

**Consolidated financial results (Japanese accounting standards)
For the 1st quarter of the fiscal year ending June 30, 2022 (Q1 FY2022)**

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, 2022
 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, 2022
 (April 1, 2022 – June 30, 2022)

(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, 2022	10,046	11.6	452	3.3	901	81.5	601	94.2
Year ended June 30, 2021	9,006	28.7	438	-	496	-	309	-

(Note) Comprehensive income: 1,398 millions of yen (159.8%) for the three months ending June 30, 2022
 538 millions of yen (-%) for the three months ended June 30, 2021

	Net income Per share	Diluted net income Per share
	Yen	Yen
Year ended June 30, 2022	71.87	-
Year ended June 30, 2021	37.00	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	41,653	16,972	40.7
As of March 31, 2022	40,959	15,950	38.9

(Reference) Equity: three months ending June 30, 2022: 16,972 millions of yen
 Fiscal year ended March 31, 2022: 15,950 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, 2022	-	0.00	-	45.00	45.00
Year ending March 31, 2023 (forecasts)	-	0.00	-	45.00	45.00

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

3. Consolidated forecasts for the fiscal year ending March 31, 2023 (April 1, 2022 – March 31, 2023)
(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, 2023	43,000	6.3	2,300	10.8	2,200	(13.7)

	Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Yen
Year ending March 31, 2023	1,500	(23.0)	179.25

(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, 2022	9,250,099 shares	As of March 31, 2022	9,250,099 shares
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② Number of treasury stock at end of period

As of June 30, 2022	882,085 shares	As of March 31, 2022	881,924 shares
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③ Average number of shares outstanding during the term

As of June 30, 2022	8,368,061 shares	As of June 30, 2021	8,369,826 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, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	7,006	7,247
Notes and accounts receivable - trade	11,065	10,266
Merchandise and finished goods	1,599	2,181
Work in process	3,250	4,350
Raw materials and supplies	3,068	3,631
Other	1,886	859
Allowance for doubtful accounts	(17)	(19)
Total current assets	27,858	28,518
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,505	2,501
Machinery, equipment and vehicles, net	3,191	3,158
Land	2,847	2,849
Other, net	261	315
Total property, plant and equipment	8,806	8,824
Intangible assets	482	455
Investments and other assets		
Investment securities	1,096	1,106
Deferred tax assets	1,528	1,533
Other	1,222	1,226
Allowance for doubtful accounts	(36)	(11)
Total investments and other assets	3,811	3,855
Total non-current assets	13,100	13,135
Total assets	40,959	41,653

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,491	7,724
Short-term borrowings	4,617	4,956
Income taxes payable	715	375
Provision for bonuses	458	683
Other	1,544	1,406
Total current liabilities	14,827	15,147
Non-current liabilities		
Long-term borrowings	5,186	4,605
Lease liabilities	171	163
Deferred tax liabilities	4	3
Deferred tax liabilities for land revaluation	318	318
Retirement benefit liability	4,435	4,375
Other	64	65
Total non-current liabilities	10,181	9,533
Total liabilities	25,008	24,681
Net assets		
Shareholders' equity		
Share capital	5,200	5,200
Capital surplus	5,039	5,039
Retained earnings	5,533	5,758
Treasury shares	(1,160)	(1,160)
Total shareholders' equity	14,611	14,836
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	87	109
Revaluation reserve for land	665	665
Foreign currency translation adjustment	706	1,470
Remeasurements of defined benefit plans	(120)	(110)
Total accumulated other comprehensive income	1,338	2,136
Total net assets	15,950	16,972
Total liabilities and net assets	40,959	41,653

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	9,006	10,046
Cost of sales	7,396	8,356
Gross profit	1,609	1,689
Selling, general and administrative expenses	1,171	1,236
Operating profit	438	452
Non-operating income		
Interest income	10	11
Dividend income	15	15
Foreign exchange gains	20	416
Other	40	38
Total non-operating income	86	482
Non-operating expenses		
Interest expenses	12	13
Expenses for persons of temporary transfer	7	9
Other	9	11
Total non-operating expenses	28	33
Ordinary profit	496	901
Extraordinary income		
Surrender value of insurance policies	14	0
Insurance claim income	12	—
Other	0	—
Total extraordinary income	26	0
Extraordinary losses		
Loss on sale of non-current assets	—	2
Loss on retirement of non-current assets	5	2
Loss on cancellation of insurance policies	31	—
Other	10	—
Total extraordinary losses	46	4
Profit before income taxes	476	896
Income taxes	167	294
Profit	309	601
Profit attributable to owners of parent	309	601

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	309	601
Other comprehensive income		
Valuation difference on available-for-sale securities	(127)	22
Foreign currency translation adjustment	342	764
Remeasurements of defined benefit plans, net of tax	13	10
Total other comprehensive income	228	797
Comprehensive income	538	1,398
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	538	1,398