

Translation

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## Summary of Consolidated Financial Results for the Year Ended December 31, 2021 (Based on Japanese GAAP)

February 15, 2022

Company name: FUKUDA CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 1899 URL <https://www.fkd.co.jp/>  
 Representative: Representative Director and President Masanori Araaki  
 Director and General Manager of Administration Department Katsuhiko Iwasaki TEL 025-266-9111  
 Inquiries: Administration Department  
 Scheduled date of ordinary general meeting of shareholders: March 29, 2022  
 Scheduled date to file Securities Report: March 29, 2022  
 Scheduled date to commence dividend payments: March 30, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended December 31, 2021 (from January 1, 2021 to December 31, 2021)

#### (1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended December 31, 2021	179,846	(3.2)	8,891	(0.2)	9,147	1.2	5,864	(1.9)
Year ended December 31, 2020	185,764	2.0	8,905	10.6	9,038	8.2	5,979	9.2

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended December 31, 2021	688.16	–	8.0	6.8	4.9
Year ended December 31, 2020	689.77	–	8.6	6.5	4.8

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	130,755	76,412	57.9	8,889.69
As of December 31, 2020	137,562	71,335	51.4	8,301.01

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2021	7,802	(1,505)	(6,128)	23,285
Year ended December 31, 2020	6,909	(2,193)	(4,680)	23,116

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended December 31, 2020	–	0.00	–	110.00	110.00	946	15.9	1.4
Year ended December 31, 2021	–	0.00	–	130.00	130.00	1,120	18.9	1.5
Year ending December 31, 2022 (Forecast)	–	0.00	–	120.00	120.00		24.9	

3. Forecast of consolidated financial results for the year ending December 31, 2022 (from January 1, 2022 to December 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	155,000	(13.8)	6,200	(30.3)	6,400	(30.0)	4,100	(30.1)	481.03

4. Notes

(1) Changes in significant subsidiaries during the year ended December 31, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2021	8,988,111 shares	As of December 31, 2020	8,988,111 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	464,902 shares	As of December 31, 2020	468,649 shares
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Average number of shares during the period

Year ended December 31, 2021	8,521,426 shares	Year ended December 31, 2020	8,668,226 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of December 31, 2020	As of December 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	23,119	23,288
Notes receivable, accounts receivable from completed construction contracts and other	69,916	63,660
Securities	0	–
Real estate for sale	1,215	816
Costs on construction contracts in progress	2,490	2,068
Costs on real estate business	1,476	2,335
Other inventories	280	358
Accounts receivable - other	2,746	1,885
Other	1,088	1,059
Allowance for doubtful accounts	(46)	(12)
Total current assets	102,288	95,462
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,104	22,745
Machinery, vehicles, tools, furniture and fixtures	13,796	13,732
Land	15,829	15,539
Other	861	1,057
Accumulated depreciation	(26,532)	(26,656)
Total property, plant and equipment	27,058	26,419
Intangible assets		
Other	553	523
Total intangible assets	553	523
Investments and other assets		
Investment securities	4,978	5,352
Long-term loans receivable	84	52
Retirement benefit asset	1,435	1,898
Deferred tax assets	548	407
Other	915	916
Allowance for doubtful accounts	(300)	(276)
Total investments and other assets	7,661	8,349
Total non-current assets	35,273	35,292
Total assets	137,562	130,755

(Millions of yen)

	As of December 31, 2020	As of December 31, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	38,922	34,862
Short-term borrowings	5,155	320
Income taxes payable	1,503	1,508
Advances received on uncompleted construction contracts and other	7,008	3,339
Provision for warranties for completed construction	212	217
Provision for loss on construction contracts	146	60
Provision for loss on litigation	75	79
Provision for loss on liquidation of subsidiaries and associates	–	71
Other provisions	7	11
Other	5,685	6,553
<b>Total current liabilities</b>	<b>58,717</b>	<b>47,024</b>
<b>Non-current liabilities</b>		
Long-term borrowings	943	767
Deferred tax liabilities	50	79
Deferred tax liabilities for land revaluation	851	838
Provision for retirement benefits for directors (and other officers)	118	115
Provision for share awards	345	377
Provision for share awards for directors (and other officers)	44	43
Other provisions	–	6
Retirement benefit liability	2,618	2,632
Other	2,535	2,457
<b>Total non-current liabilities</b>	<b>7,508</b>	<b>7,318</b>
<b>Total liabilities</b>	<b>66,226</b>	<b>54,342</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	5,158	5,158
Capital surplus	6,169	6,169
Retained earnings	61,133	66,075
Treasury shares	(2,291)	(2,271)
<b>Total shareholders' equity</b>	<b>70,170</b>	<b>75,131</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	655	677
Revaluation reserve for land	(87)	(112)
Remeasurements of defined benefit plans	(17)	72
<b>Total accumulated other comprehensive income</b>	<b>550</b>	<b>636</b>
<b>Non-controlling interests</b>	<b>615</b>	<b>643</b>
<b>Total net assets</b>	<b>71,335</b>	<b>76,412</b>
<b>Total liabilities and net assets</b>	<b>137,562</b>	<b>130,755</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Net sales		
Net sales of completed construction contracts	168,561	161,925
Sales in real estate business	3,518	4,387
Sales in other businesses	13,683	13,533
Total net sales	185,764	179,846
Cost of sales		
Cost of sales of completed construction contracts	152,361	146,029
Cost of sales in real estate business	2,889	3,475
Cost of sales in other businesses	11,441	11,596
Total cost of sales	166,692	161,102
Gross profit		
Gross profit on completed construction contracts	16,200	15,895
Gross profit - real estate business	629	912
Gross profit - other business	2,242	1,936
Total gross profit	19,071	18,744
Selling, general and administrative expenses	10,165	9,852
Operating profit	8,905	8,891
Non-operating income		
Interest income	17	14
Dividend income	127	143
Rental income from land and buildings	32	24
Share of profit of entities accounted for using equity method	19	9
Other	140	204
Total non-operating income	337	397
Non-operating expenses		
Interest expenses	47	41
Provision of allowance for doubtful accounts	44	–
Commission for syndicated loans	33	32
Prepayment guarantee fee	38	27
Other	40	39
Total non-operating expenses	205	141
Ordinary profit	9,038	9,147

(Millions of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Extraordinary income		
Gain on sale of non-current assets	101	29
Gain on sale of investment securities	0	35
Reversal of provision for loss on compensation for damage	50	–
Total extraordinary income	151	64
Extraordinary losses		
Loss on sale of non-current assets	–	0
Loss on retirement of non-current assets	71	23
Loss on valuation of investment securities	158	13
Loss on valuation of shares of subsidiaries and associates	–	135
Impairment losses	41	155
Provision for loss on litigation	75	–
Provision for loss on liquidation of subsidiaries and associates	–	71
Other	18	13
Total extraordinary losses	365	413
Profit before income taxes	8,824	8,799
Income taxes - current	2,718	2,748
Income taxes - deferred	80	138
Total income taxes	2,798	2,887
Profit	6,026	5,911
Profit attributable to non-controlling interests	47	47
Profit attributable to owners of parent	5,979	5,864

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Profit	6,026	5,911
Other comprehensive income		
Valuation difference on available-for-sale securities	(197)	23
Remeasurements of defined benefit plans, net of tax	(80)	90
Share of other comprehensive income of entities accounted for using equity method	(0)	(0)
Total other comprehensive income	(279)	113
Comprehensive income	5,747	6,025
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,700	5,976
Comprehensive income attributable to non-controlling interests	47	48

## Consolidated statements of changes in equity

Fiscal year ended December 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,158	6,162	56,118	(741)	66,697
Changes during period					
Dividends of surplus			(980)		(980)
Profit attributable to owners of parent			5,979		5,979
Purchase of treasury shares				(1,688)	(1,688)
Disposal of treasury shares		6		137	144
Change in scope of consolidation			5		5
Reversal of revaluation reserve for land			11		11
Net changes in items other than shareholders' equity					
Total changes during period	–	6	5,015	(1,550)	3,472
Balance at end of period	5,158	6,169	61,133	(2,291)	70,170

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	853	(75)	63	840	596	68,134
Changes during period						
Dividends of surplus						(980)
Profit attributable to owners of parent						5,979
Purchase of treasury shares						(1,688)
Disposal of treasury shares						144
Change in scope of consolidation						5
Reversal of revaluation reserve for land						11
Net changes in items other than shareholders' equity	(198)	(11)	(80)	(290)	19	(271)
Total changes during period	(198)	(11)	(80)	(290)	19	3,200
Balance at end of period	655	(87)	(17)	550	615	71,335



Fiscal year ended December 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,158	6,169	61,133	(2,291)	70,170
Changes during period					
Dividends of surplus			(946)		(946)
Profit attributable to owners of parent			5,864		5,864
Purchase of treasury shares				(39)	(39)
Disposal of treasury shares		0		60	60
Change in scope of consolidation					-
Reversal of revaluation reserve for land			25		25
Net changes in items other than shareholders' equity					
Total changes during period	-	0	4,941	20	4,961
Balance at end of period	5,158	6,169	66,075	(2,271)	75,131

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	655	(87)	(17)	550	615	71,335
Changes during period						
Dividends of surplus						(946)
Profit attributable to owners of parent						5,864
Purchase of treasury shares						(39)
Disposal of treasury shares						60
Change in scope of consolidation						-
Reversal of revaluation reserve for land						25
Net changes in items other than shareholders' equity	22	(25)	90	86	28	114
Total changes during period	22	(25)	90	86	28	5,076
Balance at end of period	677	(112)	72	636	643	76,412

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Cash flows from operating activities		
Profit before income taxes	8,824	8,799
Depreciation	1,450	1,478
Impairment losses	41	155
Amortization of goodwill	98	–
Increase (decrease) in allowance for doubtful accounts	42	(32)
Increase (decrease) in provision for share awards	28	31
Increase (decrease) in provision for share awards for directors (and other officers)	1	(1)
Increase (decrease) in retirement benefit liability	(87)	14
Decrease (increase) in retirement benefit asset	9	(462)
Increase (decrease) in provision for loss on construction contracts	(110)	(86)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	19	(2)
Increase (decrease) in other provisions	46	86
Interest and dividend income	(145)	(158)
Interest expenses	47	41
Loss (gain) on valuation of short-term and long-term investment securities	158	13
Loss on valuation of shares of subsidiaries and associates	–	135
Loss (gain) on sale of short-term and long-term investment securities	(0)	(35)
Loss (gain) on sale of property, plant and equipment	(101)	(28)
Share of loss (profit) of entities accounted for using equity method	(19)	(9)
Decrease (increase) in trade receivables	227	6,255
Decrease (increase) in inventories	226	185
Decrease (increase) in other assets	1,959	809
Increase (decrease) in trade payables	(2,973)	(4,034)
Increase (decrease) in advances received on construction contracts in progress	(350)	(3,596)
Increase (decrease) in other liabilities	269	639
Other, net	(23)	155
Subtotal	9,637	10,353
Interest and dividends received	74	237
Interest paid	(48)	(40)
Income taxes paid	(2,754)	(2,747)
Net cash provided by (used in) operating activities	6,909	7,802

(Millions of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Cash flows from investing activities		
Payments into time deposits	(3)	(3)
Proceeds from withdrawal of time deposits	3	3
Proceeds from sale of securities	0	0
Purchase of property, plant and equipment	(2,169)	(1,050)
Proceeds from sale of property, plant and equipment	116	112
Purchase of intangible assets	(95)	(69)
Purchase of investment securities	(57)	(620)
Proceeds from sale of investment securities	0	140
Purchase of shares of subsidiaries and associates	(49)	(0)
Proceeds from liquidation of subsidiaries	89	–
Net decrease (increase) in short-term loans receivable	1	0
Long-term loan advances	(33)	(0)
Proceeds from collection of long-term loans receivable	48	13
Other payments	(83)	(62)
Other proceeds	37	30
Net cash provided by (used in) investing activities	(2,193)	(1,505)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,520)	(4,200)
Proceeds from long-term borrowings	40	–
Repayments of long-term borrowings	(510)	(811)
Proceeds from sale of treasury shares	144	60
Purchase of treasury shares	(1,688)	(39)
Dividends paid	(979)	(947)
Dividends paid to non-controlling interests	(20)	(21)
Repayments of finance lease obligations	(144)	(168)
Net cash provided by (used in) financing activities	(4,680)	(6,128)
Net increase (decrease) in cash and cash equivalents	35	168
Cash and cash equivalents at beginning of period	23,171	23,116
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(90)	–
Cash and cash equivalents at end of period	23,116	23,285

**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Millions of yen)

	As of December 31, 2020	As of December 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	11,165	10,194
Notes receivable - trade	3,273	106
Electronically recorded monetary claims - operating	1,328	1,863
Accounts receivable from completed construction contracts	44,988	43,804
Accounts receivable - real estate business	0	0
Real estate for sale	546	621
Costs on construction contracts in progress	1,023	737
Costs on real estate business	1,438	2,300
Raw materials and supplies	39	55
Short-term loans receivable	504	503
Prepaid expenses	40	45
Accounts receivable - other	2,560	1,750
Other	388	343
Allowance for doubtful accounts	(29)	—
Total current assets	67,269	62,327
Non-current assets		
Property, plant and equipment		
Buildings	7,601	7,052
Accumulated depreciation	(4,286)	(3,985)
Buildings, net	3,314	3,066
Structures	358	303
Accumulated depreciation	(280)	(237)
Structures, net	78	65
Machinery and equipment	563	526
Accumulated depreciation	(493)	(479)
Machinery and equipment, net	70	47
Vessels	902	904
Accumulated depreciation	(899)	(899)
Vessels, net	2	4
Vehicles	3	2
Accumulated depreciation	(3)	(2)
Vehicles, net	0	0
Tools, furniture and fixtures	327	327
Accumulated depreciation	(292)	(300)
Tools, furniture and fixtures, net	34	27
Land	5,557	5,158
Leased assets	175	177
Accumulated depreciation	(75)	(85)
Leased assets, net	99	92
Total property, plant and equipment	9,156	8,462
Intangible assets		
Other	50	67
Total intangible assets	50	67

(Millions of yen)

	As of December 31, 2020	As of December 31, 2021
Investments and other assets		
Investment securities	2,552	2,832
Shares of subsidiaries and associates	4,266	4,266
Long-term loans receivable from employees	11	8
Long-term accounts receivable - other	252	252
Prepaid pension costs	597	730
Deferred tax assets	241	161
Other	338	326
Allowance for doubtful accounts	(270)	(270)
Total investments and other assets	7,988	8,306
Total non-current assets	17,195	16,837
Total assets	84,465	79,165
Liabilities		
Current liabilities		
Notes payable - trade	668	274
Electronically recorded obligations - operating	7,961	7,635
Accounts payable for construction contracts	16,111	15,040
Short-term borrowings	3,500	–
Lease obligations	42	45
Accounts payable - other	523	451
Income taxes payable	1,222	1,180
Accrued consumption taxes	577	522
Advances received on construction contracts in progress	5,388	1,704
Deposits received - real estate business	110	35
Deposits received	1,526	1,888
Provision for repairs	7	11
Provision for warranties for completed construction	188	192
Provision for loss on construction contracts	134	58
Provision for loss on litigation	75	77
Other	1	0
Total current liabilities	38,038	29,119
Non-current liabilities		
Lease obligations	84	68
Deferred tax liabilities for land revaluation	381	380
Provision for retirement benefits	1,311	1,285
Provision for share awards	345	377
Provision for share awards for directors (and other officers)	44	43
Other	267	276
Total non-current liabilities	2,436	2,432
Total liabilities	40,475	31,552

(Millions of yen)

	As of December 31, 2020	As of December 31, 2021
Net assets		
Shareholders' equity		
Share capital	5,158	5,158
Capital surplus		
Legal capital surplus	5,996	5,996
Other capital surplus	172	172
Total capital surplus	6,169	6,169
Retained earnings		
Legal retained earnings	1,044	1,044
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	11	10
General reserve	27,000	30,000
Retained earnings brought forward	5,812	6,410
Total retained earnings	33,868	37,465
Treasury shares	(2,291)	(2,271)
Total shareholders' equity	42,904	46,521
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	491	498
Revaluation reserve for land	595	592
Total valuation and translation adjustments	1,086	1,091
Total net assets	43,990	47,612
Total liabilities and net assets	84,465	79,165

## Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Net sales		
Net sales of completed construction contracts	115,180	110,446
Sales in real estate business	1,804	2,667
Total net sales	116,985	113,113
Cost of sales		
Cost of sales of completed construction contracts	105,438	101,166
Cost of sales in real estate business	1,550	1,968
Total cost of sales	106,988	103,134
Gross profit		
Gross profit on completed construction contracts	9,741	9,280
Gross profit - real estate business	254	698
Total gross profit	9,996	9,978
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	353	351
Employees' salaries and allowances	1,892	1,761
Retirement payments	41	–
Retirement benefit expenses	43	41
Legal welfare expenses	283	274
Provision for share awards	16	15
Provision for share awards for directors (and other officers)	8	9
Welfare expenses	186	208
Repair and maintenance expenses	13	22
Stationery expenses	181	200
Communication and transportation expenses	155	150
Power utilities expenses	23	26
Research study expenses	44	40
Advertising expenses	58	58
Entertainment expenses	37	34
Donations	25	13
Rent expenses on land and buildings	165	174
Depreciation	104	99
Taxes and dues	270	286
Insurance expenses	32	33
Commission expenses	117	116
Selling expenses-real estate business	58	65
Miscellaneous expenses	162	108
Total selling, general and administrative expenses	4,277	4,094
Operating profit	5,719	5,884

(Millions of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Non-operating income		
Interest income	12	7
Interest on securities	0	3
Dividend income	537	607
Rental income from land and buildings	7	5
Reversal of allowance for doubtful accounts	2	29
Miscellaneous income	32	45
Total non-operating income	593	700
Non-operating expenses		
Interest expenses	16	19
Loss on sale of notes receivable - trade	–	2
Prepayment guarantee fee	22	15
Commission for syndicated loans	19	18
Provision of allowance for doubtful accounts	22	–
Miscellaneous expenses	24	31
Total non-operating expenses	106	87
Ordinary profit	6,205	6,497
Extraordinary income		
Gain on sale of non-current assets	0	3
Gain on sale of investment securities	0	35
Total extraordinary income	0	38
Extraordinary losses		
Loss on retirement of non-current assets	16	9
Loss on valuation of investment securities	153	11
Impairment losses	34	131
Provision for loss on litigation	75	–
Other	0	0
Total extraordinary losses	279	152
Profit before income taxes	5,926	6,383
Income taxes - current	1,690	1,748
Income taxes - deferred	46	93
Total income taxes	1,737	1,842
Profit	4,189	4,541



## Non-consolidated statements of changes in equity

Fiscal year ended December 31, 2020

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Legal retained earnings	Retained earnings			Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings			
						Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward	
Balance at beginning of period	5,158	5,996	165	6,162	1,044	11	24,000	5,591	30,647
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets						(0)		0	–
Provision of general reserve							3,000	(3,000)	–
Dividends of surplus								(980)	(980)
Profit								4,189	4,189
Purchase of treasury shares									
Disposal of treasury shares			6	6					
Reversal of revaluation reserve for land								11	11
Net changes in items other than shareholders' equity									
Total changes during period	–	–	6	6	–	(0)	3,000	221	3,220
Balance at end of period	5,158	5,996	172	6,169	1,044	11	27,000	5,812	33,868

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(741)	41,226	634	606	1,241	42,468
Changes during period						
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Provision of general reserve		-				-
Dividends of surplus		(980)				(980)
Profit		4,189				4,189
Purchase of treasury shares	(1,688)	(1,688)				(1,688)
Disposal of treasury shares	137	144				144
Reversal of revaluation reserve for land		11				11
Net changes in items other than shareholders' equity			(143)	(11)	(155)	(155)
Total changes during period	(1,550)	1,677	(143)	(11)	(155)	1,521
Balance at end of period	(2,291)	42,904	491	595	1,086	43,990

Fiscal year ended December 31, 2021

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward	
Balance at beginning of period	5,158	5,996	172	6,169	1,044	11	27,000	5,812	33,868
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets						(0)		0	–
Provision of general reserve							3,000	(3,000)	–
Dividends of surplus								(946)	(946)
Profit								4,541	4,541
Purchase of treasury shares									
Disposal of treasury shares			0	0					
Reversal of revaluation reserve for land								2	2
Net changes in items other than shareholders' equity									
Total changes during period	–	–	0	0	–	(0)	3,000	597	3,597
Balance at end of period	5,158	5,996	172	6,169	1,044	10	30,000	6,410	37,465

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(2,291)	42,904	491	595	1,086	43,990
Changes during period						
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Provision of general reserve		-				-
Dividends of surplus		(946)				(946)
Profit		4,541				4,541
Purchase of treasury shares	(39)	(39)				(39)
Disposal of treasury shares	60	60				60
Reversal of revaluation reserve for land		2				2
Net changes in items other than shareholders' equity			7	(2)	4	4
Total changes during period	20	3,617	7	(2)	4	3,622
Balance at end of period	(2,271)	46,521	498	592	1,091	47,612