

Semiannual Report 2009

Six months ended September 30, 2009



» Consolidated Financial Highlights

Fujitec Co., Ltd. and Consolidated Subsidiaries
Six-month periods ended September 30, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars	Percent change 2009/2008
	2009	2008	2009	
For each period:				
Net sales	¥ 49,068	¥ 49,659	\$ 545,200	-1.2%
Domestic	21,644	20,043	240,489	+8.0%
Overseas	27,424	29,616	304,711	-7.4%
Operating income	634	1,534	7,044	-58.7%
Net income	76	493	844	-84.4%
At the end of each period:				
Total assets	¥ 105,085	¥ 110,718	\$1,167,611	-5.1%
Net assets	60,777	67,895	675,300	-10.5%
	Yen		U.S. dollars	
Per share of common stock:				
Net income	¥ 0.82	¥ 5.27	\$ 0.01	-84.4%
Interim cash dividends	4.00	5.00	0.04	—

Notes: 1. U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥90 to U.S. \$ 1.

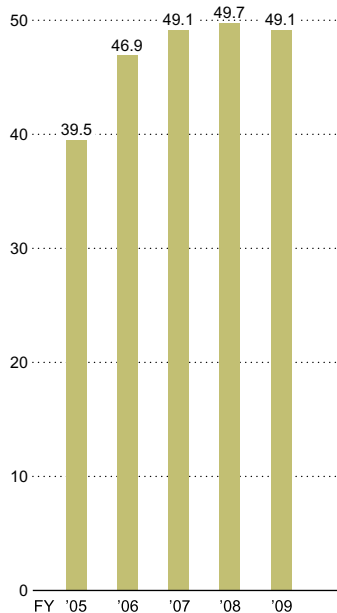
2. Net income per share amounts are computed based on the weighted average number of shares outstanding during each period.

3. During six-month period ended September 30, 2009, the accounts of Fujitec Shanghai Sourcing Center Co., Ltd. (China) were newly included in the consolidation.

4. The amounts of total assets and net assets in 2008 in the Consolidated Financial Highlights differ from those in the Consolidated Balance Sheets on pages 12 and 13, because the figures in the Consolidated Financial Highlights represent amounts as they stood as of September 30, 2008, while those in the Consolidated Balance Sheets are as of March 31, 2009.

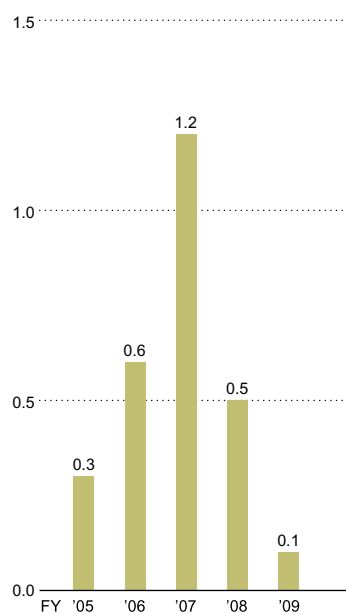
Net sales

(Billion ¥)



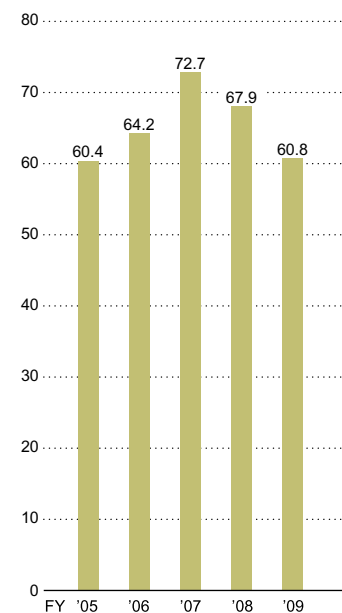
Net income

(Billion ¥)



Net assets

(Billion ¥)



(Six-month periods ended September 30)

Note: The amount of net assets for 2005 has been reclassified in order to correspond to the presentation after September 30, 2006.

» To Our Shareholders

We are pleased to report the following on the consolidated operating results of the Group for the six-month period from April 1 to September 30, 2009 (cumulative figures for the second quarter of our 63rd year).

The global economy in the term under review has left the worst behind, although business conditions in Europe and the U.S. remained weak. In China, thanks to economic stimulus measures, there has been a recovery centered on domestic demand. Also, elsewhere across Asia, signs of recovery were apparent as governments in the region implemented economic stimulus measures and exports to China rebounded. In the Japanese economy, production started to pick up again supported by public stimulus measures and rising exports to Asia, but conditions remain strained by worsened employment and plunging capital expenditure.

As for the elevator and escalator industry, demand remained firm in the Chinese market thanks to recovering investment in real estate development. However, in other regions including North America, equipment demand for apartment buildings and commercial real estate applications was impacted by weak real estate markets. In Japan, too, demand related to condominium buildings and commercial facilities continued to decline.

In this climate, the Company made efforts to increase sales of core products and to expand income and earnings from modernization operations. However, due to the decline in domestic and global demand as well as foreign currency exchange effects, the total amount of orders received in the period under review fell to ¥48,326 million (-22.5%), while net sales slipped 1.2% to ¥49,068 million.

With earnings in Japan significantly lower, operating income posted ¥634 million, reflecting a 58.7% decline compared to the previous year. While other income/expenses increased ¥179 million to ¥376 million and special items improved by ¥668 million compared to last year due to reduced loss from revaluation of inventories, tax expenses and minority interests increased by ¥198 million and ¥166 million, respectively. As a result, net income for the period was ¥76 million, or 84.4% lower compared to the previous year.

» To Our Shareholders

The Company will pay an interim cash dividend of ¥4.0 per share of common stock, consistent with the financial results for the period under review.

The outlook for the global economy calls for a rapid recovery in China due to that country's economic stimulus measures, but only a gradual recovery supported by the respective governments' economic policies is expected in other regions. Despite prospects for rebounding demand in the elevator and escalator market in China thanks to rising investment in real estate development, overall demand is foreseen to continue at a low level and the management environment of the Fujitec Group is likely to remain stern.

With the current fiscal year marking the end of the Company's mid-term business plan entitled "Regeneration for Quality," the Fujitec Group will take concerted action to increase sales and spare no effort to achieve an early recovery in earnings. Moreover, the Group will work to increase earnings by expanding and enhancing operations, such as through the escalator production and field engineering bases slated for completion in Japan in the coming spring and the start of full-scale operations at the Shanghai Sourcing Center in China.

We sincerely request our shareholders' continued support.

November, 2009



Takakazu Uchiyama
President and Chief Executive Officer

» Outline of Major Activities

North & South America



Nationwide Children's Hospital (rendering)

In the U.S., Fujitec received an order for 15 elevators for Nationwide Children's Hospital in Columbus, Ohio, which is recognized as one of the best medical institutions in the United States. In addition, Fujitec supplied 16 elevators for the Spectrum Center, a cutting-edge office building in Addison, Texas.

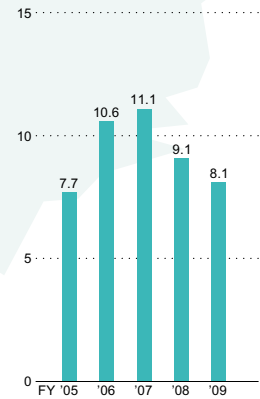
In Canada, Fujitec delivered 13 elevators in Vancouver including high-speed models for a complex building scheduled to be completed soon. This building will house the world-class Shangri-La Hotel and a luxury condominium facility.

In Argentina, Fujitec supplied a large number of elevators and escalators for the Buenos Aires Metro and for the Torre Repsol YPF, a luxury office building in Buenos Aires designed by the well-renowned architect Cesar Pelli.



Torre Repsol YPF

Sales in North America (Billion ¥)



East Asia

In China, 108 Fujitec escalators are in service at 24 stations of the Beijing Subway Line 4, which has now commenced operation.

Also in China, Fujitec received a bulk order for 248 elevators to be installed in a large size residential project under construction in Anshan City, Liaoning Province.

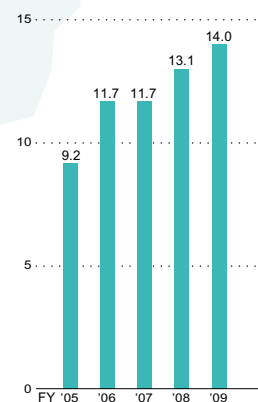


Beijing Subway Line 4

In Hong Kong, Fujitec is supplying a total of 41 elevators and escalators for the six super high-rise condominium building and commercial facility, the Hermitage located next to the Olympic Station. Additionally, they will supply a total of 53 elevators and escalators for a high-rise condominium building and commercial facility next to Tseung Kwan O Station.

In Taiwan, Fujitec delivered ten elevators for the World Games Stadium in Kaohsiung City and received a comprehensive order for a total of 59 elevators, escalators and moving walks for Shin Kong Mitsukoshi Department Store, Zuoying, also in Kaohsiung City.

Sales in East Asia (Billion ¥)



» Outline of Major Activities

South Asia

In Singapore, a total of 25 Fujitec super high-speed and conventional elevators, as well as escalators are operating in “The Sail,” a super high-rise condominium building completed at Marina Bay.

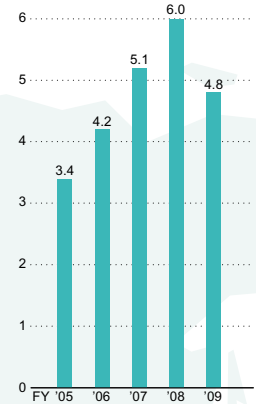


The Sail

Also in Singapore, Fujitec received an order for 18 elevators for five high-rise condominium buildings, which will go up in the Toa Payoh district.

In India, Fujitec has been engaging in proactive sales activities, further to eight luxury elevators installed in the world-famous Four Seasons Hotel Mumbai.

Sales in South Asia
(Billion ¥)



Europe & The Middle East

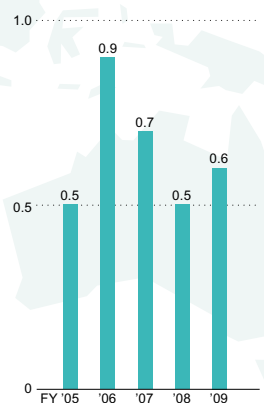
In Dubai in the United Arab Emirates, 32 Fujitec elevators and escalators are in service at four new stations of the monorail, which commenced operations on the world’s largest man-made island of Palm Jumeirah.

Also in Dubai, where the urban railway project Dubai Metro has partly commenced operation, 92 Fujitec moving walks were installed on pedestrian walkways that lead away from station buildings and cross major roadways.



Dubai Metro

Sales in Europe
(Billion ¥)



» Outline of Major Activities

Japan

A total of 40 Fujitec elevators and escalators are in operation at the Aeon Tsuchiura Shopping Center, a large-size commercial facility that recently opened in Tsuchiura, Ibaraki Prefecture. Furthermore, 36 elevators and escalators were supplied to LaLaport Iwata, a large-scale commercial facility in Iwata, Shizuoka Prefecture.



Aeon Tsuchiura Shopping Center

Fujitec installed many elevators and escalators at the newly completed clinical ward of the National Hospital Organization Takasaki General Medical Center, located in Gunma Prefecture.

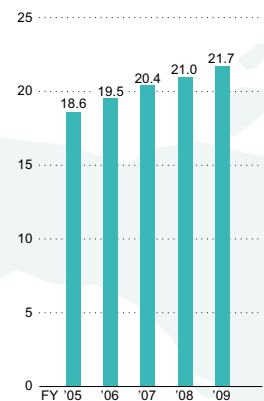
In Tokyo, Fujitec has received an order for many elevators for a high-rise office in connection with the redevelopment of the West Exit area of JR Osaki Station.



Takasaki General Medical Center

Furthermore, Fujitec received an order for large numbers of elevators and escalators for the Mitsui Outlet Park Shiga Ryuo, large-scale commercial facility in Shiga Prefecture.

Sales in Japan
(Billion ¥)



» Topics

“Big Step” and “Big Fit” — Soon to be completed

Subsequent to the completion of the “Big Wing” state-of-the-art elevator research and production base, construction has been steadily proceeding to plan and is nearing completion on the “Big Step” escalator research and production base and the “Big Fit” base for field engineering and wider-area natural disaster countermeasures.

The “Big Step” site, located in Toyooka, Hyogo Prefecture, features new office and plant facilities to further expand production systems and R&D capabilities. The new office facilities were recently completed. With renovation work on the existing plant buildings making steady progress,

all construction work is slated for completion in the next spring. With a view to further expanding its operations, the “Big Step” aims to create an integrated system that enables a speedy process from escalator development to production.

The “Big Fit” site, which is located on the former head office site in Ibaraki, Osaka Prefecture, brings together the Field Engineering Research Institute and the Field Training Center currently in operation. It will also bring together the “Safenet Center” for elevator remote monitoring, the Service and Modernization Division, and the Parts Center, a components supply hub capable of supplying to markets around the globe.

The “Big Fit” site is scheduled for completion in February of 2010 as a core base for assuring higher levels of safety and confidence through steady advances in field engineering capabilities.



Big Fit (rendering)



Big Step

» New Products

Standard model escalator GS-NX Series

Further enhanced safety, energy conservation and design sense

April of last year marked the sales launch of Fujitec's GS-NX Series standard escalator product range. In addition to the numerous products that Fujitec has been supplying throughout Japan and centered on commercial and public facilities, recent research and development efforts have given birth to a variety of devices that further enhance safety, energy conservation and design sense.

One of them is the Foot Safety Sensor (optional spec with charge), which is designed to prevent items such as shoes or clothing from getting caught in the gap between the escalator step and skirt guard. A sensor installed in the skirt guard identifies users' foot position and alerts users through voice and light signals.

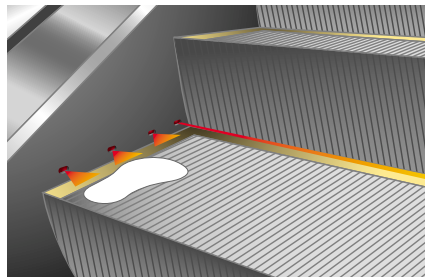
Moreover, Fujitec is the first in the industry to employ LED skirt guard lighting (optional spec with charge). Compared with conventional fluorescent lights, LEDs have a longer life, use less energy, and operate at significantly lower running cost. The device illuminates users' footing area and offers a stylish design.

Also newly launched is the Energy Conservation Operation Device (optional spec with charge). With this, both landings of the escalator are fitted with reflective beam sensors so that after a certain set time when no users are present, the escalator reduces its speed and moves at a stand-by velocity resulting in lower energy consumption.

The use of reflective beam sensors further extends the range within which sensors can detect users and full control over the timing of an escalator's acceleration is also ensured. Enabling smooth boarding by users is just one of the safety improvements offered by these sensors.

GS-NX

SERIES



Foot Safety Sensor



Reflective Beam Sensor



» New Products

Elevator Earthquake Safety Functions for super-high rise buildings up to 300 meters high

Regarding technologies for ensuring elevator earthquake safety in super-high rise office and condominium buildings, Fujitec has developed the Long-period Seismic Motion Operation Mode and the Automatic Diagnosis and Provisional Operation Restoration Service. Fujitec started offering them to customers this October.

Long-period seismic ground motion, unlike usual short-period seismic motion, shakes buildings slowly over periods from several seconds to several tens of seconds long and can travel many hundreds of kilometers.

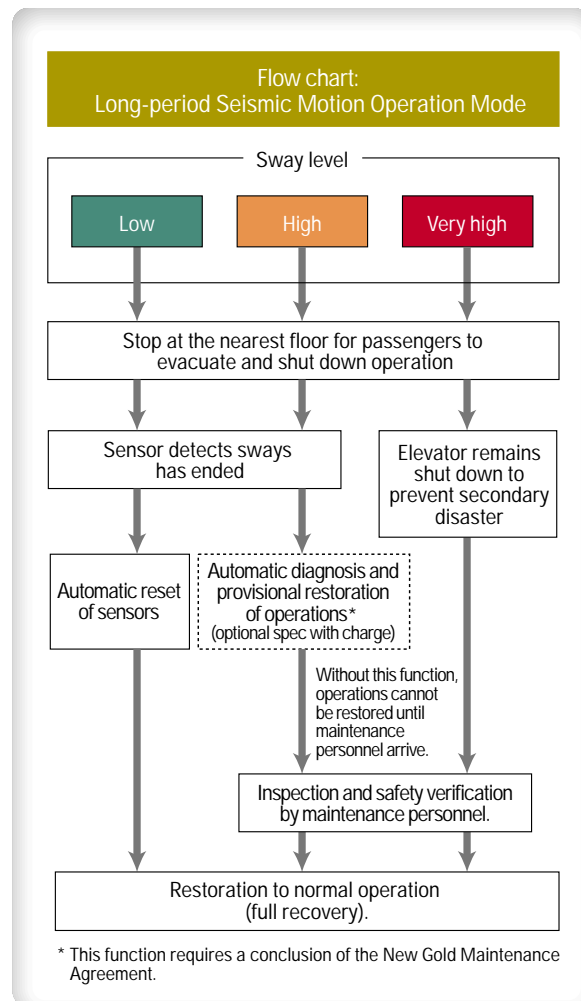
In elevator systems with the Long-period Seismic Motion Operation Mode, in addition to the seismic sensors employed in conventional earthquake controlled operation systems, long-period seismic motion sensors are fitted, and through predicting the level of elevator cable swings, rescue operation mode can be engaged as appropriate.

In this mode the elevator will stop at the next floor to prevent triggering of an emergency stop and ensure the safety of passengers by preventing them from being trapped inside.

Additionally, the application of remote inspection technology enables automatic earthquake damage diagnostics of elevators. If the diagnosis result reveals no problem, through the Automatic Diagnosis and Provisional Operation Restoration Service, the elevator operation provisionally

restores automatically without waiting for the arrival of maintenance staff. Until now, this service was only available for elevators in buildings up to 120 meters in height.

With its Long-period Seismic Motion Operation Mode also achieving an industry first by widening support to super-high structures of up to 300 meters, Fujitec has strengthened the earthquake safety features it offers to the next level.



» Financial Section

Consolidated Financial Review

(Amounts in Japanese yen have been translated into U.S. dollars at the rate of ¥90 / U.S.\$1.00.)

Operating Results

During the six-month period ended September 30, 2009, consolidated net sales decreased 1.2% compared with the year-earlier period to ¥49,068 million (U.S.\$545 million). This result reflects an 8.0% increase in domestic sales, a 7.4% decline in overseas sales, due to effects from the appreciation of the Japanese yen.

New orders received during the period under review declined 22.5% compared to the previous year to ¥48,326 million (U.S.\$537 million). This was due to a 13.6% drop in domestic orders to ¥22,853 million caused by plunging new construction starts for condominiums combined with a downturn in the real estate market, while overseas orders declined 29.1% to ¥25,473 million amid a fall in global demand and the impact of yen appreciation. Notably, overseas orders at the same exchange rates as the previous year decreased 18.2%.

By geographical segment, net sales in Japan increased 1.9% to ¥23,233 million (U.S.\$258 million), reflecting lower exports but higher revenue from modernization work. In North America, the appreciation of the Japanese yen lowered net sales 12.0% to ¥8,068 million (U.S.\$90 million). Net sales in Europe increased ¥46 million, centered on maintenance work and sales of escalators, to ¥556 million (U.S.\$6 million). In South Asia, net sales fell 19.8% to ¥4,897 million (U.S.\$54 million) under the impact of yen appreciation. Meanwhile, East Asia saw net sales climb 7.9% to ¥15,371 million (U.S.\$171 million). This was attributable to higher sales of GLVF-II standard model elevators and high-speed model elevators in China. At the same time, domestic and foreign sales of GS-NX series escalators were firm. Notably, sales at the same exchange rates as the previous year gained 21.6% year on year. The ratio of overseas sales to consolidated net sales fell 3.7% to 55.9% from 59.6%.

As to earnings, operating income declined 58.7% year on year to ¥634 million (U.S.\$7 million). Viewed by region, in Japan the Company posted an operating loss of ¥1,573 million (U.S.\$17 million), widened from an operating loss of ¥268 million in the year-earlier period. This was mostly due to provisioning for losses from construction contracts, overriding positive effects from reduced cost of sales for XIOR standard model elevators and fixed-cost reductions. In North America, operating income rebounded to ¥117 million (U.S.\$1 million) from an operating loss of ¥57 million in the previous year, partly due to enhanced profitability of new construction contracts and fixed-cost reductions. In Europe, despite higher income from maintenance work, an operating loss of ¥2 million resulted, albeit narrowed from a ¥15 million operating loss in the previous year. In South Asia, operating income decreased 6.7% to ¥697 million (U.S.\$8 million) under the impact of 15.9% yen appreciation compared to the previous year. In East Asia, increased sales and cost reductions lifted operating income 25.5% to ¥1,411 million (U.S.\$16 million). Notably, operating income excluding foreign exchange effects gained 42.3% from the year before.

Non-operating income (net) increased ¥179 million on the year to ¥376 million (U.S.\$4 million). Major components were interest and dividend income, which declined ¥50 million to ¥430 million (U.S.\$5 million), interest expenses, which contracted ¥92 million to ¥166 million (U.S.\$2 million) and foreign currency exchange losses, which widened ¥66 million to ¥108 million (U.S.\$1 million), marking the continuing appreciation in the value of the Japanese yen.

Special items (net) improved ¥668 million to ¥43 million (net) (U.S.\$0.5 million), compared with ¥711 million the year before, due to reduced inventory valuation losses.

As a result of the foregoing, income before income taxes and minority interests decreased ¥53 million compared to the previous year to ¥967 million (U.S.\$11 million).

In the six-month period under review, income tax expenses increased ¥198 million to ¥433 million (U.S.\$5 million) while minority interests in net income of consolidated subsidiaries climbed ¥166 million to ¥458 million (U.S.\$5 million).

Net income for the period totaled ¥76 million (U.S.\$0.8 million), marking a decline of 84.4% compared to the previous year.

Financial Position

Total assets as of September 30, 2009, stood at ¥105,085 million (U.S.\$1,168 million), an increase of ¥4,262 million compared with the previous fiscal year-end. This was mainly due to ¥2,729 million higher trade notes and accounts receivable and a ¥2,728 million increase in construction in progress, while investments declined ¥1,389 million.

Total liabilities increased ¥3,295 million compared with the previous fiscal year-end to ¥44,308 million (U.S.\$492 million). This was mainly due to higher provision for losses on contracts and higher advances from customers, combined with reduced short-term debt.

Net assets including minority interests increased ¥967 million compared with the previous fiscal year-end to ¥60,777 million (U.S.\$675 million). Main factors were a ¥544 million decline in retained earnings due to payment of the fiscal year-end dividends and a ¥1,421 million improvement in foreign currency translation adjustments.

The consolidated equity ratio contracted 0.9% compared with the previous fiscal year-end to 54.0%. Net assets per share at September 30, 2009, was ¥606.00, an increase of ¥14.3 from the previous fiscal year-end.

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 September 30, 2009, the balance of outstanding short-term debt stood at ¥3,971 million (U.S.\$44 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 period under review was ¥4,758 million (U.S.\$53 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 ¥2,809 million (U.S.\$31 million), compared with ¥3,056 million in the previous year.

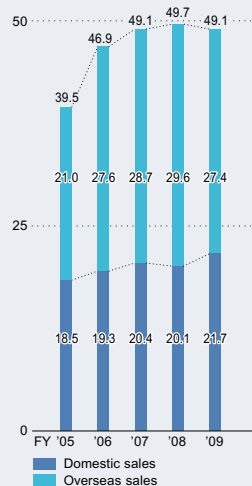
Main factors were ¥967 million (U.S.\$11 million) in income before income taxes and minority interests, ¥1,083 million (U.S.\$12 million) in depreciation and amortization and an additional ¥1,745 million (U.S.\$19 million) in provisions for losses from construction contracts.

Net cash used in investing activities was ¥415 million (U.S.\$5 million) compared with ¥9,008 million in the previous year. Main factors were ¥919 (U.S.\$10 million) from the net decrease in time deposits and ¥1,758 million (U.S.\$20 million) in expenditures for acquisition of property, plant and equipment.

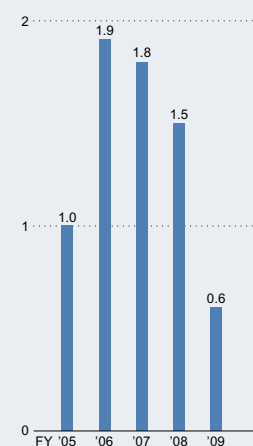
Net cash used in financing activities was ¥4,108 million (U.S.\$46 million), compared with ¥3,920 million in the previous year. Main factors were ¥2,424 million (U.S.\$27 million) for the net decrease in short-term debt, ¥811 million (U.S.\$9 million) for the repayment to a minority shareholder in a consolidated subsidiary, as well as interest and dividend payments.

Cash and cash equivalents at September 30, 2009, totaled ¥9,118 million (U.S.\$101 million), ¥271 million less than at the previous fiscal year-end.

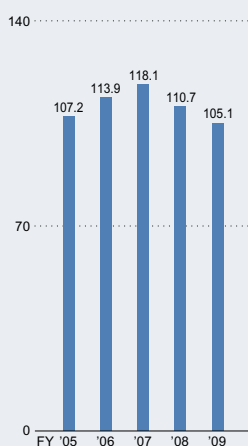
Domestic sales and overseas sales
(Billion ¥)



Operating income
(Billion ¥)



Total assets
(Billion ¥)



Consolidated Balance Sheets

Fujitec Co., Ltd. and Consolidated Subsidiaries
September 30 and March 31, 2009

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	September 30 2009	March 31 2009	September 30 2009
ASSETS			
Current assets:			
Cash and cash equivalents.....	¥ 9,118	¥ 9,389	\$ 101,311
Time deposits.....	11,642	12,033	129,356
Trade notes and accounts receivable:			
Unconsolidated subsidiaries and affiliates.....	126	531	1,400
Other.....	27,155	23,930	301,722
Allowance for doubtful accounts.....	(412)	(321)	(4,577)
	<u>26,869</u>	<u>24,140</u>	<u>298,545</u>
Inventories.....	13,934	13,507	154,822
Deferred income taxes.....	208	151	2,311
Other current assets.....	1,659	1,424	18,433
Total current assets.....	<u>63,430</u>	<u>60,644</u>	<u>704,778</u>
Investments and long-term loans:			
Investments in Unconsolidated subsidiaries and affiliates.....	1,302	3,435	14,466
Investment securities.....	5,066	4,322	56,289
Long-term loans.....	1,924	1,925	21,378
	<u>8,292</u>	<u>9,682</u>	<u>92,133</u>
Property, plant and equipment, at cost:			
Buildings.....	19,863	19,573	220,700
Machinery and equipment.....	14,793	14,551	164,366
Leased assets.....	185	211	2,056
	<u>34,841</u>	<u>34,335</u>	<u>387,122</u>
Accumulated depreciation.....	(16,955)	(16,311)	(188,389)
	<u>17,886</u>	<u>18,024</u>	<u>198,733</u>
Land.....	6,841	6,748	76,011
Construction in progress.....	3,791	1,063	42,123
	<u>28,518</u>	<u>25,835</u>	<u>316,867</u>
Other assets:			
Deferred income taxes.....	55	53	611
Goodwill.....	1,071	946	11,900
Intangible assets.....	1,702	1,668	18,911
Other.....	2,017	1,995	22,411
	<u>¥105,085</u>	<u>¥100,823</u>	<u>\$ 1,167,611</u>

The accompanying notes are an integral part of these statements.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	September 30 2009	March 31 2009	September 30 2009
LIABILITIES AND NET ASSETS			
Current liabilities:			
Short-term debt	¥ 3,971	¥ 6,339	\$ 44,122
Current portion of long-term debt	135	113	1,500
Lease obligations.....	49	86	544
Trade notes and accounts payable:			
Unconsolidated subsidiaries and affiliates	13	42	144
Other.....	11,295	10,655	125,500
Advances from customers	8,501	6,116	94,456
Accrued income taxes	631	555	7,011
Accrued bonuses	573	954	6,367
Provision for losses on contracts	3,036	1,225	33,733
Deferred income taxes	36	21	400
Other provisions	389	—	4,322
Other current liabilities	5,576	5,553	61,956
Total current liabilities	34,205	31,659	380,055
Long-term debt	4,623	4,558	51,367
Lease obligations	21	26	233
Deferred income taxes	609	318	6,767
Accrued pension and severance payments	4,645	4,246	51,611
Retirement benefits for directors and corporate auditors	205	206	2,278
Total liabilities	44,308	41,013	492,311
Contingent liabilities (Note 3)			
Net assets:			
Shareholders' equity			
Common stock, no par value;			
Authorized: 300,000,000 shares			
Issued: 93,767,317 shares at September 30 and March 31, 2009	12,534	12,534	139,267
Additional paid-in capital	14,566	14,566	161,844
Retained earnings.....	45,618	46,162	506,867
Treasury stock at cost: 184,704 shares at September 30, 2009 and 179,601 shares at March 31, 2009	(125)	(123)	(1,389)
	72,593	73,139	806,589
Valuation and translation adjustments			
Net unrealized gains on securities	660	215	7,333
Foreign currency translation adjustments	(16,542)	(17,963)	(183,800)
	(15,882)	(17,748)	(176,467)
Minority interests	4,066	4,419	45,178
Total net assets	60,777	59,810	675,300
	¥105,085	¥100,823	\$1,167,611

Consolidated Statements of Income

Fujitec Co., Ltd. and Consolidated Subsidiaries
Six-month periods ended September 30, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009
Net sales	¥ 49,068	¥ 49,659	\$ 545,200
Cost and expenses:			
Cost of sales	40,973	40,019	455,256
Selling, general and administrative expenses	7,461	8,106	82,900
	48,434	48,125	538,156
Operating income	634	1,534	7,044
Other income (expenses):			
Interest and dividend income	430	480	4,778
Interest expense	(166)	(258)	(1,844)
Foreign currency exchange loss	(108)	(42)	(1,200)
Other, net	220	17	2,444
	376	197	4,178
Special items:			
Gain on sales of property, plant and equipment	4	720	44
Loss on disposal and sales of property, plant and equipment	(47)	(487)	(522)
Loss from revaluation of inventories	—	(915)	—
Other, net	—	(29)	—
	(43)	(711)	(478)
Income before income taxes and minority interests	967	1,020	10,744
Income taxes:			
Current	488	612	5,422
Deferred	(55)	(377)	(611)
	433	235	4,811
Income before minority interests	534	785	5,933
Minority interests in net income of consolidated subsidiaries	458	292	5,089
Net income	¥ 76	¥ 493	\$ 844
Per share:			
	Yen		U.S. Dollars (Note 1)
Net income, based on the weighted average number of shares outstanding	¥ 0.82	¥ 5.27	\$ 0.01
Cash dividends, applicable to the year	4.00	5.00	0.04

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows

Fujitec Co., Ltd. and Consolidated Subsidiaries
Six-month periods ended September 30, 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.....	¥ 967	¥ 1,020	\$ 10,744
Depreciation and amortization.....	1,083	1,185	12,033
Benefit for bonuses to employees	(405)	(750)	(4,500)
Increase of accrued pension and severance payments.....	388	415	4,311
Provision for losses on contracts	1,745	10	19,389
Loss from revaluation of inventories at the beginning of period.....	—	915	—
Interest and dividend income.....	(430)	(480)	(4,778)
Interest expense.....	166	258	1,844
Gain on sales of property, plant and equipment	(4)	(720)	(44)
Loss on disposal and sales of property, plant and equipment.....	47	487	522
(Increase) decrease in trade notes and accounts receivable	(1,806)	2,939	(20,067)
Decrease (increase) in inventories	4	(3,019)	44
Increase (decrease) in trade notes and accounts payable	206	(399)	2,289
Increase in advances from customers.....	2,120	2,688	23,556
Other, net.....	(847)	(1,229)	(9,410)
Sub-total.....	3,234	3,320	35,933
Payment of income taxes	(425)	(264)	(4,722)
Net cash provided by operating activities.....	2,809	3,056	31,211
Cash flows from investing activities:			
Decrease (increase) in time deposits, net	919	(9,647)	10,211
Acquisitions of property, plant and equipment	(1,758)	(1,188)	(19,533)
Proceeds from sale of property, plant and equipment	22	1,737	244
Payment for purchase of investment securities.....	—	(403)	—
Investments in unconsolidated subsidiaries	—	(519)	—
Proceeds from interest and dividend income	448	480	4,978
Other, net	(46)	532	(511)
Net cash used in investing activities	(415)	(9,008)	(4,611)
Cash flows from financing activities:			
Decrease in short-term debt, net	(2,424)	(2,912)	(26,933)
Proceeds from long-term debt	140	257	1,555
Payment of interest	(174)	(283)	(1,933)
Cash dividends paid.....	(469)	(655)	(5,211)
Cash dividends paid to minority shareholders	(281)	(322)	(3,122)
Repayment to a minority shareholder	(811)	—	(9,011)
Other, net.....	(89)	(5)	(989)
Net cash used in financing activities	(4,108)	(3,920)	(45,644)
Effect of exchange rate changes on cash and cash equivalents	587	442	6,522
Net decrease in cash and cash equivalents	(1,127)	(9,430)	(12,522)
Cash and cash equivalents at beginning of period	9,389	16,866	104,322
Cash and cash equivalents increased by a newly consolidated subsidiary....	856	—	9,511
Cash and cash equivalents at end of period	¥ 9,118	¥ 7,436	\$ 101,311

The accompanying notes are an integral part of these statements.

Notes to Consolidated Financial Statements

Fujitec Co., Ltd. and Consolidated Subsidiaries
Six-month periods ended September 30, 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 quarterly consolidated financial statements filed with the Director of the Kanto Local Finance Bureau, as required by the Financial Instrument and Exchange Law of Japan, in conformity with accounting principles and practices generally accepted in Japan.

For the purpose of this Semiannual 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 ¥90=U.S.\$1, the approximate effective rate of exchange at September 30, 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 ¥90=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 18 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)
PT. 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 Shanghai Sourcing Center 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)

During the six-month period ended September 30, 2009, the accounts of Fujitec Shanghai Sourcing Center Co., Ltd. (China) were newly included in consolidation due to an increase of its materiality.

The interim closing date of the above consolidated subsidiaries is June 30.

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

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) Accounting Principles

The semiannual consolidated financial statements are prepared in accordance with the same accounting principles as those listed in the "Notes to Consolidated Financial Statements" for the fiscal year ended March 31, 2009, except for the followings:

(1) Change in accounting policy

Recognition of revenue and cost of construction contracts:

The Company previously applied the completed-contract method for recognizing revenues and costs of construction contracts. From the first quarter ended June 30, 2009, the Company adopted the "Accounting Standard for Construction Contracts" (ASBJ Statement No. 15) and the "Guidance on Accounting Standard for Construction Contracts" (ASBJ Guidance No. 18). Under these standards, the Company shall apply the percentage-of-completion method if the outcome of a construction contract can be estimated reliably from the first quarter. Otherwise, the completed-contract method shall be applied. The percentage of construction progress at the end of the first quarter shall be estimated based on the percentage of the cost incurred to the estimated total cost. As a result of this change, compared with the previous method, net sales increased by ¥2,254 million (U.S.\$25,044 thousand), operating income, and income before income taxes and minority interests decreased by ¥580 million (U.S.\$6,444 thousand), respectively, for the six-month period ended September 30, 2009.

(2) Simplified accounting procedure

Depreciation of property, plant and equipment :

For property, plant and equipment depreciated using the declining balance method, planned depreciation expenses, which are applicable to the fiscal year according to a reasonable budget of property, plant and equipment are allocated to this period on a pro-rata basis.

3. Contingent Liabilities

At September 30, 2009, contingent liabilities were as follows:

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
Guarantees of bank loans	¥ 3	\$ 33

4. Subsequent Event

On November 5, 2009, the Board of Directors of the Company declared interim cash dividends of ¥374 million (U.S. \$4,156 thousand), or ¥4 (U.S.\$0.04) per share, to be paid on December 1, 2009, to shareholders.

5. Segment Information

Information by geographical area for the six-month periods ended September 30, 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)
	2009	2008	2009
Japan			
Net sales: Customers	¥ 21,702	¥ 20,977	\$ 241,133
Intersegment	1,531	1,828	17,011
	<u>23,233</u>	<u>22,805</u>	<u>258,144</u>
Operating expenses.....	24,806	23,073	275,622
Operating loss	<u>(1,573)</u>	<u>(268)</u>	<u>(17,478)</u>
North America			
Net sales: Customers	8,056	9,137	89,511
Intersegment	12	34	134
	<u>8,068</u>	<u>9,171</u>	<u>89,645</u>
Operating expenses.....	7,951	9,228	88,345
Operating income (loss)	<u>117</u>	<u>(57)</u>	<u>1,300</u>
Europe			
Net sales: Customers	552	500	6,134
Intersegment	4	10	44
	<u>556</u>	<u>510</u>	<u>6,178</u>
Operating expenses.....	558	526	6,200
Operating loss	<u>(2)</u>	<u>(16)</u>	<u>(22)</u>
South Asia			
Net sales: Customers	4,796	5,977	53,289
Intersegment	101	129	1,122
	<u>4,897</u>	<u>6,106</u>	<u>54,411</u>
Operating expenses.....	4,200	5,359	46,667
Operating income	<u>697</u>	<u>747</u>	<u>7,744</u>
East Asia			
Net sales: Customers	13,962	13,068	155,133
Intersegment	1,409	1,184	15,656
	<u>15,371</u>	<u>14,252</u>	<u>170,789</u>
Operating expenses.....	13,960	13,127	155,111
Operating income	<u>1,411</u>	<u>1,125</u>	<u>15,678</u>
Total			
Net sales: Customers	¥ 49,068	¥ 49,659	\$ 545,200
Intersegment	3,057	3,185	33,967
	<u>52,125</u>	<u>52,844</u>	<u>579,167</u>
Elimination	(3,057)	(3,185)	(33,967)
Consolidated net sales.....	<u>49,068</u>	<u>49,659</u>	<u>545,200</u>
Operating expenses.....	51,475	51,313	571,945
Elimination	(3,041)	(3,188)	(33,789)
Consolidated operating expenses	<u>48,434</u>	<u>48,125</u>	<u>538,156</u>
Operating income	650	1,531	7,222
Elimination	(16)	3	(178)
Consolidated operating income.....	<u>¥ 634</u>	<u>¥ 1,534</u>	<u>\$ 7,044</u>

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

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

(B) Overseas Sales

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009
The Americas.....	¥ 8,137	¥ 9,375	\$ 90,411
South Asia	4,797	5,977	53,300
East Asia	13,218	12,283	146,867
Other areas	1,272	1,981	14,133
Total	¥ 27,424	¥ 29,616	\$304,711
Percentage of overseas sales to net sales	55.9%	59.6%	

Notes:

- 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.
- Each segment outside Japan represents the following nations and regions:
 - The AmericasU.S.A., Canada, Argentina and Venezuela
 - South Asia Singapore, Philippines and Malaysia
 - East AsiaChina , Hong Kong, Taiwan and Korea
 - Other areas Europe and Middle East

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 and Dubai

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 September 30, 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: 3,672

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	4,571	4.87%
Resona Bank, Ltd.	4,203	4.48%
The Master Trust Bank of Japan, Ltd.(trust account)	4,049	4.31%
Japan Trustee Services Bank, Ltd. (trust account 4)	3,145	3.35%
Mellon Bank Treaty Clients Omnibus	2,622	2.79%
Japan Trustee Services Bank, Ltd. (trust account)	2,111	2.25%
Mizuho Corporate Bank, Ltd.	1,989	2.12%

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 September 30, 2009)