

November 8, 2024

**Consolidated financial results (Japanese accounting standards)  
For the 2nd quarter of the fiscal year ending September 30, 2024 (Q2 FY2024)**

Company name: Hokuriku Electric Industry Co., Ltd.  
 Stock code: 6989  
 URL: <http://www.hdk.co.jp/>  
 Stock exchange listing: Tokyo Stock Exchange  
 Representative: Ryusho Shimosaka, President  
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Scheduled date for filing of securities report: November 12, 2024  
 Scheduled date of commencement of dividend payment: -  
 Supplementary documents for quarterly results: Yes  
 Quarterly results briefing: Yes

(Yen in millions , rounded down)

1. Consolidated financial results for the 2nd quarter of the fiscal year ending September 30, 2024  
 (April 1, 2024 – September 30, 2024)

(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	%
September 30 , 2024	21,421	2.7	1,247	13.2	941	(49.5)	780	(48.4)
September 30 , 2023	20,863	(11.2)	1,101	(26.3)	1,865	(23.0)	1,511	(16.1)

(Note) Comprehensive income: 1,883 million yen ((23.6)%) for the six months ending September 30, 2024  
 2,463 million yen ((19.3)%) for the six months ended September 30, 2023

	Net income	Diluted net income
	Per share	Per share
	Yen	Yen
September 30 , 2024	95.54	-
September 30 , 2023	181.13	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
September 30 , 2024	42,457	21,509	50.7
March 31 , 2024	41,645	20,106	48.3

(Reference) Equity:six months ending September 30, 2024: 21,509 million yen  
 Fiscal year ended March 31, 2024: 20,106 million 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, 2024	-	0.00	-	60.00	60.00	60.00
Year ending March 31, 2025	-	0.00	-	-	-	-
Year ending March 31, 2025 (forecasts)	-	-	-	80.00	80.00	80.00

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

3. Consolidated forecasts for the fiscal year ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(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 31,2025	43,000	5.4	2,700	18.8	2,500	(19.6)

	Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Yen
Year ending March 31,2025	1,800	(29.1)	221.71

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

4. Others

(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

(i) Changes in accounting policies caused by revision of accounting standards: None

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

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

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

As of September 30,2024	9,250,099 shares	As of March 31,2024	9,250,099 shares
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(ii) Number of treasury stock at end of period

As of September 30,2024	1,081,598 shares	As of March 31,2024	1,087,938 shares
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(iii) Average number of shares outstanding during the term

As of September 30,2024	8,164,781 shares	As of September 30,2023	8,346,974 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, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	10,112	11,336
Notes and accounts receivable - trade	8,016	8,629
Merchandise and finished goods	2,059	1,939
Work in process	3,622	3,600
Raw materials and supplies	3,569	3,316
Other	1,676	1,085
Allowance for doubtful accounts	(28)	(28)
Total current assets	29,029	29,879
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,570	2,587
Machinery, equipment and vehicles, net	2,944	3,116
Land	2,737	2,739
Other, net	310	236
Total property, plant and equipment	8,562	8,681
Intangible assets	274	259
Investments and other assets		
Investment securities	1,417	1,222
Deferred tax assets	1,115	1,157
Other	2,267	2,242
Allowance for doubtful accounts	(1,020)	(984)
Total investments and other assets	3,779	3,638
Total non-current assets	12,616	12,578
Total assets	41,645	42,457

## Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,736	5,740
Short-term borrowings	3,856	4,401
Income taxes payable	250	259
Provision for bonuses	402	409
Other	1,246	1,504
Total current liabilities	11,492	12,314
Non-current liabilities		
Long-term borrowings	5,720	4,484
Lease liabilities	166	125
Deferred tax liabilities	6	0
Deferred tax liabilities for land revaluation	310	310
Retirement benefit liability	3,774	3,646
Other	67	67
Total non-current liabilities	10,046	8,634
<b>Total liabilities</b>	<b>21,538</b>	<b>20,948</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,200	5,200
Capital surplus	5,037	5,038
Retained earnings	8,025	8,315
Treasury shares	(1,450)	(1,442)
Total shareholders' equity	16,812	17,112
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	400	257
Revaluation reserve for land	652	652
Foreign currency translation adjustment	2,229	3,464
Remeasurements of defined benefit plans	12	21
Total accumulated other comprehensive income	3,294	4,397
<b>Total net assets</b>	<b>20,106</b>	<b>21,509</b>
<b>Total liabilities and net assets</b>	<b>41,645</b>	<b>42,457</b>

## Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	20,863	21,421
Cost of sales	17,225	17,262
Gross profit	3,638	4,158
Selling, general and administrative expenses	2,536	2,911
Operating profit	1,101	1,247
Non-operating income		
Interest income	40	67
Dividend income	23	22
Foreign exchange gains	691	—
Other	74	67
Total non-operating income	830	157
Non-operating expenses		
Interest expenses	35	34
Foreign exchange losses	—	405
Other	31	22
Total non-operating expenses	66	462
Ordinary profit	1,865	941
Extraordinary income		
Gain on sale of non-current assets	0	—
Gain on reversal of loss on business related to business partners	102	44
Surrender value of insurance policies	39	38
Other	5	17
Total extraordinary income	148	100
Extraordinary losses		
Loss on sale of non-current assets	1	0
Loss on retirement of non-current assets	1	14
Provision of allowance for doubtful accounts	—	7
Loss on valuation of investment securities	3	—
Extra retirement payments	1	—
Loss on cancellation of insurance policies	5	—
Other	—	1
Total extraordinary losses	11	23
Profit before income taxes	2,001	1,018
Income taxes	489	238
Profit	1,511	780
Profit attributable to owners of parent	1,511	780

## Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	1,511	780
Other comprehensive income		
Valuation difference on available-for-sale securities	194	(142)
Foreign currency translation adjustment	747	1,235
Remeasurements of defined benefit plans, net of tax	10	9
Total other comprehensive income	951	1,103
Comprehensive income	2,463	1,883
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,463	1,883

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	2,001	1,018
Depreciation	499	491
Increase (decrease) in allowance for doubtful accounts	42	(35)
Increase (decrease) in provision for bonuses	6	6
Increase (decrease) in retirement benefit liability	(115)	(128)
Interest and dividend income	(64)	(89)
Interest expenses	35	34
Foreign exchange losses (gains)	(185)	159
Loss (gain) on sale of non-current assets	0	0
Loss on retirement of non-current assets	1	14
Loss (gain) on sale of investment securities	(3)	(16)
Loss (gain) on valuation of investment securities	3	—
Surrender value of insurance policies	(39)	(38)
Expenses for persons of temporary transfer	10	—
Gain on reversal of loss on business related to business partners	(102)	(44)
Decrease (increase) in trade receivables	1,455	139
Decrease (increase) in inventories	1,243	831
Increase (decrease) in trade payables	(1,488)	(298)
Decrease (increase) in consumption taxes refund receivable	814	717
Other, net	(470)	(254)
Subtotal	3,645	2,508
Interest and dividends received	64	89
Interest paid	(34)	(34)
Income taxes paid	(249)	(236)
Proceeds from surrender value of insurance	39	38
Compensation paid for damage	—	(0)
Net cash provided by (used in) operating activities	3,464	2,363
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(189)	(361)
Proceeds from sale of non-current assets	1	1
Purchase of investment securities	(0)	(1)
Proceeds from sale of investment securities	5	21
Proceeds from collection of loans receivable	3	—
Net decrease (increase) in time deposits	(95)	(138)
Other, net	138	(20)
Net cash provided by (used in) investing activities	(136)	(498)

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,300	850
Repayments of long-term borrowings	(1,481)	(1,541)
Repayments of lease liabilities	(141)	(98)
Purchase of treasury shares	(201)	(0)
Dividends paid	(460)	(489)
Net cash provided by (used in) financing activities	(985)	(1,280)
Effect of exchange rate change on cash and cash equivalents	392	319
Net increase (decrease) in cash and cash equivalents	2,734	904
Cash and cash equivalents at beginning of period	6,253	8,018
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	78	—
Cash and cash equivalents at end of period	9,066	8,922