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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Under Japanese GAAP]

July 29, 2025

Company name: HOKURIKU ELECTRICAL CONSTRUCTION CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 1930

URL: <https://www.rikudenko.co.jp/>

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on file

President, Representative Director and CEO
General Manager of Accounting Dept.

General Manager of Accounting Dept.

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results(cumulative)

(Percentages indicate year-on-year changes.)

| (1) Consolidated Operating Results (cumulative) | | | (Percentages indicate year-on-year change) | | | | | |
|-------------------------------------------------|-----------------|------|--------------------------------------------|-----|-----------------|-----|-----------------------------------------|---|
| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
| Three months ended June 30, 2025 | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| 12,071 | (7.7) | 386 | (19.9) | 482 | (12.8) | 313 | (19.5) | |
| June 30, 2024 | 13,079 | 42.7 | 481 | - | 553 | - | 390 | - |

| | | | |
|------------------------------|-----------------------------------|---------------|-------------|
| (Note) Comprehensive income: | Three months ended June 30, 2025: | ¥ 310 million | [(12.2)%] |
| | Three months ended June 30, 2024: | ¥ 353 million | [-%] |

| | Basic earnings per share | Diluted earnings per share |
|--------------------|-----------------------------|-------------------------------|
| Three months ended | Yen | Yen |
| June 30, 2025 | 11.21 | - |
| June 30, 2024 | 13.94 | - |

(2) Consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio |
|------------------------|---------------------------|---------------------------|------------------------|
| As of June 30, 2025 | Millions of yen 56,210 | Millions of yen 43,530 | % 77.4 |
| March 31, 2025 | 60,707 | 43,893 | 72.3 |

| | | |
|---------------------|-----------------------|------------------|
| (Reference) Equity: | As of June 30, 2025: | ¥ 43,530 million |
| | As of March 31, 2025: | ¥ 43,893 million |

2. Dividends

| | Annual dividends | | | | |
|-------------------------------------------------|------------------|-----------------|-----------------|--------------|--------------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| Fiscal year ended March 31, 2025 | Yen - | Yen 20.00 | Yen - | Yen 24.00 | Yen 44.00 |
| Fiscal year ending March 31, 2026 | - | | | | |
| Fiscal year ending March 31, 2026 (Forecast) | | 22.00 | - | 22.00 | 44.00 |

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | 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 | |
| Six months ending September 30, 2025 | 29,000 | 10.0 | 1,800 | 43.2 | 1,900 | 34.2 | 1,300 | 32.9 | 46.45 |) |
| Full year | 61,000 | 9.7 | 4,000 | (8.1) | 4,200 | (8.9) | 2,900 | (9.0) | 103.61 |) |

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)
Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

| | |
|-----------------|-------------------|
| June 30, 2025: | 29,963,991 shares |
| March 31, 2025: | 29,963,991 shares |

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

| | |
|-----------------|------------------|
| June 30, 2025: | 1,974,710 shares |
| March 31, 2025: | 1,974,606 shares |

3) Average number of shares outstanding during the period:

| | |
|-----------------------------------|-------------------|
| Three months ended June 30, 2025: | 27,989,318 shares |
| Three months ended June 30, 2024: | 27,989,632 shares |

(Note) The number of treasury shares to be deducted in calculating the number of treasury shares at the end of the period and the average number of shares during the period includes the Company's shares held by the trust account related to the Board Benefit Trust (BBT).

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The earnings forecast is based on the information currently available to the Company and certain assumptions that the Company considers reasonable. Actual results may differ significantly due to various factors. For details related to the earnings forecast, please refer to "1. Overview of business results (1) Overview of business results for the current fiscal year" on page 2 of the attached documents.

(Reference) Non-consolidated Financial Results Forecast

Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | | Basic earnings per share |
|--------------------------------------|-----------------|------|------------------|------|-----------------|------|-----------------|------|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2025 | 26,500 | 20.5 | 2,000 | 41.5 | 2,100 | 37.1 | 1,500 | 36.6 | 53.59 |
| Full year | 54,000 | 13.5 | 4,450 | 1.7 | 4,700 | 1.7 | 3,300 | 0.6 | 117.90 |

(Note) Revision to the financial results forecast announced most recently: None

* Proper use of earnings forecasts, and other special matters

The performance forecasts and other forward-looking statements contained in this document are based on information currently available to the Company, and actual performance may differ significantly due to various factors.

Quarterly Consolidated Financial Statements and Primary Notes

Quarterly Consolidated Balance Sheet

(Millions of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---------------------------------------------------------------------------------------|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 22,761 | 22,002 |
| Notes receivable, accounts receivable from completed construction contracts and other | 14,948 | 11,255 |
| Securities | 589 | 605 |
| Costs on construction contracts in progress | 571 | 826 |
| Raw materials and supplies | 510 | 503 |
| Other | 282 | 376 |
| Allowance for doubtful accounts | (5) | (4) |
| Total current assets | <u>39,658</u> | <u>35,566</u> |
| Non-current assets | | |
| Property, plant and equipment | 12,942 | 12,769 |
| Intangible assets | | |
| Goodwill | 1,068 | 1,004 |
| Other | 866 | 863 |
| Total intangible assets | <u>1,934</u> | <u>1,867</u> |
| Investments and other assets | | |
| Other | 6,177 | 6,013 |
| Allowance for doubtful accounts | (6) | (6) |
| Total investments and other assets | <u>6,171</u> | <u>6,007</u> |
| Total non-current assets | <u>21,048</u> | <u>20,643</u> |
| Total assets | <u>60,707</u> | <u>56,210</u> |
| Liabilities | | |
| Current liabilities | | |
| Notes payable, accounts payable for construction contracts and other | 8,088 | 6,794 |
| Short-term borrowings | 57 | 37 |
| Current portion of long-term borrowings | - | 12 |
| Income taxes payable | 1,115 | 52 |
| Provision for loss on construction contracts | 5 | 14 |
| Other | 4,041 | 2,252 |
| Total current liabilities | <u>13,308</u> | <u>9,164</u> |
| Non-current liabilities | | |
| Long-term borrowings | 74 | 62 |
| Provision for retirement benefits for directors (and other officers) | 30 | 30 |
| Provision for share awards for directors (and other officers) | 10 | 13 |
| Retirement benefit liability | 2,833 | 2,864 |
| Asset retirement obligations | 128 | 128 |
| Other | 429 | 416 |
| Total non-current liabilities | <u>3,505</u> | <u>3,515</u> |
| Total liabilities | <u>16,814</u> | <u>12,679</u> |

(Millions of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|-------------------------------------------------------|----------------------|---------------------|
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 3,328 | 3,328 |
| Capital surplus | 2,852 | 2,852 |
| Retained earnings | 38,110 | 37,751 |
| Treasury shares | (756) | (757) |
| Total shareholders' equity | 43,535 | 43,175 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 375 | 363 |
| Remeasurements of defined benefit plans | (17) | (8) |
| Total accumulated other comprehensive income | 358 | 354 |
| Total net assets | 43,893 | 43,530 |
| Total liabilities and net assets | 60,707 | 56,210 |

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

First quarterly consolidated cumulative accounting period

(Millions of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|----------------------------------------------|---------------------------------------------|---------------------------------------------|
| Net sales | 13,079 | 12,071 |
| Cost of sales | 11,048 | 10,053 |
| Gross profit | 2,031 | 2,018 |
| Selling, general and administrative expenses | 1,549 | 1,632 |
| Operating profit | 481 | 386 |
| Non-operating income | | |
| Dividend income | 13 | 17 |
| Commission income | 19 | 21 |
| Gain on valuation of securities | - | 11 |
| Other | 42 | 52 |
| Total non-operating income | 76 | 101 |
| Non-operating expenses | | |
| Interest expenses | 1 | 1 |
| Other | 3 | 3 |
| Total non-operating expenses | 4 | 4 |
| Ordinary profit | 553 | 482 |
| Extraordinary income | | |
| Gain on sale of investment securities | 82 | 6 |
| Other | 0 | - |
| Total extraordinary income | 82 | 6 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 0 | 1 |
| Impairment losses | 3 | - |
| Other | 0 | - |
| Total extraordinary losses | 4 | 1 |
| Profit before income taxes | 631 | 487 |
| Income taxes - current | 37 | 13 |
| Income taxes - deferred | 203 | 159 |
| Total income taxes | 241 | 173 |
| Profit | 390 | 313 |
| Profit attributable to owners of parent | 390 | 313 |

Quarterly Consolidated Statement of Comprehensive Income

First quarterly consolidated cumulative accounting period

(Millions of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|-------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Profit | 390 | 313 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (45) | (11) |
| Remeasurements of defined benefit plans, net of tax | 8 | 8 |
| Total other comprehensive income | (36) | (3) |
| Comprehensive income | 353 | 310 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 353 | 310 |