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# FY2023 Financial Results

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Apr 30,2024(Tue)



Hokuriku Electric Power Company

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# **I . Outline of Financial Results for FY2023**

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# Electricity Sales

(Billion kWh,%)

	FY23 (A)	FY22 (B)	Comparison	
			(A)-(B)	(A)/(B)
Retail	24.22	26.27	Δ2.06	92.2
Lighting	7.46	7.77	Δ0.31	96.0
Power	16.76	18.50	Δ1.74	90.6
Wholesale	3.79	6.42	Δ2.64	59.0
Total	28.00	32.70	Δ4.69	85.7

<Excludes sales related to the power transmission and distribution business>

<Wholesale>  
· Decrease in trading at JEPX

## 《 Main Factors 》

### < Lighting >

- Increase in opportunities to go out due to the transition to Class 5 of the new coronavirus
- Increase in awareness of energy conservation and power conservation.

### <Power>

- Decrease in contract demand.
- Decrease in factory operations.

(Reference)Average monthly temperature in Hokuriku 3 cities

(°C)

	April	May	June	July	August	September	October	November	December	January	February	March
Actual data	13.9	18.4	22.8	27.9	30.5	26.3	17.1	12.8	7.1	4.7	6.0	7.1
Comparison with the previous year	Δ0.1	0.0	Δ0.7	+0.8	+2.8	+2.0	+0.2	Δ0.5	+1.6	+0.8	+1.7	Δ3.4

(Note)Hokuriku 3 Cities : Toyama City, Kanazawa City, Fukui City

# Generated Power

《Hydro》

Decrease in self-flowing power generated

《Thermal》

Decrease in coal-fired thermal power generated

(Billion kWh,%)

	FY23 (A)	FY22 (B)	Comparison	
			(A)-(B)	(A)/(B)
[Flow rate]	[96.2]	[99.7]	[Δ 3.6]	
Hydro	5.70	6.03	Δ0.33	94.5
Thermal	18.21	23.10	Δ4.89	78.8
Nuclear	—	—	—	—
Renewable	0.00	0.00	Δ0.00	94.0
Total	23.92	29.14	Δ5.23	82.1

# Summary of Consolidated Financial Results

## 《Consolidated Financial Results》

- Profitable settlement for the first time in three years, due to revisions to electricity rates and transmission charges and increase in fuel cost adjustment charges, etc.

(Consolidated Ordinary Income:107.9 billion yen[Excluding the time lag effect, 63.4 billion yen])

(Billion yen,%)

		FY23 (A)	FY22 (B)	Comparison	
				(A)-(B)	(A)/(B)
Consolidated	Sales (Operating Revenue)	808.2	817.6	Δ 9.3	98.9
	Ordinary Income (Excludes time lag effect)	107.9 (63.4)	Δ 93.7 (Δ 58.6)	201.6 (122.1)	- (-)
	Extraordinary losses	45.1	-	45.1	-
	Net Income Attributable to Owners of Parent	56.8	Δ 88.4	145.2	-

[reference] The number of consolidated subsidiaries : 30 affiliates and 10 equity method affiliates

Key Factor	Currency rate (Yen/ \$)	144.6	135.5	9.1
	Crude Oil CIF prices[All Japan] (\$/b)	86.0	102.7	Δ 16.8
	Coal CIF prices[All Japan] (\$/t)	195.6	358.0	Δ 162.3
	LNG CIF prices[All Japan] (\$/t)	648.8	930.5	Δ 281.7

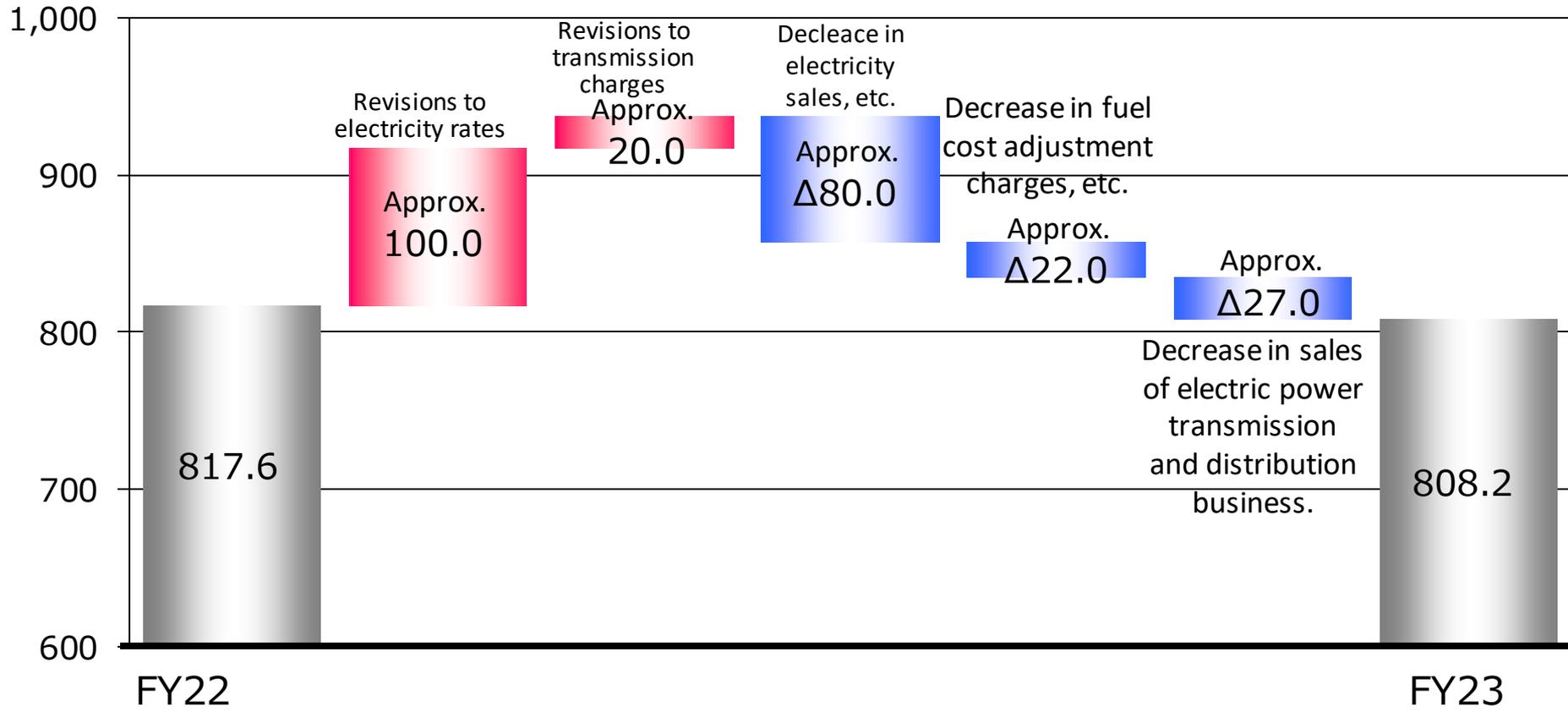
## 《 Main Factor 》

<Consolidated Sales>  
 · Decrease in electricity sales

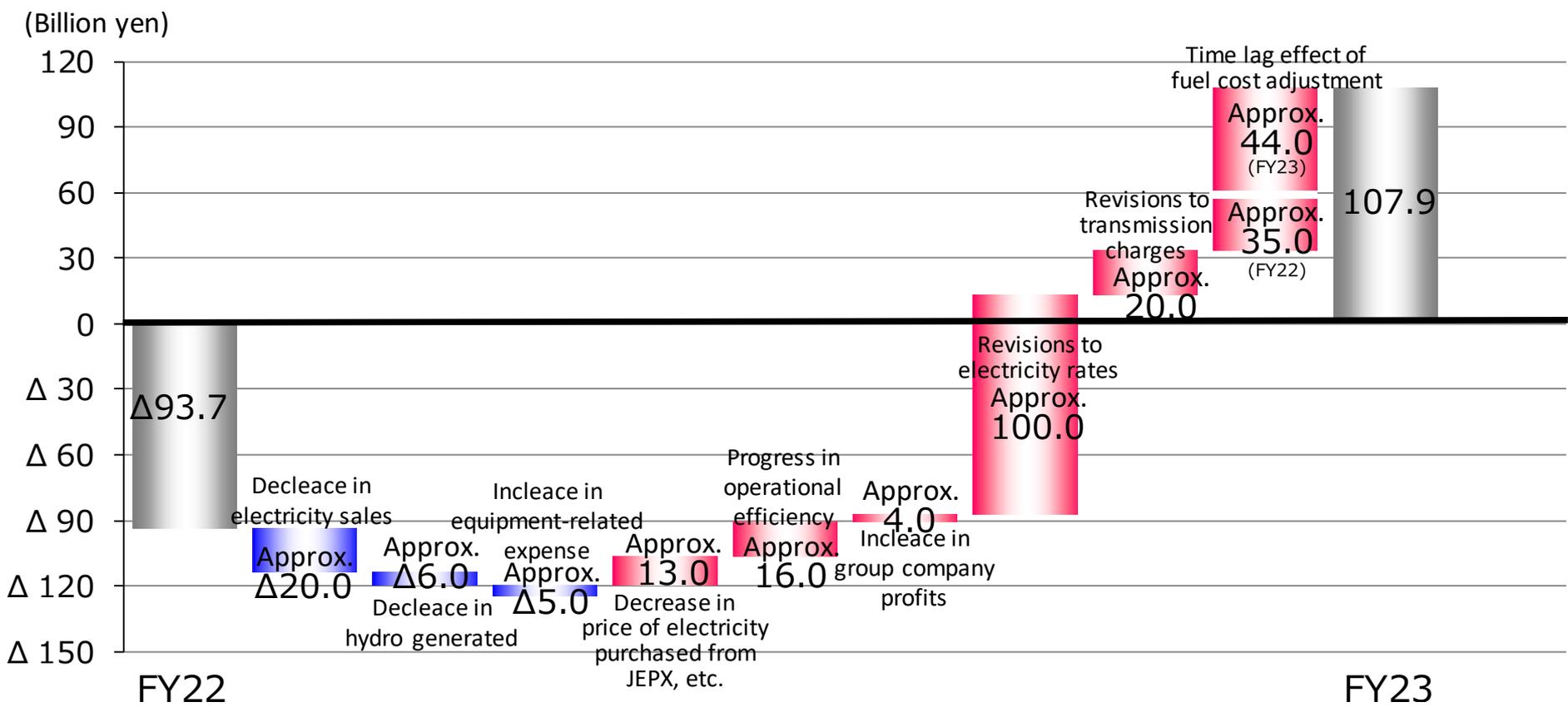
<Timing of revisions>  
 · Electricity rates  
   Free :2023.4~  
   Regulated :2023.6~  
 · Transmission charges  
   :2023.4~

# Changing Factor of Consolidated Sales

(Billion yen)



# Changing Factor of Consolidated Ordinary Income



# Equipment damage of The 2024 Noto Peninsula Earthquake

**<Power Distribution>** Utility Poles ... Tilted:2,310, Broken:760  
High-voltage wire ... breakage and entanglement:1,680

**<Transmission and Substation>** Damaged transformers and bushings, etc.

**<Thermal>** Damaged boiler piping and coal discharge equipment, etc.

**<Nuclear>** Damaged transformer (oil leakage) and Turbine, etc.

**<Power Distribution>**



**<Power Distribution>**



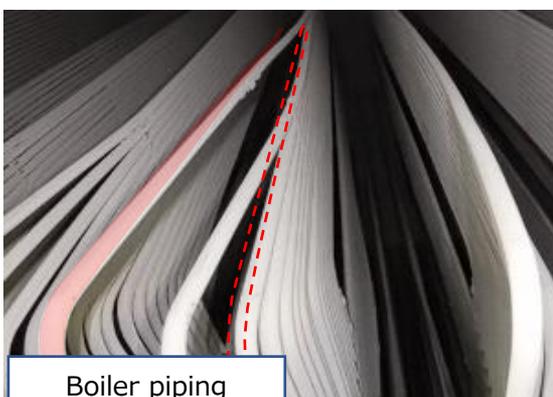
**<Transmission and Substation>**



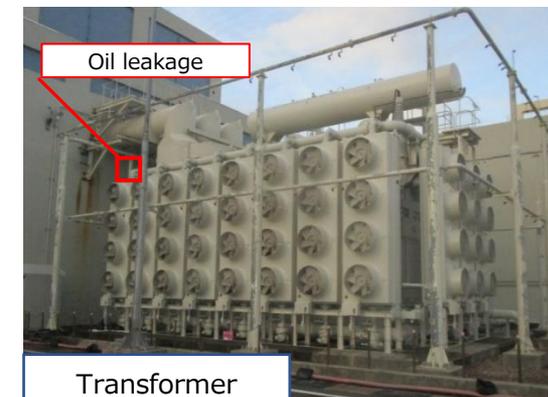
**<Thermal>**



**<Thermal>**



**<Nuclear>**



# Equipment damage of The 2024 Noto Peninsula Earthquake

## <Extraordinary loss>

⇒ Repair expenses, etc. ... 45.1 billion yen

## <Capital investment>

⇒ Replacement of damaged equipment, etc. ... 16.0 billion yen

<Extraordinary loss>

(Billion yen)

	FY23	Main factor
Hokuriku Electric Power Company	Approx. 33.0	Thermal 16.0, Nuclear 13.0, etc.
Hokuriku Electric Power Transmission & Distribution Company	Approx. 11.6	Distribution 7.0, Transmission 3.0, etc.
Total	Approx. 45.1	(The elimination of internal transactions)

<Capital investment>

(Billion yen)

	Forecast
Hokuriku Electric Power Company	Approx. 10.0
Hokuriku Electric Power Transmission & Distribution Company	Approx. 6.0
Total	Approx. 16.0

<Equipment damage>

(Billion yen)

Total
Approx. 61.0

# Financial Forecast for FY2024

## 《Financial Forecast》

- Total sales of Electricity power : Approx. 29.0 billion kWh, assuming an increase in wholesales
- Sales (Operating Revenue) : Decrease due to decrease in fuel cost adjustment charges
- Ordinary Income : Approx. 45.0 billion yen
- Net Income Attributable to Owners of Parent : Approx. 35.0 billion yen

(Billion kWh, Billion yen,%)

	FY24 Forecast	FY23	Comparison (A)-(B)
Total sales of Electricity Power	29.0	28.0	1.0

<Excludes sales related to the power transmission and distribution business from total sales of electricity power>

Consolidated	Sales (Operating Revenue)	795.0	808.2	Δ 13.2
	Ordinary Income	45.0	107.9	Δ 62.9
	Net Income Attributable to Owners of Parent	35.0	56.8	Δ 21.8

# Dividend for FY2023 and Dividend Forecast for FY2024

## 《Year-end dividend for FY2023》

· As previously announced , “7.5 yen per share.”

## 《Dividend forecast for FY2024》

· From the perspective of recovering our financial base from the losses in FY2022 and losses caused by the Noto Peninsula earthquake, and meeting the expectations of our shareholders, Both Interim and Year-end dividend will be “7.5 yen per share” (Total 15.0 yen per share).

	<b>FY24 Forecast</b>	<b>FY23</b>
Interim dividend per share	7.5yen	0yen
Year-end dividend per share	7.5yen	7.5yen
Total	15.0yen	7.5yen

# Summary of Financial Results by Segment

(Billion yen, %)

《 Main Factors 》

	FY23 (A)	FY22 (B)	Comparison	
			(A)-(B)	(A)/(B)
<b>Sales</b>	<b>808.2</b>	<b>817.6</b>	<b>Δ 9.3</b>	<b>98.9</b>
Electric power generation and sales business	732.5	748.7	Δ 16.1	97.8
Electric power transmission and distribution business	204.1	231.6	Δ 27.5	88.1
Others	143.8	130.6	13.1	110.1
Adjustment amount*	Δ 272.2	Δ 293.5	21.2	—
<b>Ordinary Income</b>	<b>107.9</b>	<b>Δ 93.7</b>	<b>201.6</b>	<b>—</b>
Electric power generation and sales business	79.4	Δ 94.2	173.7	—
Electric power transmission and distribution business	22.4	0.0	22.4	—
Others	10.9	9.4	1.5	116.1
Adjustment amount*	Δ 4.9	Δ 8.9	4.0	—

•Decrease in electricity sales , etc.

•Decrease in sold power to other utilities and suppliers, etc.

•Revisions to electricity rates  
•Time lag effect of fuel cost adjustment , etc.

•Reduction of prpcurement costs from the supply-demand market , etc.

\*:The elimination of internal transactions.

# Consolidated Balance Sheet (Summary)

(Billion yen)

	FY23 (A)	FY22 (B)	Comparison (A)-(B)	Main reason of increase and decrease (Note) Related to only Hokuriku Electric Power Company
Non-current assets	1,440.9	1,434.6	6.2	
Electricity business	871.8	868.2	3.5	<ul style="list-style-type: none"> <li>· Capitalization of construction 38.1</li> <li>· Depreciation Δ32.1</li> </ul>
Others	569.1	566.4	2.6	
Current assets	414.5	370.6	43.8	<ul style="list-style-type: none"> <li>· Cash 57.4</li> <li>· Stores Δ15.8</li> </ul>
Total assets	1,855.4	1,805.3	50.1	
Inrrest-bearing debt	1,192.8	1,285.4	Δ92.6	<ul style="list-style-type: none"> <li>· Bonds payable and Long-term loans payable Δ62.0</li> <li>· Commercial papers Δ30.0</li> </ul>
Other debt	332.4	264.5	67.8	<ul style="list-style-type: none"> <li>· Provision for Disaster Recovery Costs 31.1</li> <li>· Accrued taxes 12.5</li> </ul>
Reserve for fluctuation in water levels	2.7	2.9	Δ0.2	
Total liabilities	1,527.9	1,553.0	Δ25.0	
Net assets	327.4	252.2	75.1	· Net income Δ47.9
[Equity ratio]	[16.6%]	[12.9%]	[3.7%]	
Total of liabilities and net assets	1,855.4	1,805.3	50.1	

# Consolidated Statement of Cash Flow (Summary)

(Billion yen)

	FY23 (A)	FY22 (B)	Comparison (A)-(B)
<b>I .Operating activities①</b>	223.3	Δ97.0	320.3
Net Income before income taxes	63.0	Δ93.7	156.7
Depreciation and amortization	59.9	58.4	1.5
Others	100.3	Δ61.7	162.0
<b>II .Investing activities②</b>	Δ69.4	Δ88.8	19.3
Capital investment	Δ70.4	Δ82.4	11.9
Long-term investment and others	1.0	Δ6.4	7.4
<b>III .Financing activities</b>	Δ93.7	245.7	Δ339.4
Loan, bond, etc	Δ93.1	246.7	Δ339.8
Purchases and sales of treasury stock	Δ0.0	Δ0.0	Δ0.0
Cash dividends paid③	Δ0.6	Δ0.9	0.3
<b>IV .Net increase in cash and cash equivalents ( I + II + III )</b>	60.1	59.8	0.2
○ Free cash flow (① + ② + ③)	153.2	Δ186.8	340.0

## **II . Supplemental Material**

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# (Reference) Key Factor, Sensitivity and Consumption of Fossil Fuels

## <Key Factor>

		FY23 (A)	FY22 (B)	Comparison (A)-(B)
Total electricity sales	(Billion kWh)	28.00	32.70	Δ4.69
Currency rate	(yen/\$)	144.6	135.5	9.1
Coal CIF prices[All Japan]	(\$/ b )	195.6	358.0	Δ162.3
Crude Oil CIF prices[All Japan]	(\$/b)	86.0	102.7	Δ16.8
LNG CIF prices[All Japan]	(\$/t)	648.8	930.5	Δ281.7
Flow rate	(%)	96.2	99.7	Δ3.6

## <Sensitivity>

(Billion yen/year)

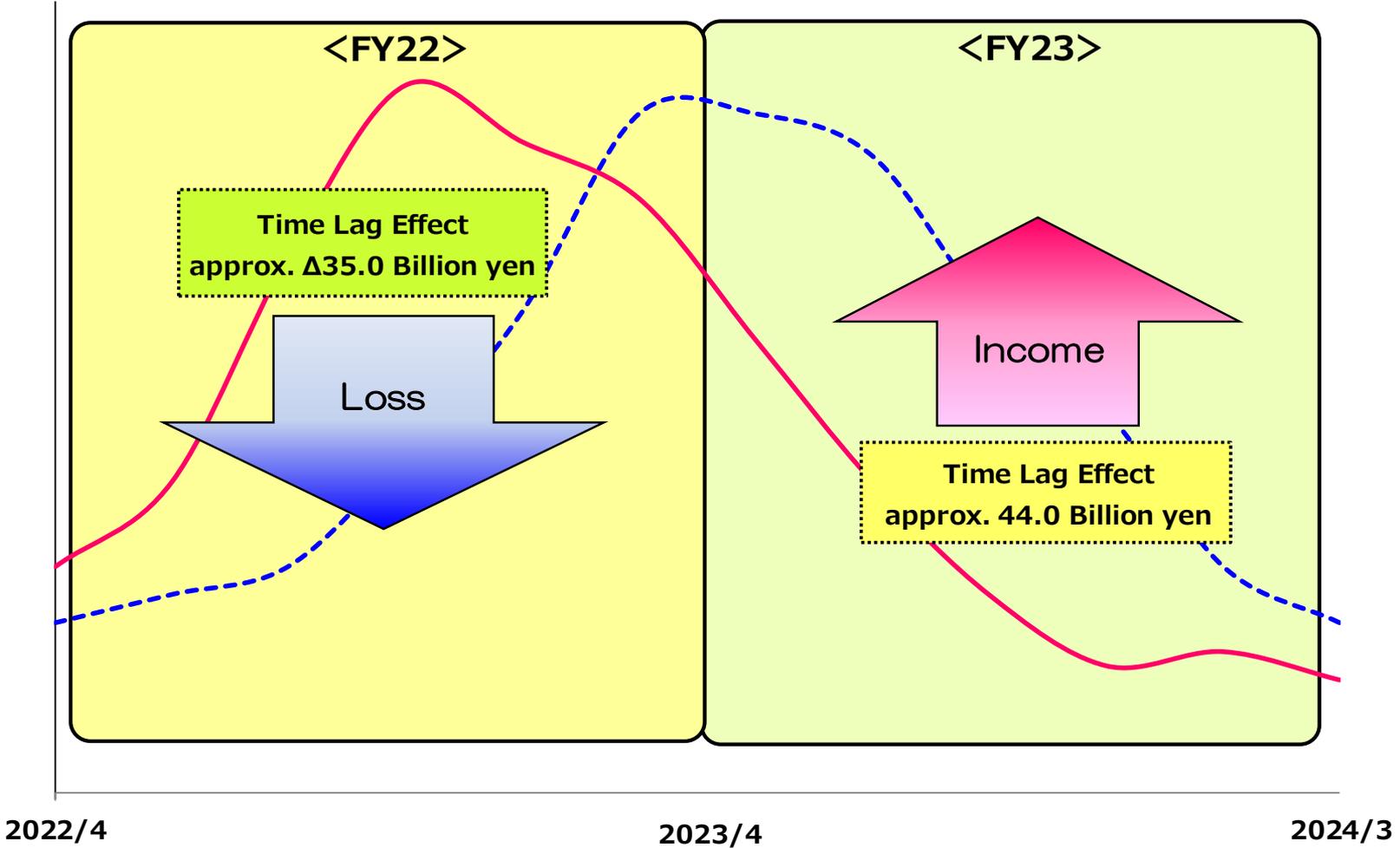
		FY23 (A)	FY22 (B)	Comparison (A)-(B)
Currency rate	(1yen/\$)	Approx.1.3	Approx.2.9	Approx.Δ1.6
Crude Oil CIF prices[All Japan]	(1\$/b)	Approx.0.7	Approx.0.9	Approx.Δ0.2
Coal CIF prices[All Japan]	(1\$/b)	Approx.0.1	Approx.0.2	Approx.Δ0.1
Flow rate	(1%)	Approx.1.0	Approx.1.4	Approx.Δ0.4

## <Consumption of Fossil Fuels>

		FY23 (A)	FY22 (B)	Comparison (A)-(B)
Coal	(10,000t)	495	642	Δ148
Heavy Oil	(10,000kl)	12	28	Δ17
Crude Oil	(10,000kl)	-	-	-
LNG	(10,000t)	43	38	4

# (Reference) Time Lag Effect of Fuel Cost Adjustment Charges[Actual]

--- Average Fuel Price (basis of fuel cost adjustment charge)  
— Fuel Procurement Price (basis of fuel cost)



(Note) Fluctuation in fuel prices causes time lag between payment of fuel cost and reception of fuel cost adjustment charges, resulting in temporary increase or decrease in income. Time Lag Effect above is this temporary increase or decrease, if time lag dose not take place.

# (Reference) Data related to Financial Results

<Consolidated Income and loss>

(Billion yen)

	FY19	FY20	FY21	FY22	FY23
Sales	628.0	639.4	613.7	817.6	808.2
Operating Income	29.4	17.8	Δ16.4	Δ73.7	114.9
Ordinary Income	23.2	12.3	Δ17.6	Δ93.7	107.9
Net Income	13.4	6.8	Δ6.7	Δ88.4	56.8

<Consolidated Balance sheet>

(Billion yen,%)

	FY19	FY20	FY21	FY22	FY23
Total assets	1,592.9	1,595.6	1,660.0	1,805.3	1,855.4
Net assets	336.4	355.7	343.2	252.2	327.4
Equity ratio	20.2	21.2	19.6	12.9	16.6

<Capital investment>

(Billion yen)

	FY19	FY20	FY21	FY22	FY23
Capital investment [Consolidated]	76.5	84.2	90.6	83.1	78.8

## Regarding Forward-Looking Statements(Performance Projections)

Certain statements in this presentation regarding Hokuriku Electric Power Company's business operations may constitute "forward-looking statements." As such, these statements are not historical facts but rather predictions about the future, which inherently involve risks and uncertainties, and these risks and uncertainties could cause the Company's actual results to differ materially from the Forward-looking statements (Performance projections) herein.

### Contact Information for Inquiries

Finance Team Finance & Accounting Dept. Hokuriku Electric Power Company

15-1 Ushijima-Cho, Toyama, 930-8686, Japan

TEL : +81-76-441-2511

FAX : +81-76-405-0127



# Hokuriku Electric Power Company

Internet address <https://www.rikuden.co.jp/>