

**Consolidated financial results (Japanese accounting standards)
For the 1st quarter of the fiscal year ending June 30, 2021 (Q1 FY2021)**

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, 2021
 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, 2021
 (April 1, 2021 – June 30, 2021)

(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, 2021	9,006	28.7	438	-	496	-	309	-
Year ended June 30, 2020	6,998	(32.3)	(124)	-	(95)	-	(274)	-

(Note) Comprehensive income: 538 millions of yen (-%) for the three months ending June 30, 2021
 (280) millions of yen (-%) for the three months ended June 30, 2020

	Net income Per share	Diluted net income Per share
	Yen	Yen
Year ended June 30, 2021	37.00	-
Year ended June 30, 2020	(32.77)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	36,543	13,574	37.1
As of March 31, 2021	35,692	13,287	37.2

(Reference) Equity: three months ending June 30, 2021: 13,574 millions of yen
 Fiscal year ended March 31, 2021: 13,287 millions of yen

2. Dividends

	Dividend per share					Total
	End of first quarter	End of second quarter	End of third quarter	Fiscal year end		
	Yen	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	-	0.00	-	30.00	30.00	
Year ending March 31, 2022	-					
Year ending March 31, 2022 (forecasts)		0.00	-	30.00	30.00	

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

3. Consolidated forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(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, 2022	39,500	20.3	1,400	144.5	1,400	113.5

	Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Yen
Year ending March 31, 2022	1,000	123.4	119.48

(Note) Revisions to financial forecasts published most recently: Yes

* 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: Yes

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, 2021	9,250,099 shares	As of March 31, 2021	9,250,099 shares
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② Number of treasury stock at end of period

As of June 30, 2021	880,276 shares	As of March 31, 2021	880,256 shares
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③ Average number of shares outstanding during the term

As of June 30, 2021	8,369,826 shares	As of June 30, 2020	8,371,789 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, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	8,262	8,475
Notes and accounts receivable - trade	8,295	—
Notes and accounts receivable - trade, and contract assets	—	8,418
Merchandise and finished goods	1,033	1,567
Work in process	2,159	2,544
Raw materials and supplies	1,741	1,993
Other	1,228	720
Allowance for doubtful accounts	(16)	(16)
Total current assets	22,704	23,703
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,534	2,528
Machinery, equipment and vehicles, net	3,094	3,050
Land	2,918	2,918
Other, net	233	265
Total property, plant and equipment	8,780	8,762
Intangible assets	417	404
Investments and other assets		
Investment securities	1,111	959
Deferred tax assets	1,425	1,454
Other	1,289	1,295
Allowance for doubtful accounts	(36)	(36)
Total investments and other assets	3,790	3,672
Total non-current assets	12,988	12,840
Total assets	35,692	36,543

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,024	6,507
Short-term borrowings	3,683	3,938
Income taxes payable	133	213
Provision for bonuses	405	622
Other	1,222	1,447
Total current liabilities	11,469	12,729
Non-current liabilities		
Long-term borrowings	5,582	4,972
Lease obligations	325	283
Deferred tax liabilities	2	2
Deferred tax liabilities for land revaluation	327	327
Retirement benefit liability	4,586	4,542
Other	111	112
Total non-current liabilities	10,935	10,240
Total liabilities	22,405	22,969
Net assets		
Shareholders' equity		
Share capital	5,200	5,200
Capital surplus	5,039	5,039
Retained earnings	3,815	3,874
Treasury shares	(1,158)	(1,158)
Total shareholders' equity	12,896	12,955
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	117	(9)
Revaluation reserve for land	685	685
Foreign currency translation adjustment	(233)	108
Remeasurements of defined benefit plans	(178)	(164)
Total accumulated other comprehensive income	390	619
Total net assets	13,287	13,574
Total liabilities and net assets	35,692	36,543

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	6,998	9,006
Cost of sales	6,024	7,396
Gross profit	974	1,609
Selling, general and administrative expenses	1,098	1,171
Operating profit (loss)	(124)	438
Non-operating income		
Interest income	14	10
Dividend income	12	15
Reversal of allowance for doubtful accounts	70	—
Foreign exchange gains	—	20
Other	46	40
Total non-operating income	144	86
Non-operating expenses		
Interest expenses	12	12
Expenses for persons of temporary transfer	6	7
Expenses for suspension of business	64	—
Foreign exchange losses	24	—
Other	7	9
Total non-operating expenses	115	28
Ordinary profit (loss)	(95)	496
Extraordinary income		
Gain on sale of non-current assets	0	—
Surrender value of insurance policies	4	14
Insurance claim income	—	12
Other	0	0
Total extraordinary income	4	26
Extraordinary losses		
Loss on sale of non-current assets	0	—
Loss on retirement of non-current assets	0	5
Loss on valuation of investment securities	228	7
Loss on cancellation of insurance policies	—	31
Other	1	2
Total extraordinary losses	229	46
Profit (loss) before income taxes	(320)	476
Income taxes	(46)	167
Profit (loss)	(274)	309
Profit (loss) attributable to owners of parent	(274)	309

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(274)	309
Other comprehensive income		
Valuation difference on available-for-sale securities	211	(127)
Foreign currency translation adjustment	(230)	342
Remeasurements of defined benefit plans, net of tax	12	13
Total other comprehensive income	(5)	228
Comprehensive income	(280)	538
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(280)	538