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Tamagawa Holdings Secures Land for "Solar Sharing" under a Non-Current Asset Leasehold Agreement

At the meeting of the board of directors of Tamagawa Holdings convened today it was resolved to enter into a leasehold agreement for categorized land with the land owner in connection with securing commercial-use land for a "Solar Sharing" project as described below.

1. Outline of the "Solar Sharing" project

"Solar Sharing" refers to solar energy power generation operations using crop-producing farmland. In specific detail, supports of the solar energy power generation system will be installed on the farmland and the solar panels will be mounted on the supports. Farming operations will continue on the farmland under the solar panels. Since the sunlight is shared for farming and power generation, this type of land use is referred to as "Solar Sharing" or shared farming and power operations.

"Solar Sharing" enhances the business feasibility by enabling the generation of both income from farming and income from sales of solar energy electric power. This is an innovative approach that enables continued farming operations. It also contributes significantly to resolving the issues of the declining number of farm operators and the re-purposing of abandoned cultivation areas which have been proliferating nationwide.

Tamagawa Holdings Group will continue to use the specific characteristics of land to best effect and accelerate the development of renewable-energy power plants in close cooperation with the localities, so as to contribute to reducing CO2 emission as well as the furtherance of regions and their communities.

2. Outline of the lease

Place	64 Kishi-cho, Shimada city, Shizuoka prefecture, and other locations
Surface area	4,626 m ²
Number of kilowatts installed	Approx. 406kW
Land category	Rice fields
Total lease rate	Disclosure is withheld in accordance with a non-disclosure agreement concluded with the lessor. (For the near term it is planned to pay the lease rates according to the lease agreement out of own funds.)
Outline of the agreement	Leasehold agreement for categorized land with a term of 21 years

3. Outline of the lessor

(1) Name	Ichiro Hitokoto
(2) Address	Shimada city, Shizuoka prefecture
(3) Relation between exchange listed corporations and the lessor	No relation exists with respect to capital, personnel, and transactions. The lessor is a relative of a shareholder of Tamagawa Holdings. The lessor is not an interested party with respect to Tamagawa Holdings.

4. Further outlook

The construction of the solar energy power plant is scheduled to commence after the permits have been officially obtained that are necessary for the development of this "Solar Sharing" project. Based on current planning, the completion of the solar energy power plant is scheduled for late March 2018. Full-scale sales of electric power are therefore scheduled to commence in the next fiscal year or later. Consequently, the effects from this project on the financial results of Tamagawa Holdings group for the current fiscal year will be negligible.

Supplementary information



* The photograph shown above was provided for demonstrational purposes by SMART BLUE Co., LTD.