

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

January 31, 2024

Company name: Hokkaido Electric Power Company, Incorporated
 Stock exchange listing: Tokyo, Sapporo
 Code number: 9509
 URL: <https://www.hepco.co.jp/>
 Representative: Susumu SAITOU President and Director
 Contact: Masato MINAMI Manager, Accounting & Finance Dept.
 Phone: +81-11-251-1111
 Scheduled date of filing quarterly securities report: February 13, 2024
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	685,581	9.9	81,030	-	73,793	-	53,661	-
December 31, 2022	623,847	41.4	(26,847)	-	(31,590)	-	(21,005)	-

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 58,000 million [-%]
 Nine months ended December 31, 2022: ¥ (20,468) million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	256.06	-
December 31, 2022	(107.49)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	2,114,195	312,768	14.2
March 31, 2023	2,093,339	258,106	11.7

(Reference) Equity: As of December 31, 2023: ¥ 299,313 million
 As of March 31, 2023: ¥ 244,815 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2024	-	5.00	-		
Fiscal year ending March 31, 2024 (Forecast)				5.00	10.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) The above "Status of Dividends" shows the status of dividends on common stock. For the status of dividends on class shares (unlisted), which have different rights from those of common shares issued by the Company, please refer to "Status of Dividends on Class Shares" below.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	953,000	7.2	77,000	-	64,000	-	55,000	-	260.88

(Note) Revision to the financial results forecast announced most recently: Yes

(Note) Please refer to "Consolidated Earnings Forecast for FY2024" on page 6 and "Summary of Revisions to Consolidated Earnings Forecast for FY2024" on page 7 of the "Regarding Financial Results for the 3rd Quarter of FY2024 (April-December)" released today (January 31, 2024).

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2023: 215,291,912 shares

March 31, 2023: 215,291,912 shares

2) Number of treasury shares at the end of the period:

December 31, 2023: 9,981,998 shares

March 31, 2023: 9,981,780 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 205,310,980 shares

Nine months ended December 31, 2022: 205,312,491 shares

* This summary report is not subject to audit.

* Given that the forecasts above were made on the basis of information available at the time of the release of this document the actual result may vary from the forecast data due to various factors.

Dividends for preferred stock

The breakdown of dividend per preferred stock which differs in shareholders' rights from common stock is as follows.

Class B preferred stock	Cash dividends per share				
	1st quarter-end	2st quarter-end	3st quarter-end	Year-ended	Total
	Yen	Yen	Yen	Yen	Yen
April 1, 2022 – March 31, 2023	—	0.00	—	0.00	0.00
April 1, 2023 – March 31, 2024	—	4,560,164.00	—		
April 1, 2023 – March 31, 2024 (Forecast)				1,500,000.00	6,060,164.00

(Note) Changes of the forecasts of the cash dividends per share from the latest release: No

(Note) The dividend per share as of September 30, 2024 includes 3,060,164.00 yen of accumulated unpaid dividend for the year ended March 31, 2023.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Non-current assets	1,761,374	1,726,647
Electric utility plant and equipment	1,147,235	1,136,485
Hydroelectric power production facilities	205,222	201,041
Thermal power production facilities	182,564	173,939
Nuclear power production facilities	135,707	133,608
Transmission facilities	177,122	177,151
Transformation facilities	105,107	103,984
Distribution facilities	297,060	297,970
General facilities	38,095	36,072
Other electric utility plant and equipment	6,354	12,716
Other non-current assets	59,767	61,451
Construction in progress	190,294	211,700
Construction in progress	169,148	190,204
Retirement in progress	198	548
Special account related to reprocessing of spent nuclear fuel	20,947	20,947
Nuclear fuel	208,055	169,601
Nuclear fuel in processing	208,055	169,601
Investments and other assets	156,021	147,408
Long-term investments	83,439	82,717
Retirement benefit asset	14,076	14,785
Deferred tax assets	47,572	36,744
Other	14,250	13,520
Allowance for doubtful accounts	(3,317)	(359)
Current assets	331,964	387,547
Cash and deposits	89,867	87,369
Notes and accounts receivable - trade, and contract assets	91,465	95,512
Inventories	92,122	91,633
Other	60,297	114,780
Allowance for doubtful accounts	(1,788)	(1,748)
Total	2,093,339	2,114,195

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities and net assets		
Liabilities		
Non-current liabilities	1,421,993	1,370,255
Bonds payable	753,500	698,500
Long-term borrowings	510,648	509,720
Retirement benefit liability	35,929	36,237
Asset retirement obligations	112,599	114,541
Other	9,315	11,256
Current liabilities	411,047	428,582
Current portion of non-current liabilities	167,800	184,422
Short-term borrowings	44,500	44,500
Notes and accounts payable - trade	84,732	81,544
Accrued taxes	8,960	26,394
Other	105,054	91,721
Reserves under special laws	2,192	2,588
Reserve for water shortage	2,192	2,588
Total liabilities	1,835,233	1,801,426
Net assets		
Shareholders' equity	248,911	299,368
Share capital	114,291	114,291
Capital surplus	47,348	47,348
Retained earnings	105,139	155,597
Treasury shares	(17,868)	(17,869)
Accumulated other comprehensive income	(4,095)	(54)
Valuation difference on available-for-sale securities	2,264	4,582
Deferred gains or losses on hedges	(1,831)	(1,088)
Remeasurements of defined benefit plans	(4,528)	(3,548)
Non-controlling interests	13,291	13,454
Total net assets	258,106	312,768
Total	2,093,339	2,114,195

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Operating revenue	623,847	685,581
Electric utility operating revenue	581,759	655,378
Other business operating revenue	42,087	30,202
Operating expenses	650,694	604,550
Electric utility operating expenses	612,664	579,096
Other business operating expenses	38,030	25,454
Operating profit (loss)	(26,847)	81,030
Non-operating income	4,075	2,272
Dividend income	626	665
Interest income	46	47
Other	3,402	1,559
Non-operating expenses	8,817	9,510
Interest expenses	7,076	7,828
Share of loss of entities accounted for using equity method	56	102
Other	1,684	1,578
Total ordinary revenue	627,922	687,853
Total ordinary expenses	659,512	614,060
Ordinary profit (loss)	(31,590)	73,793
Provision or reversal of reserve for water shortage	373	396
Provision of reserve for water shortage	373	396
Extraordinary income	4,874	702
Gain on sale of nuclear fuel	4,874	702
Profit (loss) before income taxes	(27,089)	74,099
Income taxes - current	706	11,003
Income taxes - deferred	(6,943)	9,211
Total income taxes	(6,236)	20,214
Profit (loss)	(20,852)	53,884
Profit attributable to non-controlling interests	153	223
Profit (loss) attributable to owners of parent	(21,005)	53,661

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit (loss)	(20,852)	53,884
Other comprehensive income		
Valuation difference on available-for-sale securities	418	2,367
Deferred gains or losses on hedges	(593)	773
Remeasurements of defined benefit plans, net of tax	558	1,005
Share of other comprehensive income of entities accounted for using equity method	-	(30)
Total other comprehensive income	383	4,115
Comprehensive income	(20,468)	58,000
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(20,641)	57,702
Comprehensive income attributable to non-controlling interests	172	297

Notes on Consolidated Financial Statements

(Note on the premise of going concern)

Not applicable

(Note regarding the case of material fluctuation in shareholders' equity occurs)

Not applicable

Note: The information shown above is an English translation of the "Financial Release for the Nine Months Ended December 31, 2023" which was filed with stock exchanges (Tokyo and Sapporo) on the date shown above. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.