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Tamagawa Holdings Announces Marketing of Small Wind Power Generation Equipment as New Product at the Renewable Energy System Sales Operations

Tamagawa Holdings announces that a decision was finalized today at its subsidiary Tamagawa Energy Co., Ltd. to initiate marketing of small wind power generation equipment as a new product group at the subsidiary's Renewable Energy System Sales Operations, with details as follows.

1. Intent of the new product marketing

As part of its environmental operations, the Tamagawa Holdings group not only owns and operates power plants using renewable energy, but also has been engaged in marketing activities to external customers with a view to promote the proliferation and advancement of renewable energy. The operations concerned, referred to as "Renewable Energy System Sales Operations" within the Tamagawa Holdings group, have to date been centered on the marketing of solar energy power generation equipment. However, the environment for solar energy power generation operations today has become severe, as can be seen from the warnings from the Ministry of Economy, Trade and Industry concerning power generation operations and from the changes in its handling of equipment certifications in connection with the fixed-rate price system.

In this setting, in addition to solar energy power generation, the Tamagawa Holdings group has been exploring the possibilities of wind, geothermal, hydro, and biomass energy, etc., as the next sources of renewable energy. As the result of numerous surveys and deliberations, Tamagawa Holdings has now started specific preparations for the inception of marketing operations for small wind power generation equipment.

2. Outline of small-format wind power generation

Small-format wind power generation refers to wind energy power generation equipment with output capacity under 20 kW and a power feed-in period of 20 years. The fact that wind power generation can continue day and night so long as there is wind materially distinguishes wind energy power generation from solar energy power generation, and the view at Tamagawa Holdings group is that wind energy power generation operations will increase in the future.

In establishing the marketing operations of the new power generation equipment distinct from solar energy equipment, in order to verify the reliability and performance, etc., of the product, a small wind power generation unit (output capacity: 19.5 kW) using wind turbine machinery manufactured by C&F Green Energy Japan Inc. (the prospective supplier of the products to be marketed) will be constructed and owned by Tamagawa Holdings on surplus land within the premises of the Tateyama City Large-Scale Solar Power Plant (output capacity: 2,000 kW) of the Tamagawa Holdings group. Notably, Tamagawa Holdings has obtained a permit for the wind power plant from the Ministry of Economy, Trade and Industry, and the approval of the power feed-in from Tokyo Electric Power Co., Inc., with the aim of completing construction and initiating electric power sales by the end of March 2016.

- 3. Outline of the manufacturer of the wind turbine machinery to be marketed

 The manufacturer of the wind turbine machinery to be marketed is C&F Green Energy Japan Inc.,
 belonging to the C&F group headquartered in Ireland. C&F Green Energy Japan Inc. has been engaged
 in the development, manufacture, and installation of small and medium-sized wind power generation
 equipment since 2006. C&F Green Energy Japan Inc. has a track record of over 1,000 wind turbine
 installations in Europe, and many in Ireland, the U.K., Italy, France, and Switzerland, etc. Meanwhile,
 the C&F group is a leading manufacturing group, since 1989 engaged in the design, manufacture, and
 supply of automotive metal and chrome parts shipped to corporations of world renown.

 C&F Green Energy Japan Inc. has, for the wind turbine machinery that Tamagawa Holdings proposes
 to market, received the ClassNK certification of Nippon Kaiji Kyokai required for the equipment
 accreditation in connection with the fixed-rate price system.
 - * ClassNK: Accredited in May 2013 by the Japan Accreditation Board as certification agency for wind power generation products (official type certification for small-sized wind turbines).

4. Wind turbine specifications

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|---------------------------|----------------------|--------------------|
| (1) | Height | 27 m |
| (2) | Rotor diameter | 13.1 m |
| (3) | Number of blades | 3 |
| (4) | Maximum power output | 19.5 kW |
| (5) | Survival wind speed | 59.5 m/s |
| (6) | Cut-in wind speed | 2.2 m/s |
| (7) | Cut-out wind speed | 25 m/s |
| (8) | Inverter | eL Power Co., Ltd. |

^{*} Reference is made to horizontal shaft-type wind power turbines with adjustable blade pitch and active yaw control.

5. Marketing plan, etc.

The small wind power generation equipment which Tamagawa Holdings proposes to market should be installed in areas with wind speeds of 5m/s or higher considering power generation efficiency. Based on the proactive acquisition and development of such areas going forward, Tamagawa Holdings aims to sell 100 units in the next fiscal year. The Tamagawa Holdings group will promote the introduction of small wind power generation equipment as the mainstream in power generation equipment next to solar energy power generation equipment, and aim to further expand its Renewable Energy System Sales Operations.

6. Further outlook (projected)

With respect to the wind power generation equipment proposed to be marketed, the Tamagawa Holdings group will in the current fiscal year hold the equipment in its possession and after final verification of its performance, etc., initiate sales to external customers in the next fiscal year. Consequently, any effects from this initiative on the financial results for the current fiscal year are negligible. Effects on financial results for the next fiscal year will be expediently announced as soon as information becomes available.



