



March 12, 2021

To whom it may concern,

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Notice on Revision of Performance Forecast

Please be informed that we have revised the consolidated performance forecast announced on May 20, 2020 in consideration of the recent performance trend.

1. Revision of consolidated performance forecast
Revision of full-year consolidated performance forecast value of the year ending March 2021 (April1, 2020 to March 31, 2021)

(Unit: mil. yen)

| | Sales amount | Operating profit | Ordinary profit | Current net profit belonging to the parent company's shareholders | Current net profit per share |
|---|--------------|------------------|-----------------|---|------------------------------|
| Previous forecast (A) | 6,937 | 850 | 713 | 499 | 109.54 |
| Current revision (B) | 6,809 | 225 | 170 | 127 | 23.72 |
| Change (B-A) | △127 | △624 | △543 | △372 | — |
| Change rate | △1.8% | △73.5% | △76.2% | △74.6% | — |
| (Reference) Previous term result (Year ending March 2020) | 6,332 | 805 | 672 | 439 | 96.42 |

Reason for revision

We basically expect the performance will be as the forecast. For the electronic and communication device business, order receipt, production and shipping are in a good state including better transition of 5G related sales than expected at the beginning of the term, and both sales amount and operating profit are expected to exceed the forecast of the beginning of the term. However, for the renewable energy plant business, although sellout of the high-pressure solar power plant in Goto City, Nagasaki Pref. which we own has been agreed upon, such sellout value fell below the expectation, and therefore, the profit is expected to decrease from the forecast of the beginning of the term. We had expected to sell out a smaller solar power plant than Goto Plant in the plan of the beginning of the term, but we decided to sell out Goto Plant first due to the impact of demands and supplies of the market. Therefore, there was no major change in the sales amount. As the reason why the sellout amount of Goto Plant fell below the expectation, the current term had a long period of bad climate where solar insolation performance from June to July fell below normal years and power generation amount was not good. This gives a downward impact to the price appraisal for sellout of the

power plant, and also there is an impact of excessive supply as there are many solar power plants in Kyushu region.

The background where we executed the sellout at the price of which profit was below the expectation is based on the strategy of responding to demands from the society by securing risk dispersion, profitability and mobility, enhancing our financial nature through drastic reduction of the debt and accelerating development of new renewable energy source by selling out the megasolar plant which is large scale per unit and accelerating development of small wind power plants which are small scale per unit.

Under such circumstances, as a result of reviewing the order receipt status of each business segment and such accuracy, the full-year consolidated performance forecast of the term ending March 2021 was revised downward from the initial plan by 127 mil. yen of sales amount, 624 mil. yen of operating profit and 372 mil. yen of the current net profit belonging to the shareholders of the parent company.

Since the current net profit belonging to the shareholders of the parent company may possibly change due to the impact, etc. of estimate regarding the tax effect accounting, we will immediately announce when any new event occurs which may give a significant impact.

Our group will continue to make effort to further expand our corporate value and maximize the profit.

(Note) The above performance forecast has been created based on the information currently available, and the actual performance may hereafter differ from the forecast value due to various factors.