

**Consolidated financial results (Japanese accounting standards)
For the 1st quarter of the fiscal year ending June 30, 2023 (Q1 FY2023)**

Company name: Hokuriku Electric Industry Co., Ltd.
 Stock code: 6989
 URL: <https://www.hdk.co.jp/>
 Stock exchange listing: Tokyo Stock Exchange
 Representative: Morio Tada, President
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Scheduled date for filing annual securities report: August 10, 2023
 Scheduled date of commencement of dividend payment: -
 Supplementary documents for quarterly results: None
 Quarterly results briefing: None

(Yen in millions , rounded down)

1. Consolidated financial results for the 1st quarter of the fiscal year ending June 30, 2023
 (April 1, 2023 – June 30, 2023)

(1) Consolidated results of operations (Cumulative)

(Percentage figures represent the change from the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended June 30, 2023	10,252	2.0	413	(8.6)	857	(4.8)	692	15.1
Year ended June 30, 2022	10,046	11.6	452	3.3	901	81.5	601	94.2

(Note) Comprehensive income: 1,087 millions of yen ((22.3)%) for the three months ending June 30, 2023
 1,398 millions of yen (159.8%) for the three months ended June 30, 2022

	Net income Per share	Diluted net income Per share
	Yen	Yen
Year ended June 30, 2023	82.69	-
Year ended June 30, 2022	71.87	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	41,426	17,868	43.1
As of March 31, 2023	42,979	17,107	39.8

(Reference) Equity: three months ending June 30, 2023: 17,868 millions of yen
 Fiscal year ended March 31, 2023: 17,107 millions of yen

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	-	0.00	-	55.00	55.00
Year ending March 31, 2024 (forecasts)	-	0.00	-	55.00	55.00

(Note) Revisions to dividend forecasts published most recently: None

3. Consolidated forecasts for the fiscal year ending March 31, 2024 (April 1, 2023 – March 31, 2024)
(Percentage figures for the fiscal year represent the changes from the previous year)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ending March 31, 2024	43,600	(4.1)	2,300	(21.8)	2,200	(38.6)

	Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Yen
Year ending March 31, 2024	1,700	162.5	203.07

(Note) Revisions to financial forecasts published most recently: None

* Notes

- (1) Changes of important subsidiaries during the period
(changes of specific subsidiaries that change the scope of consolidation): None
- (2) Application of particular accounting procedures in preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies and changes or restatement of accounting estimates
- ① Changes in accounting policies caused by revision of accounting standards: None
 - ② Changes in accounting policies other than ①: None
 - ③ Changes in accounting estimates: None
 - ④ Restatement: None

(4) Number of shares outstanding (common stock):

① Number of shares outstanding at end of period (including treasury stock)

As of June 30, 2023	9,250,099 shares	As of March 31, 2023	9,250,099 shares
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② Number of treasury stock at end of period

As of June 30, 2023	878,890 shares	As of March 31, 2023	878,702 shares
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③ Average number of shares outstanding during the term

As of June 30, 2023	8,371,283 shares	As of June 30, 2022	8,368,061 shares
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* This document is not subject to audit procedures.

* Explanation for appropriate use of forecasts and other special notes

The earnings forecast and other forward-looking statements presented in this document are prepared based on currently available information and certain preconditions that the company believes to be reasonable, and do not constitute any guarantee of future performance achievements.

Actual results may substantially differ from any forecasts presented herein due to various factors.

Consolidated financial statements
 Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	8,052	7,425
Notes and accounts receivable - trade	10,064	10,604
Merchandise and finished goods	1,743	2,232
Work in process	3,958	3,728
Raw materials and supplies	4,319	3,401
Other	2,014	1,154
Allowance for doubtful accounts	(19)	(28)
Total current assets	30,132	28,517
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,572	2,585
Machinery, equipment and vehicles, net	3,081	3,020
Land	2,847	2,847
Other, net	260	313
Total property, plant and equipment	8,761	8,768
Intangible assets	376	343
Investments and other assets		
Investment securities	1,124	1,173
Deferred tax assets	1,232	1,246
Other	2,372	2,430
Allowance for doubtful accounts	(1,021)	(1,052)
Total investments and other assets	3,708	3,796
Total non-current assets	12,847	12,908
Total assets	42,979	41,426

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,737	6,335
Short-term borrowings	5,690	5,435
Income taxes payable	295	342
Provision for bonuses	446	654
Provision for Loss on business related to business partners	413	24
Other	1,219	1,319
Total current liabilities	15,803	14,111
Non-current liabilities		
Long-term borrowings	5,397	4,812
Lease liabilities	227	212
Deferred tax liabilities	10	7
Deferred tax liabilities for land revaluation	318	318
Retirement benefit liability	4,050	4,026
Other	63	68
Total non-current liabilities	10,068	9,445
Total liabilities	25,872	23,557
Net assets		
Shareholders' equity		
Share capital	5,200	5,200
Capital surplus	5,038	5,038
Retained earnings	5,804	6,166
Treasury shares	(1,156)	(1,156)
Total shareholders' equity	14,886	15,248
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	139	207
Revaluation reserve for land	665	665
Foreign currency translation adjustment	1,432	1,757
Remeasurements of defined benefit plans	(16)	(10)
Total accumulated other comprehensive income	2,221	2,620
Total net assets	17,107	17,868
Total liabilities and net assets	42,979	41,426

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	10,046	10,252
Cost of sales	8,356	8,559
Gross profit	1,689	1,692
Selling, general and administrative expenses	1,236	1,278
Operating profit	452	413
Non-operating income		
Interest income	11	18
Dividend income	15	14
Foreign exchange gains	416	407
Other	38	34
Total non-operating income	482	475
Non-operating expenses		
Interest expenses	13	17
Expenses for persons of temporary transfer	9	4
Other	11	10
Total non-operating expenses	33	31
Ordinary profit	901	857
Extraordinary income		
Gain on reversal of loss on business related to business partners	—	99
Other	0	3
Total extraordinary income	0	102
Extraordinary losses		
Loss on sale of non-current assets	2	1
Loss on retirement of non-current assets	2	0
Loss on valuation of investment securities	—	3
Total extraordinary losses	4	4
Profit before income taxes	896	955
Income taxes	294	263
Profit	601	692
Profit attributable to owners of parent	601	692

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	601	692
Other comprehensive income		
Valuation difference on available-for-sale securities	22	68
Foreign currency translation adjustment	764	321
Remeasurements of defined benefit plans, net of tax	10	5
Total other comprehensive income	797	395
Comprehensive income	1,398	1,087
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,398	1,087