



FUJITEC

Semiannual Report 2011

Six months ended September 30, 2011

South Asia
East Asia
North & South America
Europe & The Middle East
Japan

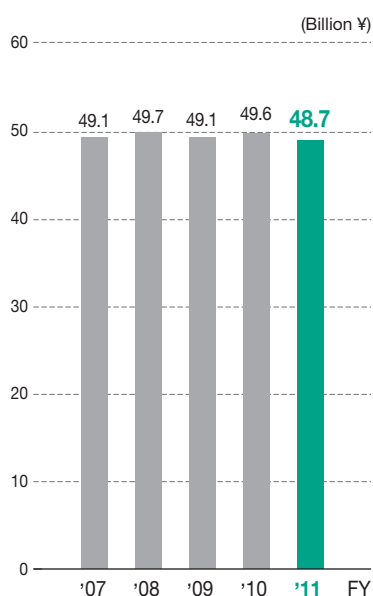
Consolidated Financial Highlights

Fujitec Co., Ltd. and Consolidated Subsidiaries
Six-month periods ended September 30, 2011 and 2010

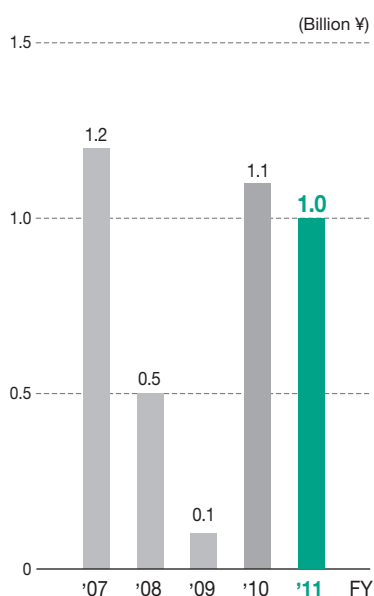
	Millions of Yen		Thousands of U.S. Dollars	Percent Change
	2011	2010	2011	2011/2010
For each period:				
Net sales	¥ 48,717	¥ 49,585	\$ 632,688	-1.8%
Domestic sales	22,140	23,093	287,532	-4.1%
Overseas sales	26,577	26,492	345,156	+0.3%
Operating income	2,085	2,284	27,078	-8.7%
Net income	1,031	1,135	13,390	-9.2%
At the end of each period:				
Total assets	¥ 107,807	¥ 100,299	\$ 1,400,091	+7.5%
Net assets	67,495	62,653	876,558	+7.7%
Per share of common stock:				
Net income	¥ 11.02	¥ 12.14	\$ 0.14	-9.2%
Interim cash dividends	5.00	5.00	0.06	—

Notes: 1. U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥77 to US\$1.
2. Net income per share amounts are computed based on the weighted average number of shares outstanding during each period.
3. The amounts of total assets and net assets in 2010 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, 2010, while those in the Consolidated Balance Sheets are as of March 31, 2011.

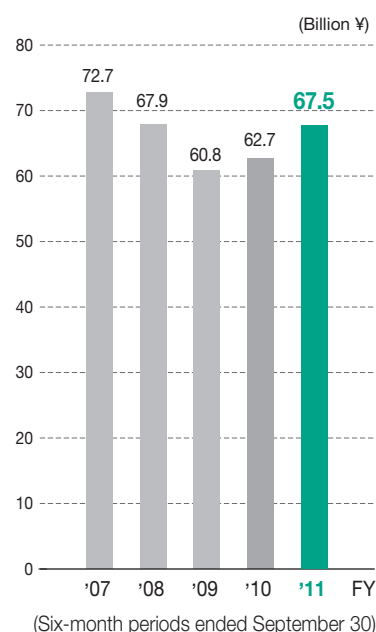
Net sales



Net income



Net assets



To Our Shareholders

Thank you very much for your continued support and encouragement. We are pleased to report a summary of our consolidated operating results for the first six-month period of the Company's 65th fiscal year (from April 1 to September 30, 2011).

High economic growth rates in China and India, mainly driven by domestic demand, kept the global economy buoyant. However, the overall global economy remained in a moderate recovery pattern, which can be seen from the fact that economic expansion slowed in other Asian regions, and the slowdown was clearly evident in Europe and the United States. The Japanese economy followed a path of gradual economic recovery along with recovery of its supply chains following the Great East Japan Earthquake, but it has endured very severe conditions due to the effects of overseas economies and the appreciation of the yen.

In the elevator and escalator industry, demand firmly expanded mainly for condominiums in the Chinese market, but in North America and Europe construction markets have not recovered. In Japan, after the earthquake disaster, demand generally progressed on a weak note, although there were signs of recovery in some sectors.

Under such circumstances, in the domestic market, while modernization business of existing elevators and escalators to the latest systems and designs steadily expanded, orders received for new installation decreased as demand for elevators and escalators in new installation remained sluggish.

As a result, domestic orders received were ¥23,467 million (down 2.0% from the previous corresponding period). On the other hand, in the global markets, as new installation increased in China and South Asia, overseas orders received were ¥29,025 million (up 8.3% from the previous corresponding period). As a result, total orders received for the six-month period ended September 30, 2011 were ¥52,492 million (up 3.4% from the previous corresponding period).

For net sales, domestic net sales were ¥22,140 million (down 4.1% from the previous corresponding period), overseas net sales were ¥26,577 million (up 0.3% from the previous corresponding period) and total net sales were ¥48,717 million (down 1.8% from the previous corresponding period).

For profit and loss, although profit increased in Japan, profit decreased in North America and East Asia, so operating income was ¥2,085 million (down 8.7% from the previous corresponding period).

While net amount of special items recorded profit of ¥89 million, net income for the six-month period ended September 30, 2011 was ¥1,031 million (down 9.2% from the previous corresponding period) due to the increase in tax expenses of ¥403 million from the previous corresponding period.

The interim dividend for the six-month period ended September 30, 2011 was ¥5 per share, based on business performance for the period.

This fiscal year, the second year of the Mid-Term Management Plan, “One Goal, One Fujitec,” we have made efforts to focus on accomplishing tasks in each department throughout the company in order to achieve our business targets for the year ending March 31, 2013, the final year of the Plan.

For this reason, we will promote a reinforced deployment of our global business strategies, focusing on the Chinese market, expansion of our modernization business for which demand continues to be steady and additional efforts in offering goods and services that pursue “safety and security.”

I would like to ask our shareholders for their continued support.

December 2011



A handwritten signature in blue ink, reading "T. Uchiyama". The signature is fluid and cursive, with a long horizontal stroke at the end.

Takakazu Uchiyama

President and Chief Executive Officer

Outline of Major Activities

North & South America

In the United States, “Granite Broadway,” an ultrahigh-rise complex building, is now being constructed in Manhattan, the center of New York City. A first-class “Marriott Hotel” with 639 rooms will occupy this 66-story building, in addition to offices and commercial facilities.

We received orders for 13 elevators, including an ultrahigh speed model that moves at 420m/min. The building will be one of the foremost ultrahigh-rise buildings in New York.

In Canada, 13 elevators are now in operation in the “Shangri-La Hotel Vancouver,” a complex with a luxury hotel and condominiums in Vancouver. We delivered 19 elevators and escalators to “Jamieson Place,” a state-of-the-art office building in Calgary.

In Argentina, 20 elevators are in operation in the “Madero Office,” a luxury office building in Buenos Aires, the capital. In addition, we have received orders for 14 elevators for the “Belgrano Office,” an ultrahigh-rise office building.



Shangri-La Hotel Vancouver (Canada)



Jamieson Place (Canada)

Japan

In Tokyo, “Roppongi Hills Cross Point,” adjacent to “Roppongi Hills,” a multifunctional city complex, was completed. In the complex facilities comprising offices, commercial facilities and housing, four of our elevators are in operation in the new entrance hall. Also in Tokyo, “Musashino Place,” with a library and lifetime learning facility, opened. Based on the building’s motif, the elevator entrance door designed in an R-shape is highly appreciated.

In Osaka, “Homomachi Minami Garden City,” a luxury office building in the center of the business district, was completed.

In the 26-story building, 12 elevators, including ultrahigh speed models are in operation. Also in Osaka, the “Midosuji Homomachi Urban Building” was completed, for which we delivered four refined elevators.

In Okinawa, the “NAHA SHIN-TOSHIN CENTER BUILDING” was completed in the new city center district of Naha. For this building, comprising a hotel, offices and commercial facilities, we delivered seven elevators, including the latest model controlled by the advanced group supervisory control system.

In another major order received, the “21.25 Mori Building Rebuilding Plan,” which will convert and upgrade the “Roppongi 21 Mori Building” and “Roppongi 25 Mori Building” in Tokyo into a single high-rise office building, will include a total of 21 elevators and escalators.

In addition, we received orders for six escalators for the “Tokyo Metropolitan Main Building No. 2” as renewal construction work.



Roppongi Hills Cross Point (Tokyo)



Homomachi Minami Garden City (Osaka)

East Asia

In Hong Kong, the “Central Government Complex, Tamar,” built on super-prime land adjacent to the business district in Hong Kong, was completed. Over a 4.2 ha vast area of land, it comprises the Government Complex with an arch-shape, expressing an “Open Door,” the Assembly Building and an office building and has become the new symbol of Hong Kong. 83 elevators and escalators, including an ultrahigh speed model at 360m/min., are now in operation in the building.

Also in Hong Kong, we received orders of 11 elevators for the “Ibis Hong Kong Sheung Wan,” a hotel with a modern design built in the center of the island, and 24 elevators and escalators for a new campus building in connection with the expansion construction of “The Hong Kong Polytechnic University.”



Central Government Complex, Tamar
(Hong Kong)

In China, the “Noble Financial Centre,” an ultrahigh-rise building in Shenzhen, Guangdong, was completed. In the 38-story building, 18 elevators controlled by the most advanced group supervisory control system are in operation. Also in China, while escalator installation work started for the “Beijing Subway No. 10 Line Station,” for which we received an order last year, 98 escalators and moving walks are in operation in the “Nanjing Subway No. 1 Line and No. 2 Line Station.”

In Taiwan, in the “Ming Yao Department Store,” a well-established department store in the center of Taipei, large-scale renewal construction work was carried out. A total of 26 elevators and escalators, plus an observation elevator, were refurbished and the capacity and design were significantly improved along with refurbishment of the stores.



Noble Financial Centre (China)

South Asia

In Singapore, we received a large order for about 800 elevators at one time for high-rise residential houses of the HDB (Housing Development Board of Singapore), where about 80% of the population lives and installation projects are now being sequentially carried out. The cumulative number of orders received for elevators from HDB has reached about 20,000, including both new construction and renewal.

Also in Singapore, we delivered 182 elevators and escalators to the “Resort World Sentosa,” a large-scale resort facility, comprising Universal Studios and hotels, and received orders for 11 elevators for the “A’Posh Bizhub,” which will be a new business base.

In Malaysia, along with the construction of the “Iskandar, Malaysia” a large development project in the south of Malaysia, “Traders Hotel, Puteri Harbour, Iskandar, Malaysia,” an international hotel is being built. We received orders for a total of 40 elevators and escalators for the hotel with an indoor theme park and restaurants.



Resort World Sentosa (Singapore)

The Middle East

In Dubai, UAE, “Dubai Metro Red Line,” a new transport system introducing a fully automatic unmanned operation system for the first time in the Middle East, started operation. It has a total length of 52km connecting Dubai International Airport and the Free Trade Zone in the south and a pedestrian bridge, crossing the main expressway. A total of 92 moving walks are in operation.

In Saudi Arabia, in Jeddah, the second largest city, we received orders for renewal construction of 74 elevators for “KING ABDUL AZIZ UNIVERSITY” and now installation work is being conducted. The University is known for its faculty of women, the pioneer of women’s education in Saudi Arabia.



Dubai Metro Red Line (UAE)

Financial Section

Consolidated Financial Review

Summary of Business Performance for the Six-Month Period ended September 30, 2011

In the elevator and escalator industry, demand firmly expanded mainly for condominiums in the Chinese market, but in North America and Europe construction markets have not recovered. In Japan, after the earthquake disaster, demand generally progressed on a weak note, although there were signs of recovery in some sectors.

Under such circumstances, in the domestic market for the six-month period ended September 30, 2011 modernization business steadily expanded, which further improve the safety and comfort of existing elevators economically and within a shorter construction period through the adoption of the “control panel replacement package,” which received increasing orders. On the other hand, as orders received for new installation decreased due to sluggish demand for elevators and escalators in new installation, domestic orders received were ¥23,467 million, a decrease of 2.0% from the previous corresponding period. As for overseas markets, although new installations decreased in North America, new installations largely increased in China, mainly for elevators “GLVF-E” for condominiums, and new installations increased in South Asia. Overseas orders received were ¥29,025 million, an increase of 8.3% from the previous corresponding period. As a result, total orders received for the six-month period ended September 30, 2011 were ¥52,492 million, an increase of 3.4% from the previous corresponding period. If the impact of exchange rate fluctuations is excluded, overseas orders received increased by 16.3%.

Consolidated Operating Results

For consolidated sales for the six-month period ended September 30, 2011, domestic net sales were ¥22,140 million and overseas net sales were ¥26,577 million with total net sales ¥48,717 million. Overseas sales actually increased by 7.7%, excluding the impact from exchange rate fluctuations.

In Japan, due to an increase in modernization business, order backlogs increased ¥36,895 million, an increase of 3.9% compared to the previous fiscal year-end, but overseas order backlogs were ¥64,029 million, a decrease of 1.8% compared to the previous fiscal year-end, due to a decrease in North America and the appreciation of the yen, although it increased both in South Asia and East Asia. As a result, total order backlogs were ¥100,925 million, an increase of 0.2% compared to the previous fiscal year-end.

Operating income was ¥2,085 million, a decrease of 8.7% from the previous corresponding period, due to the decrease in income in North America and East Asia although it increased in Japan. Net of other income and expense was a loss of ¥19 million and the net of special items was a profit of ¥89 million, and income before income taxes and minority interests was ¥2,155 million, an increase of 14.4% from the previous corresponding period. Due to the increase of ¥403 million in income taxes from the previous corresponding period, net income for the six-month period ended September 30, 2011 decreased to ¥1,031 million, a decrease of 9.2% from the previous corresponding period.

Operating Results by Segment

In Japan, although modernization business steadily increased, net sales were ¥23,610 million, a decrease of 7.0% from the previous corresponding period due to a decrease in new installation. Operating income was ¥519 million, an increase of ¥243 million from the previous corresponding period due to an increase in income from modernization business.

In North America, net sales were ¥5,032 million, a decrease of 15.7% from the previous corresponding period due to a decrease in new installation. For operating profit and loss, an operating loss of ¥409 million was recorded due to the decrease in net sales and an increase in the cost of new installation.

In Europe, sales of escalators decreased and net sales were ¥226 million, a decrease of ¥144 million from the previous corresponding period. For operating profit and loss, an operating loss of ¥13 million was recorded in connection with the decrease in net sales.

In South Asia, net sales were ¥4,805 million, a decrease of 1.3% from the previous corresponding period. Operating income was ¥818 million, an increase of ¥55 million from the previous corresponding period due to a reduction in the cost of new installation.

In East Asia, sales of new elevator installation largely increased in China and net sales were ¥17,689 million, an increase of 14.3% from the previous corresponding period. Operating income was ¥1,164 million, a decrease of ¥358 million from the previous corresponding period, due to a decrease in profitability of new installation in Hong Kong and Korea.

Financial Position

Total assets as of September 30, 2011 were ¥107,807 million, an increase of ¥2,990 million compared to the end of the previous fiscal year. This was mainly due to a decrease in trade notes and accounts receivable, an increase in cash and cash equivalents, and inventories.

Total liabilities were ¥40,312 million, an increase of ¥2,656 million compared to the end of the previous fiscal year. This was mainly due to a decrease in short-term debt and increases in trade notes and accounts payable and advances from customers.

Net assets were ¥67,495 million, an increase of ¥334 million compared to the previous fiscal year-end. This was mainly due to an increase in retained earnings in net income for the six-month period ended September 30, 2011. Shareholders' equity ratio as of September 30, 2011 was 58.4%, a decrease of 1.5 points compared to the previous fiscal year, and per share net assets were ¥673.18, an increase of ¥1.94 compared to the previous fiscal year-end.

The Fujitec Group's operating and capital investment needs are generally met through internal or debt financing. Debt financing for the Group's operating funds is limited to short-term debt due within one year. In principle, consolidated subsidiaries will finance operating funds in their respective local currencies. As of September 30, 2011, the balance of outstanding short-term debt stood at ¥417 million. On the other hand, the Group's long-term funding requirements, such as for production equipment, are met, in principle, through the financing of long-term debt. As of September 30, 2011, the balance of outstanding long-term debt (including the current portion of long-term debt) was ¥3,806 million, including debt in U.S. dollars and Japanese yen.

The Fujitec Group is confident that cash flows from operating activities, debt and, where necessary, funding from capital markets, etc., will be sufficient to provide the operating funds required in the future to sustain growth of the Group as well as the long-term financing essential for such capital investments as production equipment.

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

Cash Flows

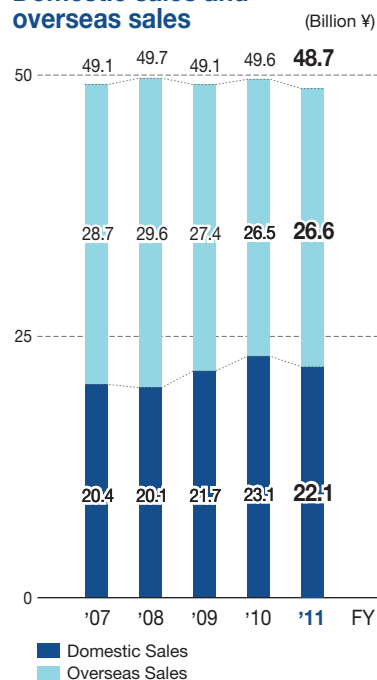
Net cash provided by operating activities was ¥7,339 million, due to income before income taxes and minority interests of ¥2,155 million, depreciation and amortization of ¥1,071 million, the decrease in trade notes and accounts receivable, and the increase in trade notes and accounts payable.

Net cash provided by investing activities was ¥960 million, due to expenditures of ¥693 million for acquisition of property, plant and equipment and revenues of ¥1,312 million by a net decrease in time deposits (over 3 months).

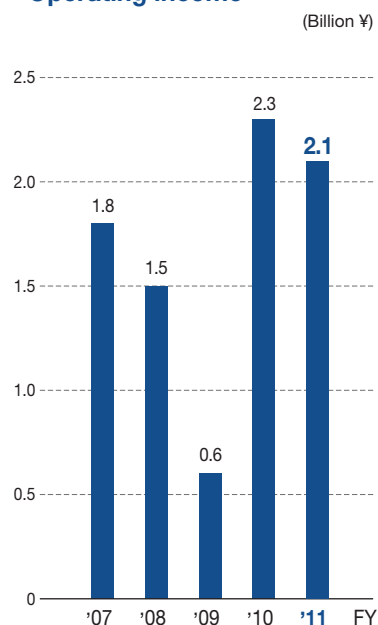
Net cash used in financing activities was ¥2,571 million, due to the decrease in short-term debt of ¥1,975 million and cash dividends paid.

As a result, the balance of cash and cash equivalents at the end of the six-month period ended September 30, 2011 was ¥14,018 million, an increase of ¥5,794 million compared to the previous fiscal year-end.

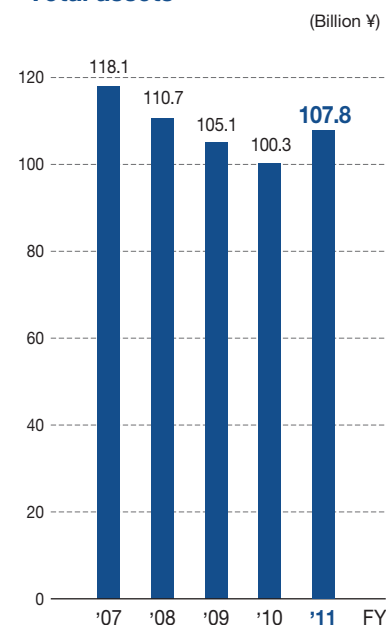
Domestic sales and overseas sales



Operating income



Total assets



Consolidated Balance Sheets

Fujitec Co., Ltd. and Consolidated Subsidiaries
September 30 and March 31, 2011

ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	September 30 2011	March 31 2011	September 30 2011
Current assets:			
Cash and cash equivalents	¥ 14,018	¥ 8,224	\$ 182,052
Time deposits	11,788	13,135	153,091
Trade notes and accounts receivable:			
Unconsolidated subsidiaries and affiliates	41	61	532
Other	23,954	26,152	311,091
Allowance for doubtful accounts	(582)	(445)	(7,558)
	<u>23,413</u>	<u>25,768</u>	<u>304,065</u>
Inventories	10,858	9,637	141,013
Deferred tax assets	1,293	1,333	16,792
Other current assets	2,626	3,790	34,104
Total current assets	<u>63,996</u>	<u>61,887</u>	<u>831,117</u>
Investments and long-term loans:			
Investments in unconsolidated subsidiaries and affiliates	3,302	657	42,883
Investment securities	656	3,777	8,520
Long-term loans	1,918	20	24,909
	<u>5,876</u>	<u>4,454</u>	<u>76,312</u>
Property, plant and equipment, at cost:			
Buildings and structures	25,557	25,069	331,909
Machinery and equipment	14,323	13,769	186,013
Leased assets	26	38	338
	<u>39,906</u>	<u>38,876</u>	<u>518,260</u>
Accumulated depreciation	(17,919)	(17,101)	(232,715)
	<u>21,987</u>	<u>21,775</u>	<u>285,545</u>
Land	6,814	6,833	88,494
Construction in progress	356	909	4,623
	<u>29,157</u>	<u>29,517</u>	<u>378,662</u>
Other assets:			
Deferred tax assets	3,781	3,810	49,104
Goodwill	751	816	9,753
Intangible assets	1,921	1,972	24,948
Other	2,325	2,361	30,195
	<u>8,788</u>	<u>8,969</u>	<u>114,000</u>
Total	¥ 107,807	¥ 104,817	\$ 1,400,091

The accompanying notes are an integral part of these statements.

LIABILITIES AND NET ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	September 30 2011	March 31 2011	September 30 2011
Current liabilities:			
Short-term debt	¥ 417	¥ 2,389	\$ 5,416
Current portion of long-term debt	2,312	2,312	30,026
Lease obligations	6	6	78
Trade notes and accounts payable:			
Unconsolidated subsidiaries and affiliates	34	11	442
Other	12,245	10,557	159,026
Advances from customers	9,580	6,608	124,416
Accrued income taxes	683	563	8,870
Accrued bonuses to employees	1,501	1,677	19,494
Accrued bonuses to directors	—	43	—
Asset retirement obligation for current liabilities	—	8	—
Provision for losses on construction contracts	2,476	2,394	32,156
Other provisions	320	414	4,155
Other current liabilities	4,250	4,711	55,194
Total current liabilities	33,824	31,693	439,273
Long-term debt	1,494	1,288	19,403
Lease obligations	7	9	91
Deferred tax liabilities	33	81	429
Provision for retirement benefits	4,738	4,375	61,532
Provision for directors' retirement benefits	191	191	2,481
Asset retirement obligation for non-current liabilities	19	19	247
Other non-current liabilities	6	—	77
Total liabilities	40,312	37,656	523,533
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, 2011	12,533	12,534	162,766
Additional paid-in capital	14,566	14,566	189,169
Retained earnings	56,120	55,744	728,831
Treasury stock, at cost: 196,220 shares at September 30, 2011 and 193,269 shares at March 31, 2011	(129)	(129)	(1,675)
Total shareholders' equity	83,090	82,715	1,079,091
Accumulated other comprehensive income			
Net unrealized gains on securities	231	405	3,000
Foreign currency translation adjustments	(20,331)	(20,309)	(264,039)
Total accumulated other comprehensive income	(20,100)	(19,904)	(261,039)
Minority interests	4,505	4,350	58,506
Total net assets	67,495	67,161	876,558
Total	¥ 107,807	¥ 104,817	\$ 1,400,091

Consolidated Statements of Income

Fujitec Co., Ltd. and Consolidated Subsidiaries
Six-month periods ended September 30, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Net sales	¥ 48,717	¥ 49,585	\$ 632,688
Cost and expenses:			
Cost of sales	(39,051)	40,048	(507,156)
Selling, general and administrative expenses	(7,581)	7,253	(98,454)
	(46,632)	47,301	(605,610)
Operating income	2,085	2,284	27,078
Other income (expenses):			
Interest and dividend income	185	191	2,403
Interest expense	(50)	(90)	(649)
Subsidy income	—	101	—
Foreign currency exchange loss, net	(194)	(168)	(2,519)
Other, net	40	16	518
	(19)	50	(247)
Special items:			
Gain on sales of property, plant and equipment	1	570	13
Gain on sales of investment securities	17	2	221
Loss on sales and disposal of property, plant and equipment	(22)	(8)	(286)
Loss on sales of investment securities	(7)	—	(91)
Loss from write-down of investment securities	(50)	(91)	(649)
Settlement received	150	—	1,948
Other, net	—	(924)	—
	89	(451)	1,156
Income before income taxes and minority interests	2,155	1,883	27,987
Income taxes:			
Current	557	367	7,234
Deferred	141	(72)	1,831
	698	295	9,065
Income before minority interests	1,457	1,588	18,922
Minority interests in net income of consolidated subsidiaries	426	453	5,532
Net income	¥ 1,031	¥ 1,135	\$ 13,390
Per share:	Yen		U.S. Dollars (Note 1)
Net income, based on the weighted average number of shares outstanding	¥ 11.02	¥ 12.14	\$ 0.14
Cash dividends applicable to the period	5.00	5.00	0.06

The accompanying notes are an integral part of these statements.

Consolidated Statements of Comprehensive Income

Fujitec Co., Ltd. and Consolidated Subsidiaries

Six-month periods ended September 30, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Income before minority interests	¥ 1,457	¥ 1,588	\$ 18,922
Other comprehensive income:			
Net unrealized gains on securities	(174)	(511)	(2,260)
Deferred gains on hedge transactions	—	3	—
Foreign currency translation adjustments	28	(1,453)	364
Other comprehensive income, net	(146)	(1,961)	(1,896)
Comprehensive income (loss)	¥ 1,311	¥ (373)	\$ 17,026
Comprehensive income (loss) attributable to:			
Comprehensive income (loss) attributable to owners of parent	835	(512)	10,844
Comprehensive income attributable to non-controlling interests	476	139	6,182

Consolidated Statements of Cash Flows

Fujitec Co., Ltd. and Consolidated Subsidiaries
Six-month periods ended September 30, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 2,155	¥ 1,883	\$ 27,987
Depreciation and amortization	1,071	1,167	13,909
Increase in allowance for doubtful accounts	103	53	1,338
Interest and dividends income	(185)	(191)	(2,403)
Provision (benefit) for bonuses to employees	(183)	(715)	(2,377)
Provision (benefit) for losses on construction contracts	101	(108)	1,312
Increase of accrued pension and severance payments	403	355	5,234
Decrease in trade notes and accounts receivable	2,193	3,572	28,481
(Increase) decrease in inventories	(1,274)	1,840	(16,545)
Increase (decrease) in trade notes and accounts payable	1,734	(1,160)	22,519
Increase (decrease) in advances from customers	2,985	(1,274)	38,766
Gain on sales of property, plant and equipment	(1)	(570)	(13)
Loss on sales and disposal of property, plant and equipment	22	8	286
Bad debt expense	—	907	—
Interest expense	50	90	649
Other, net	(1,419)	(1,008)	(18,429)
Sub-total	7,755	4,849	100,714
Payment of income taxes	(416)	(728)	(5,402)
Net cash provided by operating activities	7,339	4,121	95,312
Cash flows from investing activities:			
Decrease in time deposits, net	1,312	618	17,039
Acquisitions of property, plant and equipment	(693)	(2,125)	(9,000)
Proceeds from sales of property, plant and equipment	17	571	221
Purchase of intangible assets	(28)	(43)	(364)
Proceeds from sales of investment securities	143	5	1,857
Interest and dividends income received	157	155	2,039
Other, net	52	(9)	676
Net cash provided by (used in) investing activities	960	(828)	12,468
Cash flows from financing activities:			
Decrease in short-term debt, net	(1,975)	(2,817)	(25,649)
Proceeds from long-term debt	216	—	2,805
Repayment of long-term debt	(6)	(64)	(78)
Payment of interest	(37)	(70)	(481)
Cash dividends paid	(654)	(561)	(8,494)
Cash dividends paid to minority shareholders	(209)	(336)	(2,714)
Other, net	94	(7)	1,221
Net cash used in financing activities	(2,571)	(3,855)	(33,390)
Effect of exchange rate changes on cash and cash equivalents	66	(261)	857
Net increase (decrease) in cash and cash equivalents	5,794	(823)	75,247
Cash and cash equivalents at beginning of period	8,224	7,840	106,805
Cash and cash equivalents decreased by an exclusion of a subsidiary from consolidation	—	(1)	—
Cash and cash equivalents at end of period	¥ 14,018	¥ 7,016	\$ 182,052

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, 2011 and 2010

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of Fujitec Co., Ltd. (the “Company”) and its consolidated subsidiaries have been restructured and translated into English from the quarterly consolidated financial statements prepared in conformity with accounting principles generally accepted in Japan filed with the Director of the Kanto Local Finance Bureau, Ministry of Finance, as required by the Financial Instruments and Exchange Act of 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 ¥77 = US\$1, the approximate effective rate of exchange at September 30, 2011. The translation into United States dollar amounts is solely for the convenience of readers outside Japan 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 ¥77 = US\$1 or at any other rate.

2. Summary of Significant Accounting Policies

(A) Principles of Consolidation

The consolidated financial statements as of September 30, 2011 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 Holdings Sdn. Bhd. (Malaysia)
Fujitec India Private Ltd. (India)
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)

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 have been 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 listed in the Notes to Consolidated Financial Statements for the fiscal year ended March 31, 2011, except for the following:

(1) Change in accounting policy

Adoption of accounting standard for Accounting Changes and Error Corrections:

Starting from April 1, 2011, the Company has adopted the "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No. 24 issued December 4, 2009) and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No. 24 issued December 4, 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 and March 31, 2011, contingent liabilities are as follows:

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	September 30 2011	March 31 2011	September 30 2011
Trade notes receivable discounted	¥ 59	¥ 6	\$ 766

4. Subsequent Event

On November 10, 2011, the Board of Directors of the Company declared interim cash dividends of ¥467 million (US\$ 6,065 thousand), or ¥5 (US\$0.06) per share, to be paid on December 1, 2011, to shareholders.

5. Segment Information

Information by reporting segment for the six-month periods ended September 30, 2011 and 2010 is summarized as follows:

	Millions of Yen							
	2011							
	Reporting Segment							
	Japan	North America	Europe	South Asia	East Asia	Total	Reconciliations	Consolidated
Sales to customers	¥ 22,163	¥ 5,022	¥ 224	¥ 4,804	¥ 16,504	¥ 48,717	–	¥ 48,717
Intersegment sales	1,447	10	2	1	1,185	2,645	(2,645)	–
Total sales	23,610	5,032	226	4,805	17,689	51,362	(2,645)	48,717
Segment profit (loss)	519	(409)	(13)	818	1,164	2,079	6	2,085

	Millions of Yen							
	2010							
	Reporting Segment							
	Japan	North America	Europe	South Asia	East Asia	Total	Reconciliations	Consolidated
Sales to customers	¥ 23,786	¥ 5,954	¥ 369	¥ 4,811	¥ 14,665	¥ 49,585	–	¥ 49,585
Intersegment sales	1,599	14	1	58	811	2,483	(2,483)	–
Total sales	25,385	5,968	370	4,869	15,476	52,068	(2,483)	49,585
Segment profit (loss)	276	(150)	12	763	1,522	2,423	(139)	2,284

	Thousands of U.S. Dollars (Note 1)							
	2011							
	Reporting Segment							
	Japan	North America	Europe	South Asia	East Asia	Total	Reconciliations	Consolidated
Sales to customers	\$ 287,831	\$ 65,221	\$ 2,909	\$ 62,390	\$ 214,337	\$ 632,688	–	\$ 632,688
Intersegment sales	18,792	130	26	13	15,390	34,351	(34,351)	–
Total sales	306,623	65,351	2,935	62,403	229,727	667,039	(34,351)	632,688
Segment profit (loss)	6,740	(5,312)	(168)	10,623	15,117	27,000	78	27,078

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 Office

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.
Manufacturing, 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*

Executive Vice President
Iwataro Sekiguchi*

Directors
Masahiko Nogi
Yoshio Kitagawa
Hiroshi Nishigaki
Yasuo Hanakawa
Kazuo Inaba

*Representative director

Corporate Auditors

Toshiyuki Matsubara
Masanobu Nakano
Terumichi Saeki

(As of September 30, 2011)

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: 3,659

Major Shareholders

	Number of shares held (Thousands)	Share holding ratio (%)
Citigroup Global Markets Inc. - Securities Safekeeping Account 418	13,752	14.66%
Uchiyama International, Limited	10,025	10.69%
Fuji Electric Co., Ltd.	5,089	5.42%
Credit Suisse AG Zurich	4,758	5.07%
Resona Bank, Ltd.	4,203	4.48%
The Master Trust Bank of Japan, Ltd. (trust account)	3,551	3.78%
Japan Trustee Services Bank, Ltd. (trust account 4)	3,133	3.34%
Japan Trustee Services Bank, Ltd. (trust account)	2,345	2.50%
Mellon Bank Treaty Clients Omnibus	2,198	2.34%
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

Grant Thornton Taiyo ASG

(As of September 30, 2011)