —**	**¥ —**	¥2,673	¥ (28)	¥ (28)

	Thousands of U.S. Dollars (Note1)		
	2009		
	Contract amount	Fair value	Unrealized gain (loss)
Foreign currency swap contracts	**$ —**	**$ —**	**$ —**

The above transactions were entered into for the purpose of minimizing foreign exchange risks pertaining advances and accounts payable and receivable between the Companies.

Derivatives which qualify for deferral hedge accounting under which unrealized gain or loss is deferred as net assets with net of taxes at March 31, 2008, were excluded from market value information disclosure.

10. Leases

The following is a summary of acquisition cost, accumulated depreciation, book value of leased assets and future minimum lease payments required under finance lease which do not transfer ownership of the leased property to the lessee as of March 31, 2009.

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
Machinery and equipment	**2009**	**2009**
Acquisition costs	**¥ 211**	**$ 2,153**
Accumulated depreciation	**(99)**	**(1,010)**
Book value	**¥ 112**	**$ 1,143**
Future minimum lease payments required		
Due within one year	**¥ 86**	**$ 878**
Due after one year	**26**	**265**
Total	**¥ 112**	**$ 1,143**

The acquisition costs and future minimum lease payments under finance leases include imputed interest expense.

Pro forma information relating to acquisition costs, accumulated depreciation and future minimum lease payments for property held under finance leases which do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the year ended March 31, 2008 was as follows:

	Millions of Yen
Machinery and equipment	2008
Acquisition costs	¥ 1,029
Accumulated depreciation	823
Net leased property	¥ 206

Future minimum lease payments required

Due within one year	¥ 116
Due after one year	90
Total	¥ 206

The acquisition costs and future minimum lease payments under finance leases include imputed interest expense.

Depreciation expense which is not reflected in the accompanying consolidated statements of income, computed by the straight-line method, would have been ¥130 million for the year ended March 31, 2008.

Obligations under non-cancelable operating leases as of March 31, 2009 and 2008 were as follows:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Due within one year	**¥ 124**	¥ 58	**$ 1,265**
Due after one year	**159**	125	**1,622**
Total	**¥ 283**	¥ 183	**$ 2,887**

11. Shareholders' Equity

Under the Corporate Law of Japan (the "Companies Act"), a company may, by resolution of the board of directors, designate an amount not exceeding one-half of the price of the new shares as additional paid-in capital.

The Companies Act provides that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital depending on the equity account charged upon the payment of such dividends until the total of aggregated amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions by resolution of the shareholders.

12. Severance Payments and Pension Plan

The following tables set forth the changes in benefit obligation, plan assets and funded status of the Company and certain consolidated subsidiary at March 31, 2009 and 2008.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Projected benefit obligation	**¥(12,068)**	¥ (11,810)	**$ (123,143)**
Fair value of plan assets	**5,461**	6,098	**55,724**
Funded status:			
Benefit obligation in excess of plan assets	**(6,607)**	(5,712)	**(67,419)**
Unrecognized actuarial differences	**2,361**	1,262	**24,092**
Accrued pension liability recognized in the consolidated balance sheets	**¥ (4,246)**	¥ (4,450)	**$ (43,327)**

Severance and pension costs of the Company and certain consolidated subsidiaries for the years ended March 31, 2009 and 2008 were as follows:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Service cost	**¥ 645**	¥ 681	**$ 6,582**
Interest cost	**226**	221	**2,306**
Expected return on plan assets	**(152)**	(161)	**(1,551)**
Amortization:			
Actuarial losses	**205**	108	**2,092**
Net periodic benefit cost	**924**	849	**9,429**
Cost of defined contribution pension plans	**41**	43	**418**
Total cost of pension plans	**¥ 965**	¥ 892	**$ 9,847**

Assumption used in the accounting for the defined benefit plan of the Company for the years ended March 31, 2009 and 2008 is as follows:

	2009	2008
Method of attributing benefit to periods of service	**straight-line basis**	straight-line basis
Discount rate	**2.0%**	2.0%
Expected long-term rate of return on plan assets	**2.5%**	2.5%
Amortization period for actuarial losses	**10years**	10years

The retirement benefits for directors and corporate auditors of the Company currently in office amounting to ¥406 million, which are fixed as of June 27, 2007 and payable at the time of their retirement, were classified to ¥200 million (U.S.$2,041 thousand) in "Other current liabilities" and ¥206 million (U.S.$2,102 thousand) in "Severance payments for directors and corporate auditors" at March 31, 2009 and ¥406 million in "Severance payments for directors and corporate auditors" at March 31, 2008 in the accompanying balance sheet.

13. Research and Development Costs

Research and development costs for the years ended March 31, 2009 and 2008 were ¥2,008 million (U.S.$20,490 thousand) and ¥2,257 million, respectively.

14. Segment Information

Information by geographical area for the years ended March 31, 2009 and 2008 is summarized as follows:

(A) Geographical segment information

(1) Operating income (loss):

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
Japan	**2009**	2008	**2009**
Net sales: Customers	**¥ 47,568**	¥ 48,607	**$ 485,388**
Intersegment	**3,471**	3,991	**35,418**
	51,039	52,598	**520,806**
Operating expenses	**51,999**	51,357	**530,602**
Operating (loss) income	**(960)**	1,241	**(9,796)**

North America			
Net sales: Customers	**18,391**	21,073	**187,663**
Intersegment	**38**	26	**388**
	18,429	21,099	**188,051**
Operating expenses	**18,450**	21,060	**188,265**
Operating (loss) income	**(21)**	39	**(214)**
Europe			
Net sales: Customers	**1,030**	1,794	**10,510**
Intersegment	**12**	14	**122**
	1,042	1,808	**10,632**
Operating expenses	**1,060**	1,743	**10,816**
Operating (loss) income	**(18)**	65	**(184)**
South Asia			
Net sales: Customers	**11,538**	11,030	**117,735**
Intersegment	**238**	287	**2,429**
	11,776	11,317	**120,164**
Operating expenses	**10,271**	10,185	**104,807**
Operating income	**1,505**	1,132	**15,357**
East Asia			
Net sales: Customers	**29,082**	28,128	**296,755**
Intersegment	**2,904**	1,395	**29,633**
	31,986	29,523	**326,388**
Operating expenses	**29,920**	27,589	**305,306**
Operating income	**2,066**	1,934	**21,082**
Total			
Net sales: Customers	**¥107,609**	¥110,632	**$ 1,098,051**
Intersegment	**6,663**	5,713	**67,990**
	114,272	116,345	**1,166,041**
Elimination	**(6,663)**	(5,713)	**(67,990)**
Consolidated net sales	**107,609**	110,632	**1,098,051**
Operating expenses	**111,700**	111,934	**1,139,796**
Elimination	**(6,660)**	(5,730)	**(67,959)**
Consolidated operating expenses	**105,040**	106,204	**1,071,837**
Operating income	**2,572**	4,411	**26,245**
Elimination	**(3)**	17	**(31)**
Consolidated operating income	**¥ 2,569**	¥ 4,428	**$ 26,214**

Note : Each segment outside Japan mainly represents the following nations and regions:

(1) North America .... U.S.A. and Canada
(2) Europe .... United Kingdom and Germany
(3) South Asia .... Singapore, Indonesia and Malaysia
(4) East Asia .... China, Hong Kong, Taiwan and Korea

(2) Assets:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
Japan	**¥ 49,336**	¥ 54,302	**$ 503,428**
North America	**9,127**	12,090	**93,133**
Europe	**470**	640	**4,796**
South Asia	**9,195**	10,932	**93,826**
East Asia	**33,789**	35,995	**344,786**
Sub-total	**101,917**	113,959	**1,039,969**
Net of elimination and common use assets	**(1,094)**	(1,916)	**(11,163)**
Total	**¥100,823**	¥112,043	**$ 1,028,806**

Note :

The common use assets included in the item "Net of elimination and common use assets" consist primarily of working assets (cash and cash equivalents) and long-term investment (investment in securities, unconsolidated subsidiaries and affiliates) maintained by the Company for general corporate purposes, totaling ¥7,756 million (U.S.$79,143 thousand) at March 31, 2009 and ¥8,197 million at March 31, 2008.

(B) Overseas sales

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	**2009**
The Americas	**¥ 18,716**	¥ 21,608	**$ 190,979**
South Asia	**11,538**	11,030	**117,735**
East Asia	**26,313**	26,288	**268,500**
Other areas	**5,261**	3,329	**53,684**
Total	**¥ 61,828**	¥ 62,255	**$ 630,898**
Percentage of overseas sales to net sales	**57.5%**	56.3%	

Notes:

1. Overseas sales are the sum of export sales of the Company and net sales of consolidated subsidiaries to each segment after elimination of all intercompany transactions.

2. Each segment outside Japan mainly represents the following nations and regions:
   (1) The Americas .... U.S.A., Canada, Argentina and Venezuela
   (2) South Asia .... Singapore, Philippines and Malaysia
   (3) East Asia .... China , Hong Kong, Taiwan and Korea
   (4) Other areas .... Europe and Middle East

15. Subsequent Event

The following appropriation of retained earnings at March 31, 2009 was approved at the annual meeting of shareholders held on June 25, 2009:

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
Cash dividends	**¥ 468**	**$ 4,776**

Report of Independent Auditors

The Board of Directors
Fujitec Co., Ltd.

We have audited the accompanying consolidated balance sheets of Fujitec Co., Ltd. and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above, expressed in Japanese yen, present fairly, in all material respects, the consolidated financial position of Fujitec Co., Ltd. and consolidated subsidiaries as of March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended, in conformity with accounting principles and practices generally accepted in Japan.

As discussed in Note 2 (F) to the consolidated financial statements, the Company changed its method for measurement of inventories.

The amounts stated in U.S. dollars have been translated on the basis set forth in Note 1 to the consolidated financial statements.

Osaka, Japan

June 25, 2009

Osaka Audit Corporation

OSAKA AUDIT CORPORATION

Consolidated 5-Year Summary

Fujitec Co., Ltd. and Consolidated Subsidiaries
Years ended March 31

	2009	2008	2007	2006	2005	2009
	Millions of Yen					Thousands of U.S. Dollars
For the year:						
Net sales	**¥107,609**	¥110,632	¥104,716	¥ 91,627	¥ 92,704	**$1,098,051**
Japan	**45,781**	48,377	45,701	43,915	48,413	**467,153**
Outside Japan	**61,828**	62,255	59,015	47,712	44,291	**630,898**
Operating income	**2,569**	4,428	4,037	2,634	3,792	**26,214**
Net (loss) income	**(649)**	2,219	7,245	1,021	1,896	**(6,622)**
Depreciation and amortization	**2,600**	2,375	2,217	1,763	1,727	**26,531**
Acquisition of property, plant and equipment	**2,313**	3,050	6,790	6,216	1,831	**23,602**
At year-end:						
Total assets	**¥100,823**	¥112,043	¥122,889	¥115,970	¥101,967	**$1,028,806**
Net assets	**59,810**	68,356	71,786	60,553	54,540	**610,306**
	Yen					U.S. Dollars
Per share of common stock:						
Net (loss) income	**¥ (6.94)**	¥ 23.66	¥ 77.32	¥ 10.58	¥ 20.20	**$ (0.07)**
Cash dividends	**10.00**	12.00	12.00	10.00	10.00	**0.10**
Net assets	**591.87**	675.35	713.27	646.41	582.37	**6.04**

Notes:1. During FY 2005, the accounts of Fujitec (Malaysia) Sdn. Bhd., Fujitec India Private Ltd. and FSP Pte. Ltd. (formerly Fujitec Maintenance (Singapore) Pte. Ltd.), which are subsidiaries of Fujitec Singapore Corpn. Ltd., were newly included in the consolidation.
2. During FY 2006, the accounts of Fujitec Vietnam Co., Ltd., which is a subsidiary of Fujitec Singapore Corpn. Ltd., were newly included in the consolidation.
3. During FY 2008, the accounts of Fujitec, Inc. (Philippines), which is a subsidiary of Fujitec Singapore Corpn. Ltd., were newly included in the consolidation.
4. Net (loss) income per share amounts are computed based on the weighted average number of shares outstanding during each year. Bonuses to directors and corporate auditors are deducted from net income for purposes of the calculation for FY 2005 and 2006.
5. U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥98 to U.S.$1.

GLOBAL NETWORK

The Americas

United States
Fujitec America, Inc.
R&D, manufacturing, marketing, installation and maintenance

Canada
Fujitec Canada, Inc.
Marketing, installation and maintenance

Venezuela
Fujitec Venezuela C.A.
Marketing, installation and maintenance

Argentina
Fujitec Argentina S.A.
Marketing, installation and maintenance

Uruguay
Fujitec Uruguay S.A.
Marketing, installation and maintenance

Guam
Fujitec Pacific, Inc.
Marketing, installation and maintenance

Overseas Liaison Offices

Beijing, Dubai and Montevideo

Japan

Fujitec Co., Ltd.
R&D, manufacturing, marketing, installation and maintenance

South Asia

Singapore
Fujitec Singapore Corpn. Ltd.
R&D, manufacturing, marketing, installation and maintenance

FSP Pte. Ltd.
Installation and maintenance

Malaysia
Fujitec (Malaysia) Sdn. Bhd.
Marketing, installation and maintenance

Indonesia
P. T. Fujitec Indonesia
Manufacturing, installation and maintenance

Vietnam
Fujitec Vietnam Co., Ltd.
Marketing, installation and maintenance

Philippines
Fujitec, Inc.
Marketing, installation and maintenance

India
Fujitec India Private Ltd.
Marketing, installation and maintenance

East Asia

China
Huasheng Fujitec Elevator Co., Ltd.
Manufacturing, marketing, installation and maintenance

Shanghai Huasheng Fujitec Escalator Co., Ltd.
Manufacturing, marketing, installation and maintenance

Fujitec Shanghai Technologies Co., Ltd.
Research and development

Fujitec Shanghai Sourcing Center Co., Ltd.
Procurement and Manufacturing

Hong Kong
Fujitec (HK) Co., Ltd.
Manufacturing, marketing, installation and maintenance

Taiwan
Fujitec Taiwan Co., Ltd.
Manufacturing, marketing, installation and maintenance

Korea
Fujitec Korea Co., Ltd.
Manufacturing, marketing, installation and maintenance

Europe and Middle East

Germany
Fujitec Deutschland GmbH
Marketing, installation and maintenance

United Kingdom
Fujitec UK Ltd.
Marketing, installation and maintenance

Saudi Arabia
Fujitec Saudi Arabia Co., Ltd.
Marketing, installation and maintenance

Egypt
Fujitec Egypt Co., Ltd.
Marketing, installation and maintenance

Board of Directors

President and Chief Executive Officer
Takakazu Uchiyama*

Directors
Akira Sumimoto
Iwataro Sekiguchi
Masahiko Nogi
Yoshio Kitagawa
Hisao Shigekane
Yasuo Hanakawa
Kazuo Inaba

* Representative director

Corporate Auditors
Toshiyuki Matsubara
Masanobu Nakano
Terumichi Saeki

(As of June 25, 2009)

SHAREHOLDERS' INFORMATION

Fujitec Co., Ltd.
Big Wing, Hikone,
Shiga 522-8588, Japan
Telephone: +81-749-30-6650
Facsimile: +81-749-30-7057

Date of Establishment
February 9, 1948

Paid-in Capital
¥12,533,933,095

Common Stock
Authorized: 300,000,000 shares
Issued: 93,767,317 shares
Number of shareholders: 3,770

Major Shareholders	Number of shares held (Thousands)	Share holding ratio (%)
Citigroup Global Markets INC.	13,852	14.77%
Uchiyama International, Limited	10,025	10.69%
Fuji Electric Holdings Co., Ltd.	5,089	5.42%
Credit Suisse Zurich	4,606	4.91%
The Master Trust Bank of Japan, Ltd.	4,282	4.56%
Resona Bank, Ltd.	4,203	4.48%
Japan Trustee Services Bank, Ltd. (trust account 4G)	3,545	3.78%
Japan Trustee Services Bank, Ltd. (trust account 4)	3,166	3.37%
Mellon Bank Treaty Clients Omnibus	2,504	2.67%
Japan Trustee Services Bank, Ltd. (trust account)	2,332	2.48%

Annual Meeting of Shareholders
The annual meeting of shareholders of the Company is normally held in June each year in Hikone, Shiga, Japan.

Stock Exchange Listings
Tokyo and Osaka stock exchanges

Transfer Agent
The Chuo Mitsui Trust and Banking Company, Limited
Stock Transfer Agency Department
33-1, Shiba 3-chome, Minato-ku,
Tokyo 105-8574, Japan
Business office:
The Chuo Mitsui Trust and Banking Company, Limited
Osaka Branch
Stock Transfer Agency Department
2-21, Kitahama 2-chome, Chuo-ku,
Osaka 541-0041, Japan
Telephone: +81-6-6202-7361

Auditors
Osaka Audit Corporation

(As of March 31, 2009)

FUJITEC CO., LTD.
http://www.fujitec.com

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