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# FY2022 2nd Quarter Financial Results

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Oct 27,2022(Thu)



Hokuriku Electric Power Company

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# I . Outline of Financial Results for FY2022 2nd Quarter

# Electricity Sales

(Billion kWh,%)

《 Main Factors 》

	FY22/2Q (A)	FY21/2Q (B)	Comparison	
			(A)-(B)	(A)/(B)
Retail	12.97	13.07	Δ0.10	99.2
Lighting	3.37	3.37	0.00	100.1
Power	9.60	9.70	Δ0.10	98.9
Wholesale	3.37	4.49	Δ1.12	75.1
Total	16.35	17.57	Δ1.22	93.1

< Lighting >  
 · Decrease in time to be home due to deregulation of behavior regulation  
 · Decrease in cooling demand in summer  
 <Power>  
 · Decrease in contract demand.

<Wholesale>  
 · Decrease in trading at JEPX

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

(Reference)Average monthly temperature in Hokuriku 3 cities

(°C)

	April	May	June	July	August	September
Actual data	14.0	18.4	23.5	27.1	27.7	24.3
Comparison with the previous year	+1.3	+0.5	+1.0	+0.3	+0.7	+0.9

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

# Generated Power

《Hydro》

Decrease in water flow(Year-on-year)

《Thermal》

Decrease in coal-fired thermal power generated

(Billion kWh,%)

	FY22/2Q (A)	FY21/2Q (B)	Comparison	
			(A)-(B)	(A)/(B)
[Flow rate]	[103.5]	[107.0]	[Δ 3.5]	
Hydro	3.73	3.99	Δ0.26	93.5
Thermal	10.54	10.75	Δ0.21	98.0
Nuclear	—	—	—	—
Renewable	0.00	0.00	0.00	103.9
Total	14.27	14.75	Δ0.47	96.8

# Summary of Consolidated Financial Results

## 《Consolidated Financial Results》

· Ordinary income deficit for the first time in 14 years, since FY 2008.

(Billion yen,%)

		FY22/2Q (A)	FY21/2Q (B)	Comparison	
				(A)-(B)	(A)/(B)
Consolidated	Sales [Operating Revenue]	374.9	271.6	103.2	138.0
	Ordinary Income	Δ 37.7	9.1	Δ 46.8	-
	Net Income Attributable to Owners of Parent	Δ 38.1	5.6	Δ 43.7	-

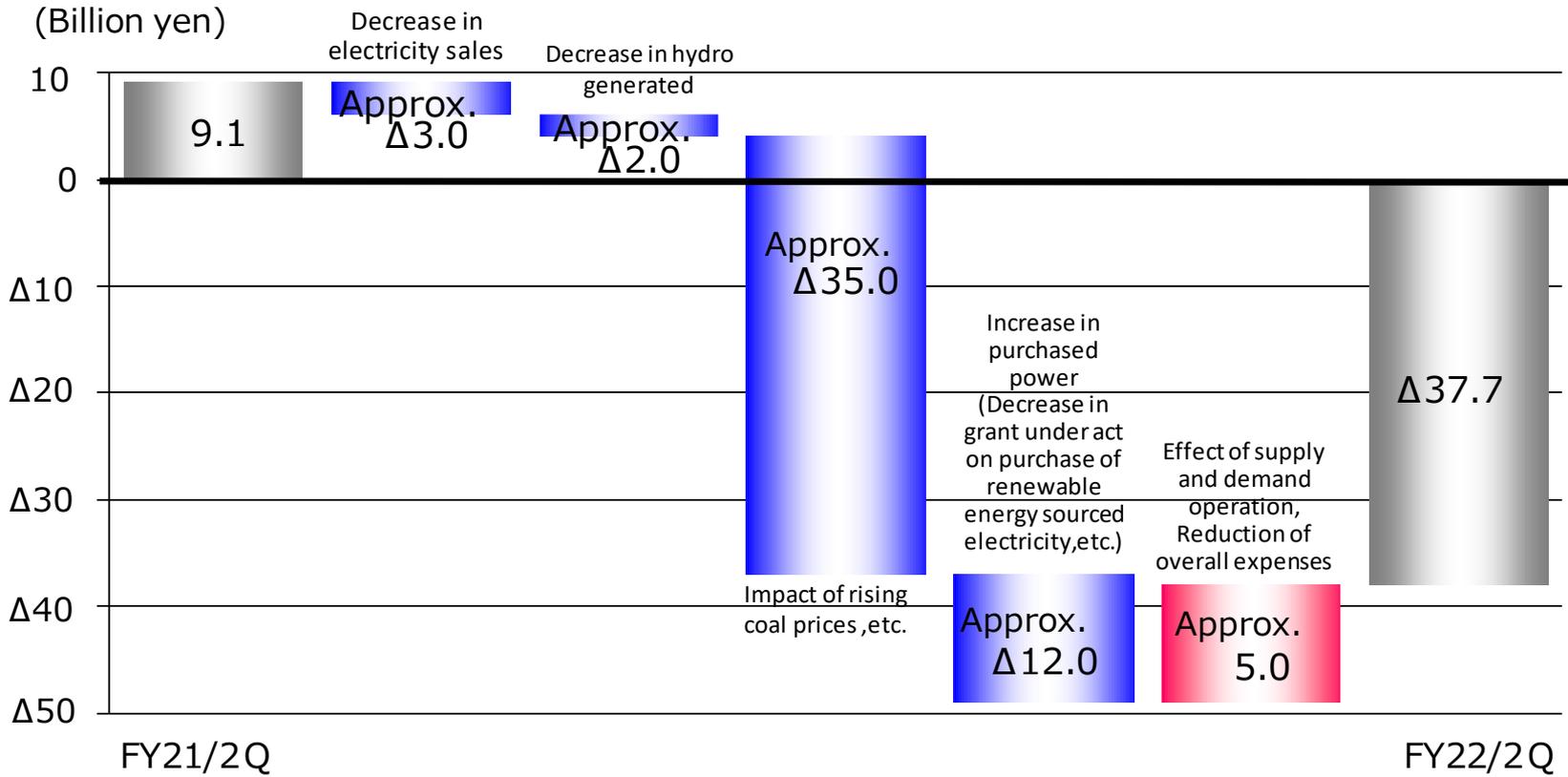
Key Factor	Currency rate (Yen/\$)	134.0	109.8	24.2
	Crude Oil CIF prices[All Japan] (\$/t)	112.2	70.3	41.9
	Coal CIF prices[All Japan] (\$/b)	335.2	125.9	209.3

### 《 Main Factor 》

· Increase in fuel cost adjustment charges

[reference] The number of consolidated subsidiaries : 29 affiliates and 10 equity method affiliates

# Changing factor of Consolidated Ordinary Income



# Financial Forecast and Dividend Forecast for FY2022

## 《Financial Forecast》

· We expect to post the largest loss ever due to impact of rising coal prices.

## 《Dividend forecast》

· We change the Year-end dividend from “uncertain” to “undistributed”.

(Billion kWh, Billion yen)

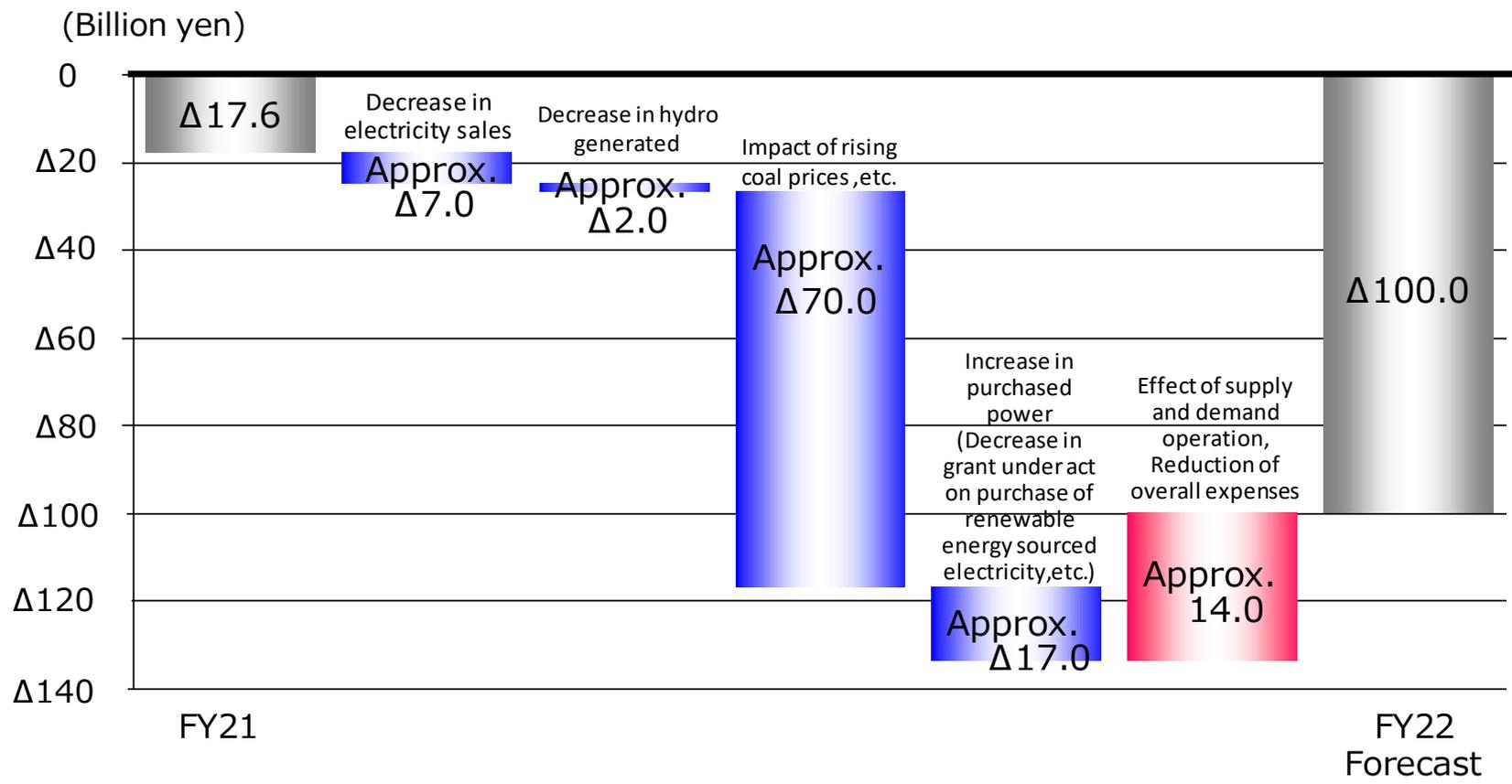
	FY22 Forecast (A)	Previous Forecast (Announced on July 29)	FY21 Actual (B)	Comparison (A)-(B)	Comparison (A)/(B)
Total sales of Electricity Power	33.0	33.0	36.16	Δ 3.2	91.3

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

Consolidated	Sales [Operating Revenue]	850.0	uncertain	613.7	236.3	138.5
	Ordinary Income	Δ 100.0	uncertain	Δ 17.6	Δ 82.4	—
	Net Income Attributable to Owners of Parent	Δ 90.0	uncertain	Δ 6.8	Δ 83.2	—
Year-end dividend per share		0yen	uncertain	2.5yen		

Key Factor	Currency rate (Yen/ \$)	Approx. 140	uncertain	112.4	
	Crude Oil CIF prices[All Japan] (\$ / t)	Approx. 100	uncertain	77.2	
	Coal CIF prices[All Japan] (\$ / b)	Approx. 400	uncertain	158.6	

# Changing factor of Consolidated Ordinary Income



# Summary of Financial Results by Segment

(Billion yen,%)

## 《 Main Factors 》

	FY22/2Q (A)	FY21/2Q (B)	Comparison	
			(A)-(B)	(A)/(B)
<b>Sales</b>	<b>374.9</b>	<b>271.6</b>	<b>103.2</b>	<b>138.0</b>
Electric power generation and sales business	343.7	244.2	99.4	140.7
Electric power transmission and distribution business	112.5	79.8	32.6	140.9
Others	61.6	54.9	6.7	112.3
Adjustment amount*	Δ143.0	Δ107.4	Δ35.6	—
<b>Ordinary Income</b>	<b>Δ37.7</b>	<b>9.1</b>	<b>Δ46.8</b>	<b>—</b>
Electric power generation and sales business	Δ33.7	2.9	Δ36.6	—
Electric power transmission and distribution business	Δ2.1	3.8	Δ5.9	—
Others	3.3	4.3	Δ1.0	76.7
Adjustment amount*	Δ5.2	Δ2.0	Δ3.1	—

• Increase in fuel cost adjustment charges

• Increase in transmission revenue  
• Increase in sold power to other utilities and suppliers

• Increase in electricity sales  
• Increase in equipment related expenses  
• Impact of rising coal prices

• Decrease in equipment related expenses

\*:The elimination of internal transactions.

# Consolidated Balance Sheet (Summary)

(Billion yen)

	FY22/2Q (A)	FY21 (B)	Comparison (A)-(B)	Main reason of increase and decrease (Note) Related to only Hokuriku Electric Power Company
Non-current assets	1,406.1	1,408.3	Δ2.1	
Electricity business	873.9	869.0	4.9	·Capitalization of construction 18.5 ·Depreciation Δ15.2
Others	532.2	539.3	Δ7.1	·Construction in progress 16.0
Current assets	380.1	251.6	128.4	·Cash and Stores 64.2
Total assets	1,786.3	1,660.0	126.3	
Inreresst-bearing debt	1,210.4	1,038.7	171.7	·Straight bond 83.4 ·Long-term debt 91.3
Other debt	259.5	275.0	Δ15.4	·Accrued expenses Δ3.6
Reserve for fluctuation in water levels	2.9	2.9	-	
Total liabilities	1,473.0	1,316.7	156.2	
Net assets	313.3	343.2	Δ29.9	·Net income Δ32.9
[Equity ratio]	[16.5%]	[19.6%]	[Δ3.1%]	
Total of liabilities and net assets	1,786.3	1,660.0	126.3	

# Consolidated Statement of Cash Flow (Summary)

(Billion yen)

	FY22/2Q (A)	FY21/2Q (B)	Comparison (A)-(B)
<b>I .Operating activities</b> ①	Δ64.1	6.7	Δ70.9
Net Income before income taxes	Δ37.7	9.1	Δ46.8
Depreciation and amortization	28.6	27.2	1.4
Others	Δ55.0	Δ29.6	Δ25.4
<b>II .Investing activities</b> ②	Δ45.9	Δ63.3	17.4
Capital investment	Δ37.5	Δ54.1	16.5
Long-term investment and others	Δ8.3	Δ9.1	0.8
<b>III .Financing activities</b>	170.9	52.9	117.9
Loan, bond, etc	171.7	55.3	116.3
Purchases and sales of treasury stock	0.0	0.0	0.0
Cash dividends paid③	Δ0.8	Δ2.4	1.6
<b>IV .Net increase in cash and cash equivalents ( I + II + III )</b>	60.8	Δ3.6	64.4
○ Free cash flow (① + ② + ③)	Δ110.9	Δ59.0	Δ51.8

## Ⅱ . Supplemental Material

# (Reference) Key Factor and Capital Investment

## <Key Factor>

		FY22/2Q (A)	FY21/2Q (B)	Comparison (A)-(B)
Total electricity sales	(Billion kWh)	16.35	17.57	Δ1.22
Currency rate	(yen/\$)	134.0	109.8	24.2
Coal CIF prices[All Japan]	(\$/b)	335.2	125.9	209.3
Crude Oil CIF prices[All Japan]	(\$/t)	112.2	70.3	41.9
Flow rate	(%)	103.5	107.0	Δ3.5

## <Consumption of Fossil Fuels>

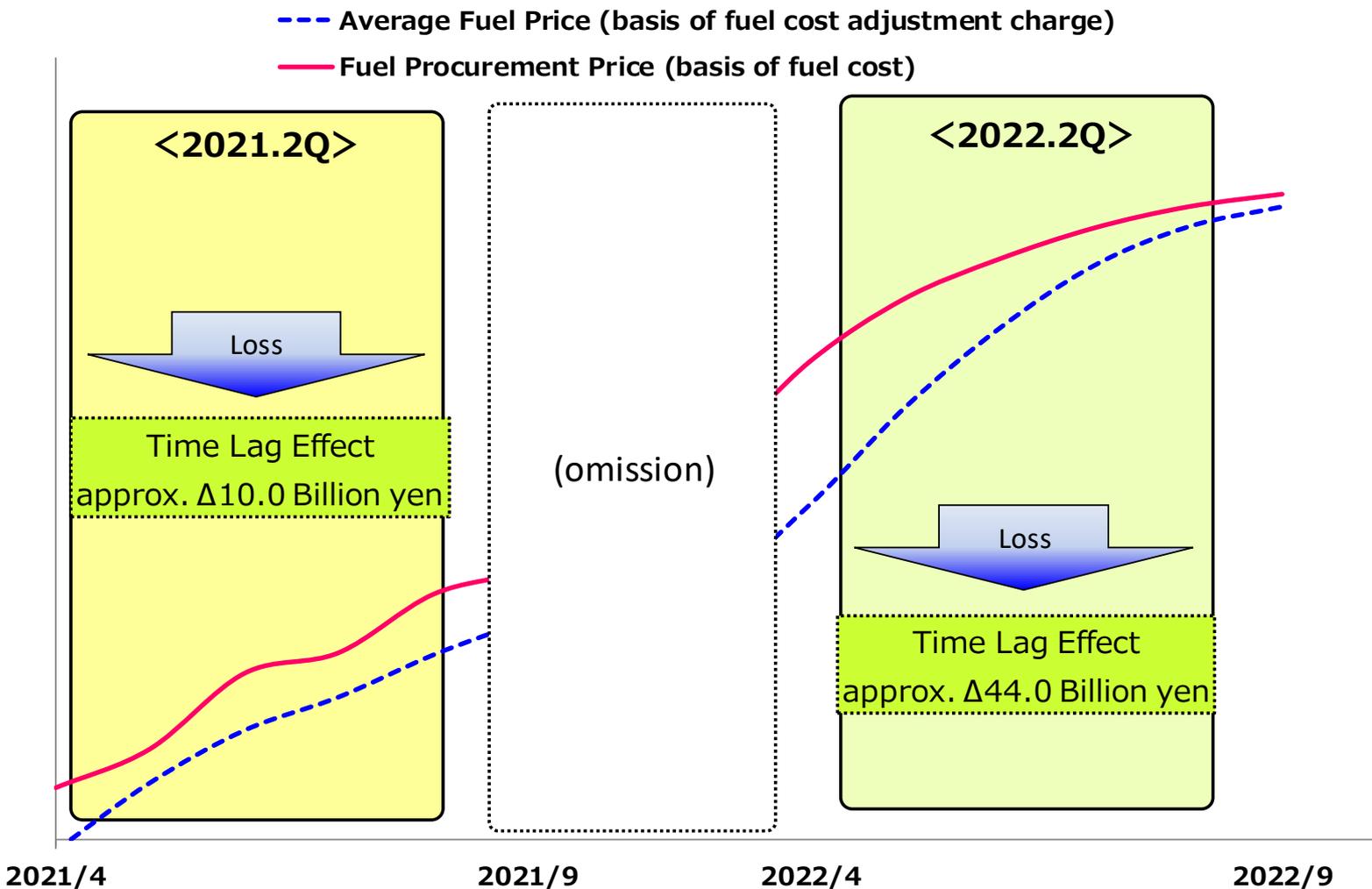
		FY22/2Q (A)	FY21/2Q (B)	Comparison (A)-(B)
Coal	(10,000t)	297	314	Δ16
Heavy Oil	(10,000kl)	11	3	8
Crude Oil	(10,000kl)	—	—	—
LNG	(10,000t)	18	19	Δ1

## <Capital investment>

(Billion yen)

	FY17	FY18	FY19	FY20	FY21	FY22 Forecast
Capital investment [Consolidated]	109.0	102.9	76.5	84.2	90.6	80.0

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



(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)

	FY17	FY18	FY19	FY20	FY21
Sales	596.2	622.9	628.0	639.4	613.7
Operating Income	14.8	12.8	29.4	17.8	Δ16.3
Ordinary Income	2.6	6.6	23.2	12.3	Δ17.6
Net Income	Δ0.4	2.5	13.4	6.8	Δ6.8

## <Consolidated Balance sheet>

(Billion yen,%)

	FY17	FY18	FY19	FY20	FY21
Total assets	1,588.7	1,573.1	1,592.9	1,595.6	1,656.6
Net assets	327.6	326.9	336.4	355.7	342.7
Equity ratio	19.8	19.9	20.2	21.2	19.6

## 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.

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