
FY2019 Financial Results

April 30, 2020 (Thu)



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I . Outline of Financial Results for FY2019

Electricity Sales

(Billion kWh,%)

	FY19 (A)	FY18 (B)	Comparison	
			(A)-(B)	(A)/(B)
Retail	25.05	26.06	Δ1.01	96.1
Lighting	7.91	8.07	Δ0.16	98.0
Power	17.14	17.99	Δ0.85	95.3
Wholesale	6.44	4.34	2.10	148.4
Total	31.50	30.40	1.09	103.6

《 Main Factors 》

< Lighting >

- Decrease in demand due to warm winter etc.

<Power>

- Effect from economic slowdown etc.

<Wholesale>

- Increase in trading at JEPX

(Reference)Average monthly temperature in Hokuriku 3 cities

	April	May	June	July	August	September	October	November	December	January	February	March
Actual data	11.8	19.1	21.7	25.7	28.1	24.5	18.4	11.6	7.7	6.4	5.9	8.7
Comparison with the previous year	Δ2.4	+0.8	Δ0.6	Δ2.7	Δ0.1	+2.1	+1.0	Δ0.9	+1.0	+2.6	+0.7	+0.3

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

Generated and Received Power

(Billion kWh,%)

	FY19 (A)	FY18 (B)	Comparison	
			(A)-(B)	(A)/(B)
[Flow rate]	[102.3]	[100.2]	[2.1]	
Hydro	6.21	6.23	Δ0.02	99.7
Thermal	21.85	20.20	1.65	108.2
Nuclear	—	—	—	—
Renewable	0.00	0.00	0.00	110.5
Internally generated	28.07	26.44	1.63	106.2
Purchased power	6.04	6.58	Δ0.53	91.9
Wholesale	Δ6.44	Δ4.34	Δ2.10	148.4
Total	27.66	28.66	Δ1.00	96.5

《 Main Factors 》

<Thermal>
 · Increase in coal-fired thermal power and LNG power generated

Summary of Financial Results

(Billion yen,%)

		FY19 (A)	FY18 (B)	Comparison	
				(A)-(B)	(A)/(B)
Consolidated	Sales (Operating Revenue)	628.0	622.9	5.1	100.8
	Ordinary Income	23.2	6.6	16.5	349.1
	Net Income Attributable to Owners of Parent	13.4	2.5	10.9	532.9
Non- consolidated	Sales (Operating Revenue)	573.8	575.5	Δ 1.7	99.7
	Ordinary Income	15.7	2.4	13.2	641.8
	Net Income	10.2	2.4	7.8	426.9
Year-end dividend per share		10yen	0yen	—	—
Total dividend per share		[10yen]	[0yen]	—	—

《 Main Factors 》

<Consolidated Sales>

Factor of increase

- Increase in trading at JEPX
- Increase in sales of the group company

Factor of decrease

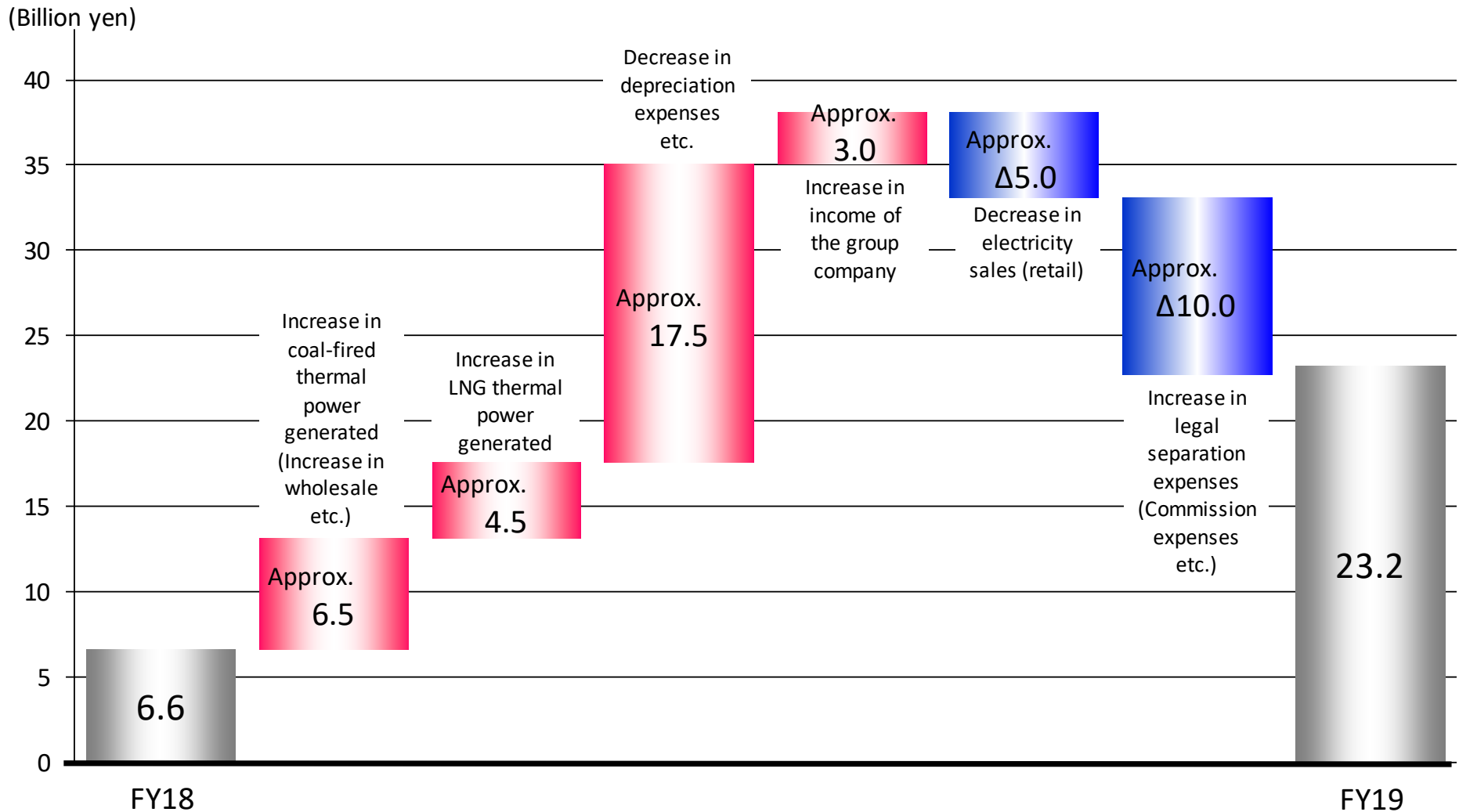
- Decrease in electricity sales (retail)

<The number of consolidated subsidiaries : 16 affiliates and 1 equity method affiliate>

《Year-end dividend for FY2019》

- Year-end dividend per share is 10 yen.

Changing factor of Consolidated Ordinary Income



《Financial Forecast》

- Both sales and ordinary income forecasts are undecided as the impact of COVID-19 on electricity sales etc. cannot be forecast.

《Reference(Electricity sales in April)》

- Declining trend due to shortened business hours of commercial facilities, suspension of business, and suspension of operations at some factories.

《Dividend Forecast》

- Plan to pay both interim and year-end dividend of 5 yen per share to continue stable dividends and meet the expectations of shareholders.

	Interim dividend per share	Year-end dividend per share	Total dividend per share
FY2020(Forecast)	5yen	5yen	10yen
FY2019	0yen	10yen	10yen

Outline of Non-consolidated Financial Results

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(Billion yen,%)

		FY19 (A)	FY18 (B)	Comparison		Main reason of increase and decrease
				(A)-(B)	(A)/(B)	
Ordinary revenues	Electricity Sales(Retail)	453.4	477.4	Δ 24.0	95.0	Decrease in electricity sales (retail) and fuel cost adjustment charges
	(Renewable Energy Power Promotion Surcharge)	(63.4)	(64.5)	(Δ1.1)	(98.3)	
	Electricity Sales(Wholesale)	55.0	48.1	6.9	114.4	Increase in electricity sales (wholesale)
	Others	69.0	57.4	11.5	120.2	Increase in grant under act on purchase of renewable energy sourced electricity
	[Sales]	[573.8]	[575.5]	[Δ1.7]	[99.7]	
	Total	577.5	583.0	Δ 5.5	99.1	
Ordinary expenses	Personnel expenses	51.1	48.0	3.1	106.5	Increase in retirement benefit expenses
	Fuel expenses	109.8	124.4	Δ 14.6	88.2	Increase in LNG thermal power generated (decrease in oil fired power generated) and falling fuel price
	Maintenance expenses	60.0	64.4	Δ 4.3	93.2	Decrease in periodic inspection expenses of generation facilities
	Depreciation expenses	47.8	68.3	Δ 20.5	70.0	Decrease due to change of a ccounting policy for depreciation of assets
	Purchased power expenses	105.0	103.4	1.5	101.5	Increase in purchase renewable energy
	Interest paid	7.6	8.7	Δ 1.1	87.1	
	Taxes other than income taxes	31.4	30.4	0.9	103.2	
	Others	148.8	132.6	16.1	112.2	Increase in legal separation expenses etc.
	(Levy under Act on Purchase of Renewable Energy Sourced Electricity)	(63.4)	(64.5)	(Δ1.1)	(98.3)	
	Total	561.8	580.6	Δ 18.7	96.8	
	Ordinary Income	15.7	2.4	13.2	641.8	
	Provision (reversal) of reserve for fluctuation in water levels	Δ0.0	—	Δ0.0	—	
	extraordinary loss	1.1	—	1.1	—	Impairment loss of Toyama Shinko Thermal Power Station Unit 1
	Income taxes	4.2	0.0	4.2	—	
	Net Income	10.2	2.4	7.8	426.9	

Consolidated Balance Sheet (Summary)

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(Billion yen)

	FY19 (A)	FY18 (B)	Comparison (A)-(B)	Main reason of increase and decrease (Note) Related to only Hokuriku Electric Power Company
Non-current assets	1,317.5	1,312.5	5.0	
Electricity business	868.8	874.6	Δ5.8	· Capitalization of construction 53.0 · Depreciation Δ47.9
Others	448.6	437.8	10.8	· Increase the amount of construction in progress 63.3 · Capitalization of construction Δ54.4
Current assets	275.4	260.6	14.7	· Cash and Stores 19.6
Total assets	1,592.9	1,573.1	19.8	
Interest-bearing debt	974.5	980.4	Δ5.9	· Long-term debt Δ5.8
Other debt	261.1	244.8	16.2	· Accrued tax 10.0
Reserve for fluctuation in water levels	20.8	20.8	Δ0.0	
Total liabilities	1,256.4	1,246.1	10.2	
Net assets	336.4	326.9	9.5	· Net Income 10.2
[Equity ratio]	[20.2%]	[19.9%]	[0.3%]	
Total of liabilities and net assets	1,592.9	1,573.1	19.8	

Consolidated Statement of Cash Flow (Summary)

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(Billion yen)

	FY19 (A)	FY18 (B)	Comparison (A)-(B)
I .Operating activities ^①	101.4	54.0	47.4
Net Income before income taxes	22.1	6.6	15.4
Depreciation and amortization	51.7	71.9	Δ20.2
Others	27.6	Δ24.6	52.2
II .Investing activities ^②	Δ75.1	Δ101.3	26.1
Capital investment	Δ79.9	Δ106.9	27.0
Long-term investment and others	4.7	5.5	Δ0.8
III .Financing activities	Δ6.2	Δ9.9	3.6
Loan, bond, etc	Δ5.9	Δ9.5	3.6
Purchases and sales of treasury stock	Δ0.0	Δ0.0	0.0
Cash dividends paid ^③	Δ0.3	Δ0.3	0.0
IV .Net increase in cash and cash equivalents (I + II + III)	20.0	Δ57.2	77.2
○ Free cash flow(①+②+③)	26.0	Δ47.6	73.6

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II . Supplemental Material

(Reference) Key Factor and Sensitivity

<Key Factor>

		FY19 (A)	FY18 (B)	Comparison (A)-(B)
Total electricity sales	(Billion kWh)	31.50	30.40	1.09
Currency rate	(yen/\$)	108.7	110.9	Δ2.2
Crude Oil CIF prices[All Japan]	(\$/b)	67.8	72.2	Δ4.4
Flow rate	(%)	102.3	100.2	2.1

<Sensitivity>

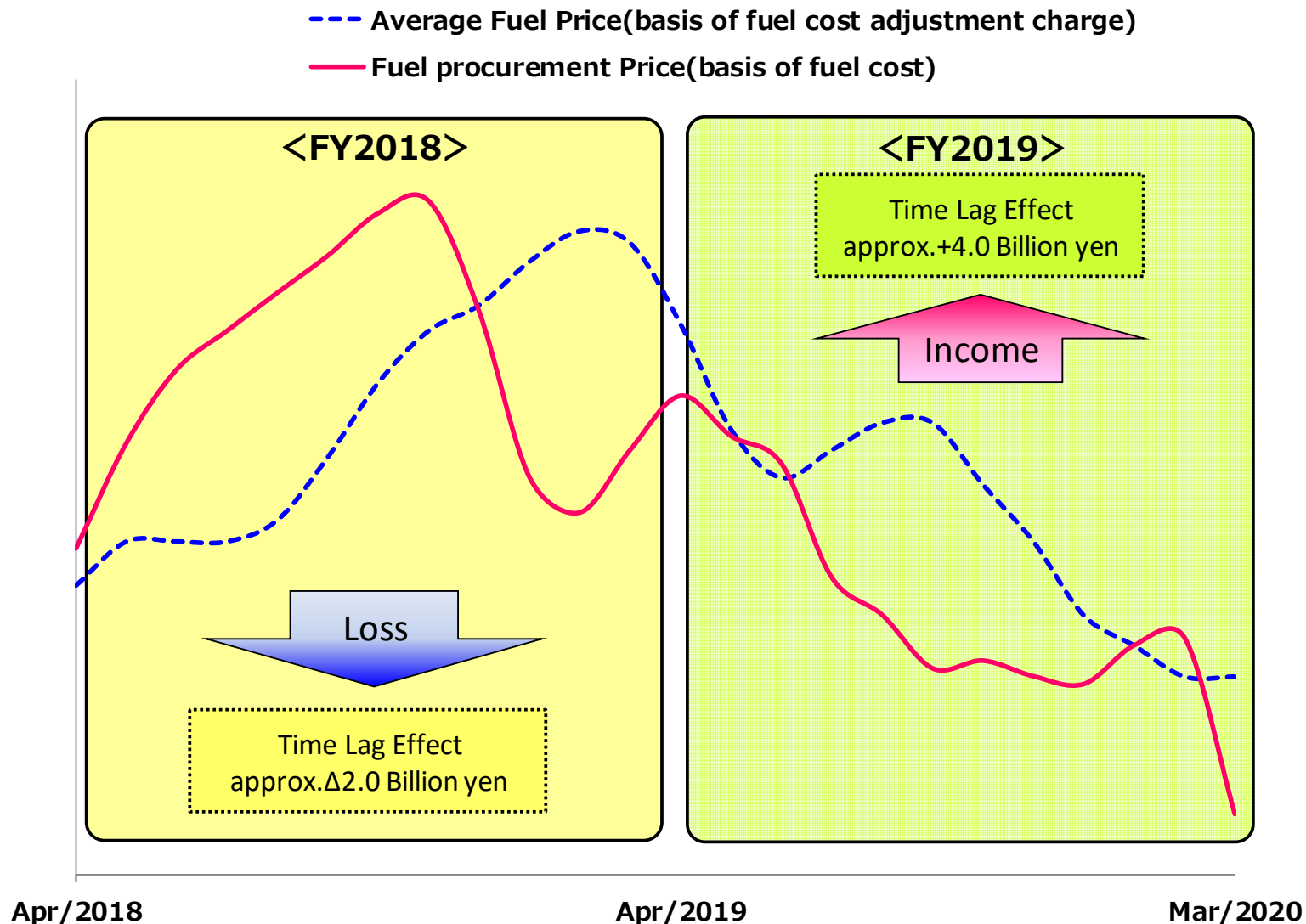
(Billion yen/year)

		FY19 (A)	FY18 (B)	Comparison (A)-(B)
Currency rate	(1yen/\$)	Approx.0.9	Approx.1.0	Approx. Δ0.1
Crude Oil CIF prices[All Japan]	(1\$/b)	Approx.0.1	Approx.0.2	Approx. Δ0.1
Flow rate	(1%)	Approx.0.4	Approx.0.5	Approx. Δ0.1

<Consumption of Fossil Fuels>

		FY19 (A)	FY18 (B)	Comparison (A)-(B)
Coal	(10,000t)	608	557	51
Heavy Oil	(10,000kl)	3	14	Δ10
Crude Oil	(10,000kl)	3	16	Δ13
LNG	(10,000t)	52	40	12

(Reference) Time Lag Effect of Fuel Cost Adjustment System[Actual]



(Note) Fluctuation in fuel prices causes time lag between payment of fuel cost and reception of fuel cost adjustment charges, resulting in temporary increase or decrease in income. Time Lag Effect above is this temporary increase or decrease, if time lag dose not take place.

(Reference) Data related to Financial Results (1)

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<Income and loss>

(Billion yen)

		FY15	FY16	FY17	FY18	FY19
Sales	[Consolidated]	544.5	542.5	596.2	622.9	628.0
	[Non-consolidated]	494.1	497.6	549.1	575.5	573.8
Operating Income	[Consolidated]	38.1	10.5	14.8	12.8	29.4
	[Non-consolidated]	28.7	2.5	5.3	4.5	20.2
Ordinary Income	[Consolidated]	28.0	2.0	2.6	6.6	23.2
	[Non-consolidated]	18.9	Δ3.2	Δ5.6	2.4	15.7
Net Income	[Consolidated]	12.8	Δ0.6	Δ0.4	2.5	13.4
	[Non-consolidated]	8.7	Δ1.8	Δ4.1	2.4	10.2

(Note) Consolidated Net Income is "Net Income Attributable to Owners of Parent"

<Balance sheet>

(Billion yen,%)

		FY15	FY16	FY17	FY18	FY19
Total assets	[Consolidated]	1,509.3	1,518.0	1,588.7	1,573.1	1,592.9
	[Non-consolidated]	1,458.9	1,460.6	1,526.5	1,508.9	1,529.5
Net assets	[Consolidated]	334.0	327.6	327.6	326.9	336.4
	[Non-consolidated]	297.1	286.6	280.5	280.2	286.9
Equity ratio	[Consolidated]	21.5	20.8	19.8	19.9	20.2
	[Non-consolidated]	20.4	19.6	18.4	18.6	18.8

(Reference) Data related to Financial Results (2)

<Capital investment>

(Billion yen)

		FY15	FY16	FY17	FY18	FY19
Capital investment	[Consolidated]	99.5	94.8	109.0	102.9	76.5
	[Non-consolidated]	97.9	90.5	103.6	93.7	69.2

<Capital investment (Consolidated) > (Billion yen)

		FY18	FY19
Electric power business	Power sources	48.9	33.7
	Distribution	28.6	28.5
	Others	16.7	7.5
Electric power business		94.2	69.8
Others		10.4	8.1
Subtotal		104.7	77.9
Elimination		Δ1.7	Δ1.4
Total		102.9	76.5

《 Main Factors 》

< Power sources >

- Decrease related to the construction of Toyama Shinko Thermal Power Station LNG Unit 1 (Nov.2018 startup)

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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