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# FY2021 Financial Results

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Apr 27,2022(Wed)



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# **I . Outline of Financial Results for FY2021**

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# Electricity Sales

(Billion kWh,%)

《 Main Factors 》

	FY21 (A)	FY20 (B)	Comparison	
			(A)-(B)	(A)/(B)
Retail	28.08	25.94	2.14	108.3
Lighting	8.19	8.25	Δ0.07	99.2
Power	19.90	17.69	2.21	112.5
Wholesale	8.08	6.62	1.46	122.0
Total	36.16	32.56	3.60	111.1

< Lighting >  
 · Decrease in demand for air conditioning in early spring.

<Power>  
 · Increase in factory operations.

· Increase in contract demand.

<Wholesale>  
 · Increase 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	October	November	December	January	February	March
Actual data	12.7	17.9	22.5	26.8	27.0	23.4	18.1	11.9	6.3	2.6	2.7	8.6
Comparison with the previous year	+1.6	Δ0.7	Δ0.7	+2.6	Δ1.9	Δ1.2	+1.1	Δ0.8	+0.1	Δ0.3	Δ3.0	Δ1.1

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

# Generated Power

(Billion kWh,%)

	FY21 (A)	FY20 (B)	Comparison	
			(A)-(B)	(A)/(B)
[Flow rate]	[96.4]	[93.8]	[2.6]	
Hydro	6.17	6.16	0.01	100.2
Thermal	24.87	22.10	2.77	112.6
Nuclear	—	—	—	—
Renewable	0.00	0.00	0.00	102.2
Total	31.04	28.26	2.78	109.9

《 Main Factors 》

Increase in coal-fired thermal power generated

# Summary of Consolidated Financial Results

## 《Consolidated Financial Results》

- The largest deficit ever since FY1994, when consolidated financial results began.

## 《Year-end dividend for FY2021》

- we have decided we will pay year-end dividend of 2.5 yen per share as announced in March.

(Billion yen,%)

		FY21 (A)	FY20 (B)	Comparison	
				(A)-(B)	(A)/(B)
Consolidated	Sales (Operating Revenue)	613.7	639.4 (531.5)	Δ 25.6 (82.2)	96.0 (115.5)
	Ordinary Income	Δ 17.6	12.3	Δ 29.9	—
	Reversal of reserve for water shortage	Δ 17.6	Δ 0.1	Δ 17.4	—
	Extraordinary losses	1.2	—	1.2	—
	Net Income Attributable to Owners of Parent	Δ 6.8	6.8	Δ 13.6	—

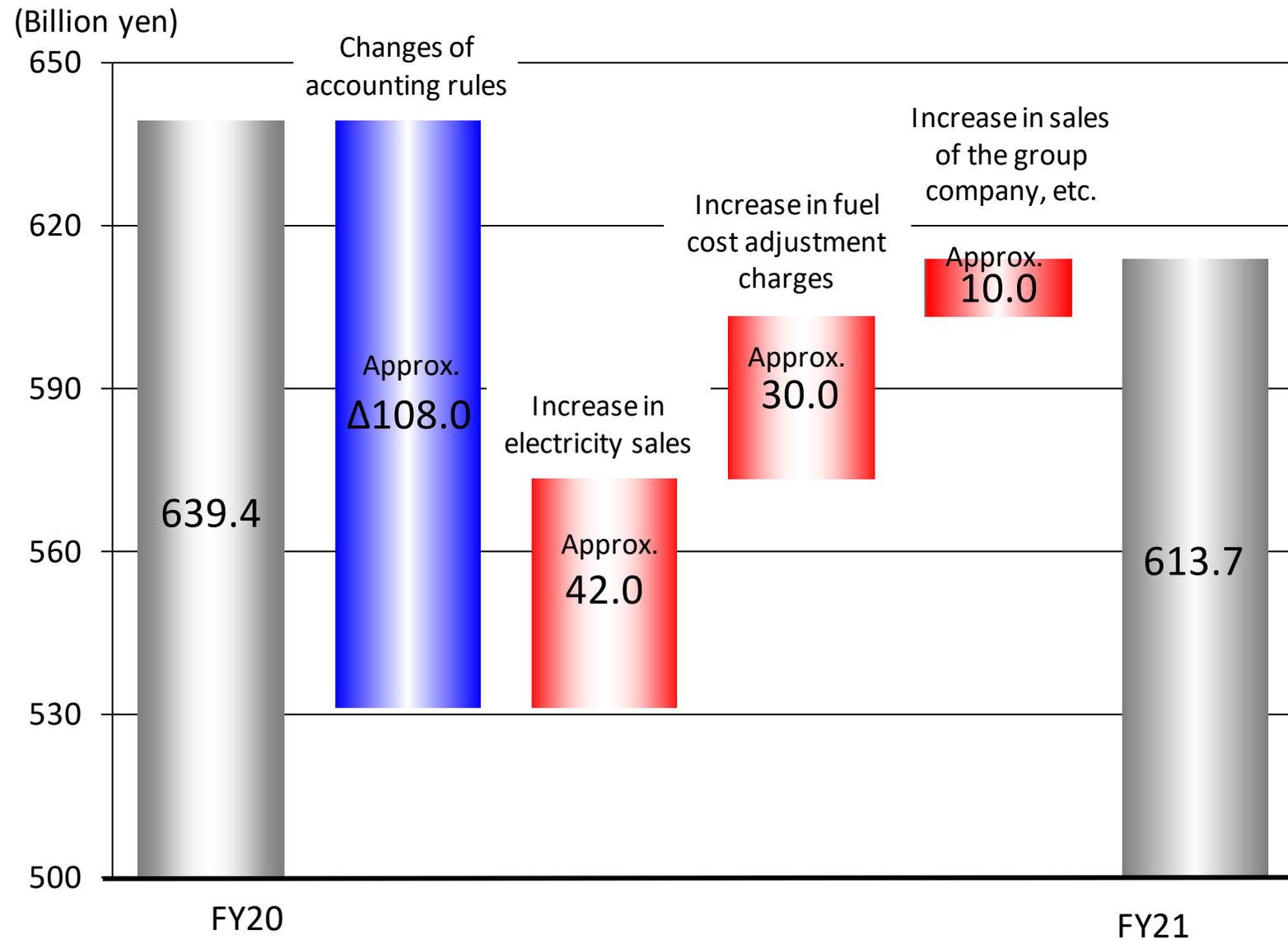
## 《 Main Factor 》

<Consolidated Sales>  
· Offsetting of levy and surcharge of renewable energy and expenses due to changes in accounting rules  
(No impact on Income )

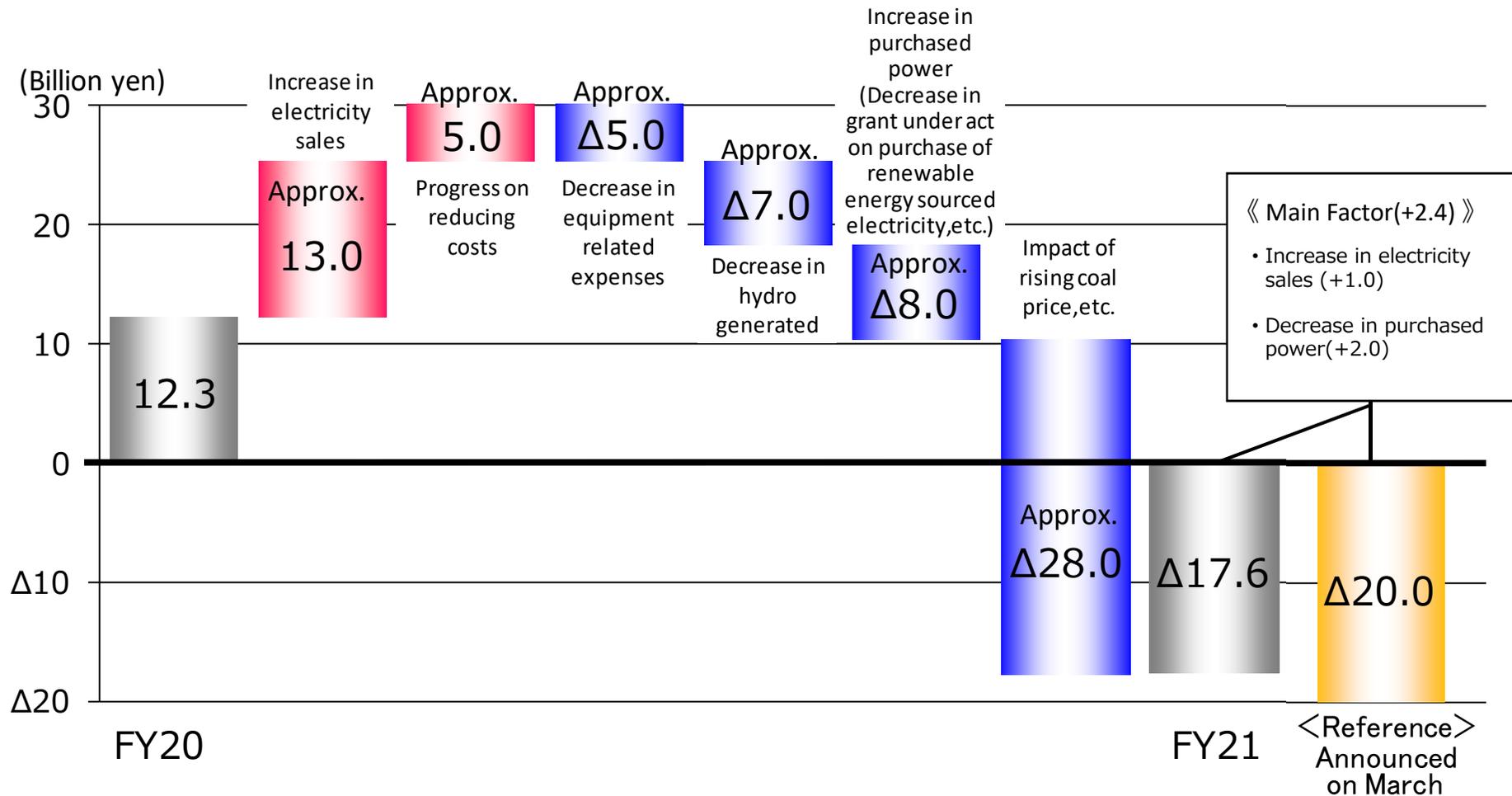
Year-end dividend per share	[2.5yen]	[10.0yen]
Total dividend per share	[10.0yen]	[15.0yen]

(Note) Since 2021, the accounting treatment of levies and grants under act on purchase of renewable energy sourced electricity has been changed (cancellation of revenue recording) due to changes of the accounting rules for electric power business. The figures in parentheses are the figures after offsetting of levies and grants under act on purchase of renewable energy sourced electricity for FY2020, and deducted and compared.

# Changing factor of Consolidated Sales



# Changing factor of Consolidated Ordinary Income



# Financial Forecast and Dividend Forecast for FY2022

## 《Financial Forecast》

- Forecast of sales and income cannot be made at this point, because as fuel prices have risen due to the situation in Ukraine, and fluctuations are significant, it is necessary to ascertain future trends.

## 《Dividend forecast》

- Forecast of interim and year-end dividend cannot be made at this point, because it is necessary to judge the future income and expenditure, financing situation into consideration.

(Billion kWh, Billion yen,%)

	FY22 Forecast	FY21	Comparison (A)-(B)
Total sales of Electricity Power	33.00	36.16	Δ 3.2

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

Consolidated	Sales (Operating Revenue)	uncertain	613.7	—
	Ordinary Income	uncertain	Δ 17.6	—
	Net Income Attributable to Owners of Parent	uncertain	Δ 6.8	—

Interim dividend per share	uncertain	7.5 yen
Year-end dividend per share	uncertain	2.5 yen

# Summary of Financial Results by Segment

(Billion yen, %)

	FY21 (A)	FY20 (B)	Comparison	
			(A)-(B)	(A)/(B)
<b>Sales</b> <sup>*1</sup>	<b>613.7</b>	<b>639.4</b> (531.5)	<b>Δ 25.6</b> (82.2)	<b>96.0</b> (115.5)
Electric power generation and sales business	550.8	574.5 (470.3)	Δ 23.6 (80.5)	95.9 (117.1)
Electric power transmission and distribution business	181.0	175.6 (171.9)	5.4 (9.1)	103.1 (105.3)
Others	118.5	106.6	11.8	111.1
Adjustment amount <sup>*2</sup>	Δ 236.7	Δ 217.4	Δ 19.3	—
<b>Ordinary Income</b>	<b>Δ 17.6</b>	<b>12.3</b>	<b>Δ 29.9</b>	<b>—</b>
Electric power generation and sales business	Δ 32.4	Δ 8.2	Δ 24.1	—
Electric power transmission and distribution business	8.5	12.2	Δ 3.6	69.9
Others	10.5	10.6	Δ 0.0	99.1
Adjustment amount <sup>*2</sup>	Δ 4.2	Δ 2.2	Δ 2.0	—

## 《 Main Factors 》

- Decrease in changes of accounting rules

- Increase in transmission revenue
- Increase in sold power to other utilities and suppliers, etc.

- Increase in product sales
- Increase in contract work

- Increase in electricity sales
- Impact of rising fuel prices
- Increase in purchased power
- Increase in equipment related expenses

- Increase in purchasing costs of adjustment

\*1: Since 2021, the accounting treatment of levies and grants under act on purchase of renewable energy sourced electricity has been changed (cancellation of revenue recording) due to the changes of the accounting rules for electric power business. The figures in parentheses are the figures after offsetting of levies and grants under act on purchase of renewable energy sourced electricity for FY2020, and deducted and compared.

\*2: The elimination of internal transactions.

# Consolidated Balance Sheet (Summary)

(Billion yen)

	FY21 (A)	FY20 (B)	Comparison (A)-(B)	Main reason of increase and decrease (Note) Related to only Hokuriku Electric Power Company
Non-current assets	1,404.9	1,350.2	54.7	
Electricity business	869.0	868.2	0.8	·Capitalization of construction 27.7 ·Depreciation Δ30.0
Others	535.9	482.0	53.8	·construction in progress 45.9
Current assets	251.6	245.3	6.3	
Total assets	1,656.6	1,595.6	61.0	
Inreresst-bearing debt	1,038.7	974.8	63.8	·Bonds payable 50.0
Other debt	272.2	244.3	27.8	·Accounts payable-trade 24.5
Reserve for fluctuation in water levels	2.9	20.6	Δ17.6	·Reversal for special reasons
Total liabilities	1,313.9	1,239.8	74.0	
Net assets	342.7	355.7	Δ13.0	·Net income Δ12.8
[Equity ratio]	[19.6%]	[21.2%]	[Δ1.6%]	
Total of liabilities and net assets	1,656.6	1,595.6	61.0	

# Consolidated Statement of Cash Flow (Summary)

(Billion yen)

	FY21 (A)	FY20 (B)	Comparison (A)-(B)
<b>I .Operating activities①</b>	30.9	56.6	Δ25.6
Net Income before income taxes	Δ1.2	12.5	Δ13.7
Depreciation and amortization	55.0	54.3	0.6
Others	Δ22.8	Δ10.2	Δ12.6
<b>II .Investing activities②</b>	Δ111.0	Δ84.9	Δ26.1
Capital investment	Δ83.3	Δ86.9	3.5
Long-term investment and others	Δ27.6	2.0	Δ29.7
<b>III .Financing activities</b>	52.7	Δ3.3	56.0
Loan, bond, etc	56.9	0.1	56.8
Purchases and sales of treasury stock	Δ0.0	Δ0.0	Δ0.0
Cash dividends paid③	Δ4.1	Δ3.4	Δ0.7
<b>IV .Net increase in cash and cash equivalents ( I + II + III )</b>	Δ27.3	Δ31.5	4.2
○ Free cash flow (① + ② + ③)	Δ84.2	Δ31.7	Δ52.5

## **II . Supplemental Material**

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# (Reference) Key Factor and Sensitivity

## <Key Factor>

		FY21 (A)	FY20 (B)	Comparison (A)-(B)
Total electricity sales	(Billion kWh)	36.16	32.56	3.60
Currency rate	(yen/\$)	112.4	106.1	6.3
Crude Oil CIF prices[All Japan]	(\$/b)	77.2	43.4	33.8
Coal CIF prices[All Japan]	(\$/t)	158.6	79.8	78.8
Flow rate	(%)	96.4	93.8	2.7

## <Sensitivity>

(Billion yen/year)

		FY21 (A)	FY20 (B)	Comparison (A)-(B)
Currency rate	(1yen/\$)	Approx.1.5	Approx.0.7	Approx.+0.8
Crude Oil CIF prices[All Japan]	(1\$/b)	Approx.0.2	Approx.0.1	Approx.+0.1
Coal CIF prices[All Japan]	(1\$/b)	Approx.0.8	Approx.0.6	Approx.+0.2
Flow rate	(1%)	Approx.0.6	Approx.0.4	Approx.+0.2

## <Consumption of Fossil Fuels>

		FY21 (A)	FY20 (B)	Comparison (A)-(B)
Coal	(10,000t)	697	611	86
Heavy Oil	(10,000kl)	24	14	10
Crude Oil	(10,000kl)	1	1	0
LNG	(10,000t)	43	51	Δ8



# (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

<Capital investment>

(Billion yen)

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

## 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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